True Green
Renewable & Sustainable
HARIOM

HARIOM®
PIPES | SCAFFOLDING | COILS

# CREATING SUSTAINABLE IMPACT THROUGH EVERY PIPE




**Annual Report**
**2025-26**

## Introducing

# PIPPO

**PIPPO — Product Integrity, Performance & Partnership Officer**

**Meet PIPPO, the embodiment of what we stand for.**




Crafted in the spirit of steel, PIPPO represents our unwavering commitment to product integrity, dependable performance and lasting partnerships. As our official brand mascot and ambassador, PIPPO personifies the strength, precision and reliability that are integral to everything we do.

From showcasing our products and celebrating milestones to championing sustainability through our True Green Initiative, PIPPO brings our brand values to life in a distinctive and engaging way.

Strong in purpose. Reliable in performance. Built for lasting partnerships.

## Our Brands and Trademarks

Hariom Pipe Industries Limited owns and operates a diverse portfolio of trademarks and brand names that represent our products, innovations, and business values. The following names and logos are proprietary to the Company and are used under applicable trademark protections.

- HARIOM PIPES
- HPIL
- HARIOM OORJA
- ZINCON
- 360 PRIME
- RACKX
- TRUE GREEN
- SAHI AUR MAJBHOOT CHUNO
- PIPPO
- BUILD MASTER
- DURA EDGE
- HARIOM VEER
- WILL TO WORK
- HARIOM GROUP
- GOLAS

# Highlights of FY 2025-26

FY 2025-26 marked a year of steady growth, stronger operating discipline and improved financial resilience for Hariom Pipe Industries Limited. The Company continued to strengthen its value-added product portfolio, improve capacity utilisation, expand market reach and enhance working capital efficiency, resulting in healthier cash generation and a stronger balance sheet. With an integrated manufacturing model, diversified product offerings and an established presence across key markets, Hariom remains focused on pursuing sustainable and profitable growth while maintaining disciplined capital allocation and operational efficiency.

## Financial

**₹1,667 Cr**
Revenue
↑ 23%

**₹209.43 Cr**
EBITDA
↑ 19%

**₹75.83 Cr**
Profit After Tax
↑ 23%

## Operational

**98%**
Revenue from Value-added Products

**2.89 Lakh MT**
Sales Volume
↑ 18%

**₹7,258**
EBITDA per MT
↑ 2%

## Sustainability

**4.00 MW**
Renewable Energy Capacity

**21%**
Customers Associated with us for 5+ Years

**₹1.51 Cr**
CSR Expenditure

**ZERO**
Whistleblower Complaints

**~30k MT**
Recycled Steel Used

↑ y-o-y Growth

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# Prelude

Strategic clarity defines the trajectory of Hariom Pipe Industries Limited, where investments and operational initiatives are directed towards responsible and value-accretive growth. Over the years, the Company has evolved from a regional steel products manufacturer into a more integrated and diversified enterprise, supported by an expanding value-added steel portfolio, a vertically integrated manufacturing platform and emerging initiatives in renewable energy. This evolution reflects our endeavour to strengthen the core business while building capabilities aligned with future opportunities.



## FORGING THE FUTURE.

## CREATING SUSTAINABLE VALUE.

Innovation and continuous improvement remain important enablers of this journey. Our progress is supported by an expanding manufacturing platform, a diversified product portfolio and enduring relationships across our dealer, institutional and B2B network. As we move forward, our focus is on improving capacity utilisation, enhancing plant efficiencies, strengthening our value-added offerings and broadening our market reach while preserving financial and operational discipline.

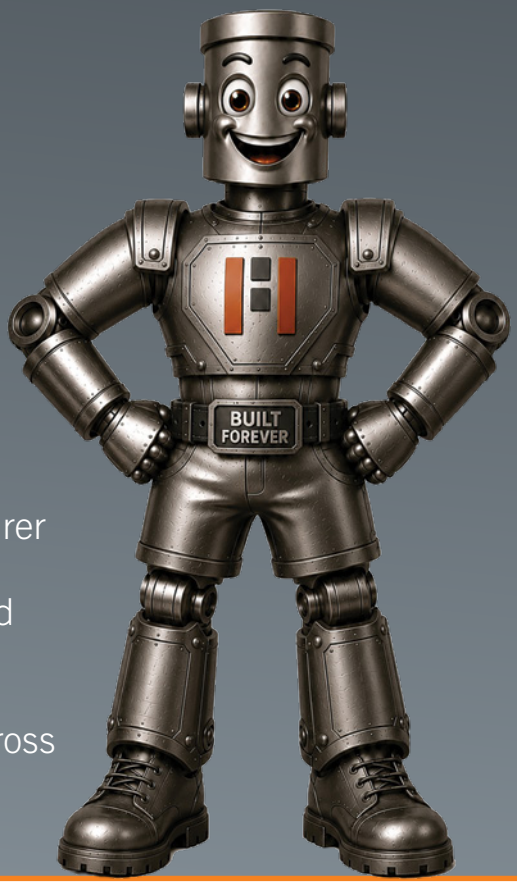
At the same time, we believe that enduring progress must create value beyond immediate growth. Our investments in renewable energy and future-ready capabilities reflect a longer-term approach towards building a more resilient business. By balancing operational excellence with disciplined capital allocation, efficient resource utilisation and a growing focus on sustainable initiatives, we seek to create lasting value for all our stakeholders while strengthening Hariom for the opportunities ahead.


BUILT
FOREVER

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## About Us

# Empowering Modern Industries through Integration




We have evolved into a vertically integrated steel manufacturer with capabilities spanning the key stages of the steel value chain, including sponge iron, billets, pipes, tubes, cold rolled products, galvanised products and scaffolding systems. Through sustained investments in capacity, technology and product diversification, we continue to bolster relevance across infrastructure, construction, renewable energy, agriculture, automotive, engineering and industrial sectors.

Our focus on value-added products and commitment to manufacturing excellence enhance operating efficiency, strengthen competitiveness and support sustainable value creation. Combined with scale, operational agility and a customer-centric approach, these strengths enable us to deepen our market presence and build enduring relationships across diverse customer segments.

As India accelerates investments in infrastructure, manufacturing and the energy transition, we remain focused on disciplined execution, prudent capital allocation and advancing our renewable energy initiatives. Supported by a resilient business model and agile strategic direction, we believe we are well-positioned to participate in India's next phase of industrial and economic development while pursuing sustainable and profitable growth.

## Our Vision

To achieve sustainable growth and industry leadership through geographical and value-added product portfolio expansion. To relentlessly work to ensure that every stakeholder benefits in our growth journey.

## Our Mission

To meet the highest standards of customer expectations in terms of quality products, service, experience and trust.



# Hariom at a Glance

**18+**
Years of Rich Industry Experience

**~115 ACRES**
Manufacturing Infrastructure

**05**
State-of-the-art Manufacturing Units

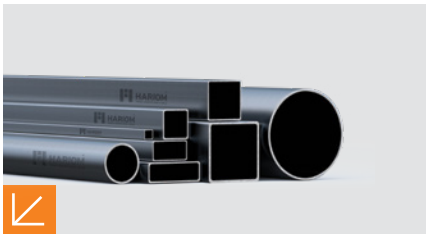
**LEADING**
Vertically Integrated Iron and Steel Manufacturer

**800+**
SKUs in Product Portfolio

**900+**
Dealers & B2B Clients across India

# Our Offerings


Sponge Iron


Mild Steel (MS) Pipes and Tubes



Cold Rolled (CR) Pipes and Coils


MS Billets


Scaffolding Systems


Galvanised Pipes and Coils (GP)


Hot Rolled (HR) Strips


Hot Rolled Pickled and Oiled (HRPO) Pipes and Coils

Core & Intermediate Products
Value-added Products

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## What Sets Us Apart

# Securing Market Edge through Differentiated Capabilities

Our competitive strength is rooted in a unique combination of integration, scale and value addition, positioning us as a trusted partner across industries. Leveraging strong brands, diversified product portfolio and manufacturing excellence, we deliver differentiated products that address diverse customer requirements while expanding our market presence and strengthening our position in specialised product segments.

### Integrated Manufacturing Ecosystem

With capabilities spanning sponge iron, billets, hot rolled strips, pipes, tubes, cold rolled products, galvanised products and scaffolding systems, we operate a vertically integrated steel manufacturing value chain, backward linked from sponge iron to finished products. This integration enhances operational efficiency, strengthens quality control and brings greater cost competitiveness, supporting sustainable value creation across markets.

**7,85,232 MTPA**

Total Installed Capacity

### Diversified Portfolio and Trusted Brands

A broad product portfolio and strong brand presence help us serve diverse customer requirements across infrastructure, renewable energy, construction, industrial and engineering applications. Paired with enduring customer relationships, these differentiators also widen our market access and strengthen relevance.

**10**

Major Product Lines

### Value-added Products

Our strategic focus on value-added products has fortified our market positioning and profitability. This emphasis on innovation augments margin and allows us to cater to evolving customer requirements across a vast range of sectors.

**98%**

Revenue from Value-added Products

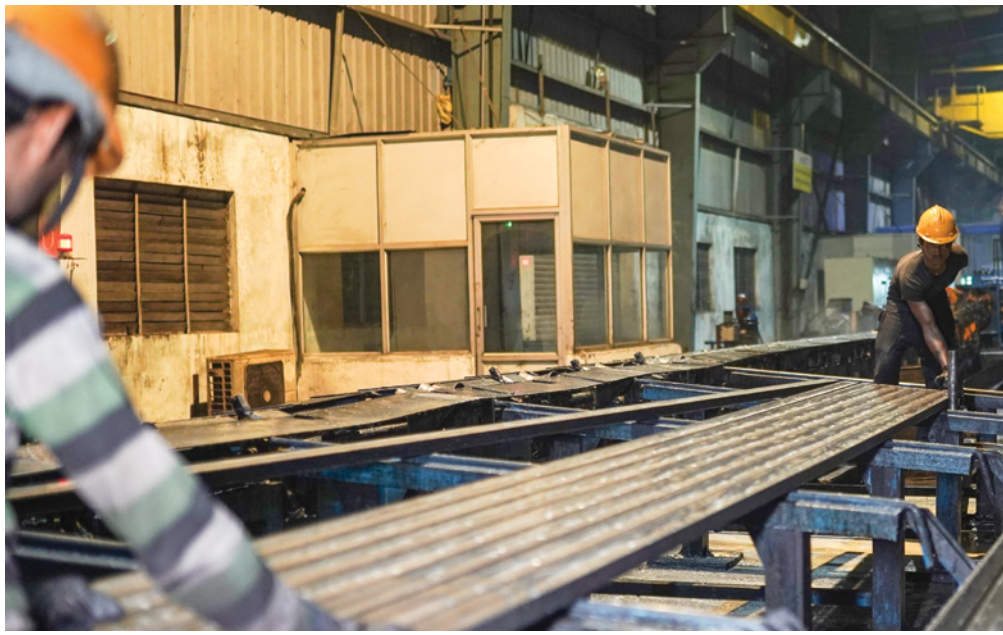


## Manufacturing Scale

Our strategically located manufacturing facilities provide the scale, flexibility and responsiveness required to serve diverse markets efficiently. This robust manufacturing base supports consistent quality and operational reliability.

5

State-of-the-art Manufacturing Units



## Quality Excellence

Our unwavering focus on quality, supported by robust processes and certified management systems, enables us to deliver trusted, high-performance products for a diverse customer base.

3

ISO Certifications: Quality, Environment & Safety

## Leadership in Thin Steel Segment

We have established a strong presence in India's specialised thin steel segment, supported by our integrated manufacturing capabilities, product expertise and focus on value-added offerings. Our ability to manufacture thin-gauge steel products enables us to address diverse customer requirements across a wide range of applications while strengthening our competitive positioning.

Specialised Thin Steel Manufacturing Capabilities

## Operational Excellence

Continuous focus on productivity, process optimisation and customer-centric execution has helped us achieve robust volume growth while strengthening operating performance.

2.89 LAKH MT

Sales Volume Achieved in FY 2025-26

## Strong Market Reach

We have built a wide distribution network that facilitates deep market penetration and strong customer engagement. Long-standing relationships with dealers and institutional customers continue to support sustainable business growth.

900+

Dealers and B2B Clients across India

~80%

Sales through Dealer Network

## Commitment to Sustainable Growth

We are embedding sustainability into our growth strategy through renewable energy adoption, resource efficiency and responsible manufacturing, thereby reducing our environmental impact and strengthening long-term competitiveness.

60 MW

Solar Power Project across 13 locations in Maharashtra under MSKVY 2.0 – PM-KUSUM Feeder Level Solarisation Scheme

## Experienced Leadership

Guided by experienced promoters and a seasoned leadership team, we fortify our capabilities, expand our footprint and foster lasting stakeholder value.

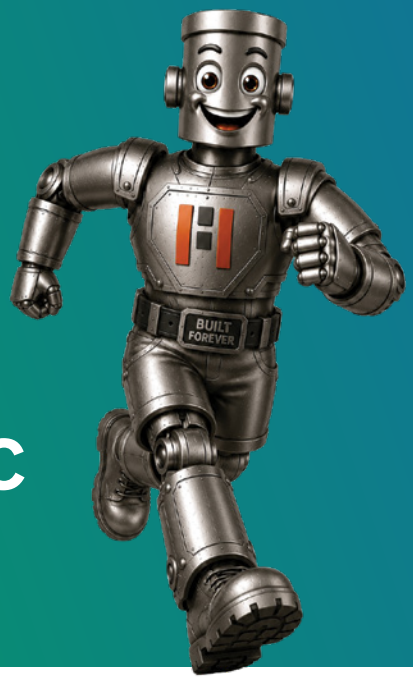
30+

Years of Promoters' Domain Expertise

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## Our Journey

# Forging Progressive Steps through Strategic Value Addition




### 2007

- Incorporated as Hariom Concast and Steels Private Limited

### 2008

- Commenced Furnace Division operations

### 2010

- Started Rolling Mill Unit
- Commissioned Pipe Mill Unit-I

### 2023

- Unveiled GP Unit at Mahabubnagar with 1,20,000 MTPA capacity
- Raised ₹102.85 crore through warrants and equity shares

### 2024

- Acquired GP / GI operating assets at Perundurai, Tamil Nadu
- Added 10+ value-added products, including GP Pipes and Coils
- Ramped up Pipe Mill capacity to 1,32,000 MTPA
- Mobilised another ₹86.65 crore through warrants and equity shares

### 2025

- Received Letter of Award for a 60 MW Solar Power Project
- Incorporated Hariom Power and Energy Private Limited
- Achieved highest-ever sales volume of 2.45 lakh MT
- Generated highest-ever revenue of ₹1,357 crore
- Leased Ultra Pipes assets with 84,000 MTPA capacity on a 99-year lease

**Our journey since 2007 reflects a conscious and sustained transformation driven by manufacturing excellence, strategic capacity building and a consistent focus on value addition. Over the years, this approach has powered our evolution from a modest steel manufacturing enterprise into a leading integrated steel products company, with capabilities spanning the entire value chain.**

## 2011

- Operationalised Pipe Mill Unit-II
- Established Scaffolding Unit

## 2017

- Launched Slitting Line

## 2018

- Converted into a Public Limited Company
- Renamed as Hariom Pipe Industries Limited

## 2019

- Expanded Furnace, Rolling Mill and Pipe Mill capacities
- Increased installed manufacturing capacity to 2,64,832 MTPA

## 2020

- Acquired Sponge Iron Unit at Ananthapur, Andhra Pradesh
- Added 36,000 MTPA Sponge Iron capacity
- Strengthened backward integration across the value chain

## 2022

- Raised ₹130 crore through Initial Public Offering
- Expanded Furnace capacity to 1,04,232 MTPA
- Increased Rolling Mill capacity to 1,24,000 MTPA
- Enhanced Scaffolding capacity to 5,000 MTPA

## 2026

- **Expanded MS Tubes capacity at Mahabubnagar from 1,32,000 MTPA to 2,16,000 MTPA**
- **Increased total installed capacity from 7,01,232 MTPA to 7,85,232 MTPA**
- **Surpassed the previous record to achieve sales volume of approximately 2.89 lakh MT**
- **Registered highest-ever Revenue from Operations of approximately ₹1,667 crore**
- **Advanced the 60 MW AC solar power project across Maharashtra under the MSKVY – PM-KUSUM Feeder Level Solarisation Scheme**
- **Incorporated Metal Mart Private Limited to support future initiatives in trading of metals, steel and allied products**

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# Our Offerings

# Diversifying Offerings to Drive Secular Growth

Our evolving product portfolio blends essential raw materials and intermediate products with high-margin, specialised solutions. By strategically expanding our value-added offerings, we have created a powerful engine for profitability and market competitiveness. Supported by integrated manufacturing excellence, this diverse portfolio allows us to rapidly adapt to and meet the unique demands of a broad spectrum of industries.

## Core & Intermediate Products

Our integrated product portfolio spans the steel value chain, from critical raw materials to value-added finished products, enabling quality consistency, operational efficiency, cost competitiveness and diversified revenue generation across multiple end-use industries.




**98%**

Revenue from Value-added Products

### Sponge Iron

A key raw material produced through the direct reduction of iron ore, supporting steelmaking and strengthening backward integration.

**Applications**

- Steel manufacturing
- Downstream steelmaking
- Industrial applications

**Strategic Role**

Strengthens raw material security and cost efficiency.



## MS Billets

Semi-finished steel products that serve as an essential input for downstream manufacturing processes.

### Applications

- Rolling and downstream steel manufacturing
- Pipes and structural steel products
- Engineering applications

### Strategic Role

Ensures quality consistency across the value chain.



## Hot Rolled Strips

Produced through the rolling of billets, forming the foundation for a range of downstream steel products.

### Applications

- Pipe manufacturing
- Structural fabrication
- Engineering components

### Strategic Role

Supports integrated manufacturing and operational efficiency.



## MS Pipes & Tubes

A flagship product category offering strength, versatility and reliability across diverse applications.

### Applications

- Infrastructure and construction
- Automotive applications
- Furniture and fabrication

### Strategic Role

Remains a key revenue driver with strong market acceptance.



## Our Offerings

### Scaffolding Systems

Engineered solutions designed to support safety, efficiency and flexibility across construction projects.

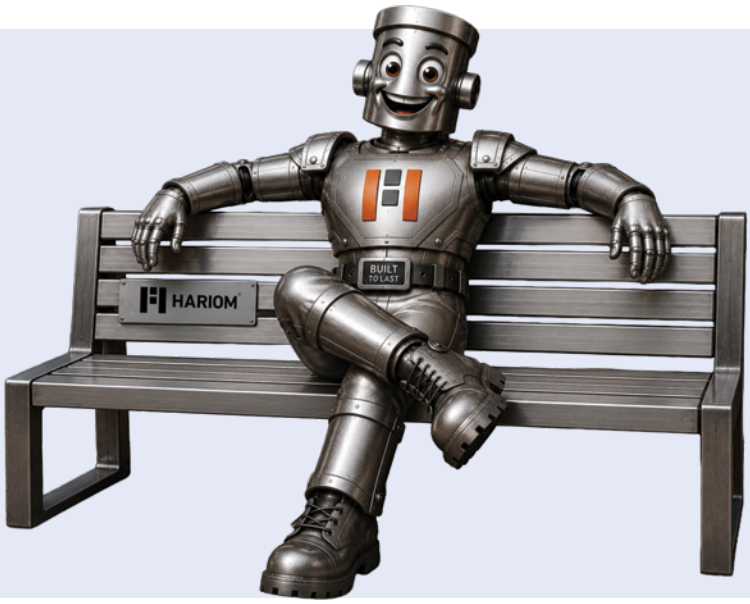
**Applications**

- Construction projects
- Industrial maintenance
- Infrastructure applications

**Strategic Role**

Expands our offerings within the construction ecosystem.






## Value-added Solutions

Our value-added products serve infrastructure, engineering, renewable energy, automotive and industrial manufacturing sectors. With enhanced functionality, application-specific utility, superior performance, durability and precision, these products fortify our presence in higher-margin segments and augment customer relevance.

### HRPO Coils

Hot rolled pickled and oiled coils with a cleaner surface finish and protection against corrosion.

**Applications**

- Automotive components
- Fabrication and engineering
- Pipe manufacturing



## CRCA Coils

Cold Rolled Closed Annealed coils offering superior finish, formability and dimensional accuracy.

### Applications

- Precision engineering
- Storage systems
- Electrical appliances



## CRFH Coils

Cold Rolled Full Hard coils offering controlled thickness, dimensional consistency and suitability for further processing.

### Applications

- Cable trays
- Tubes and pipes
- Infrastructure projects



## Galvanised Coils

Corrosion-resistant coils supporting structural, industrial and renewable energy applications.

### Applications

- Solar structures
- Pre-engineered buildings
- Engineering applications



## Galvanised Pipes (GP & GI Pipes)

Durable, corrosion-resistant pipes suited for outdoor and moisture-intensive environments.

### Applications

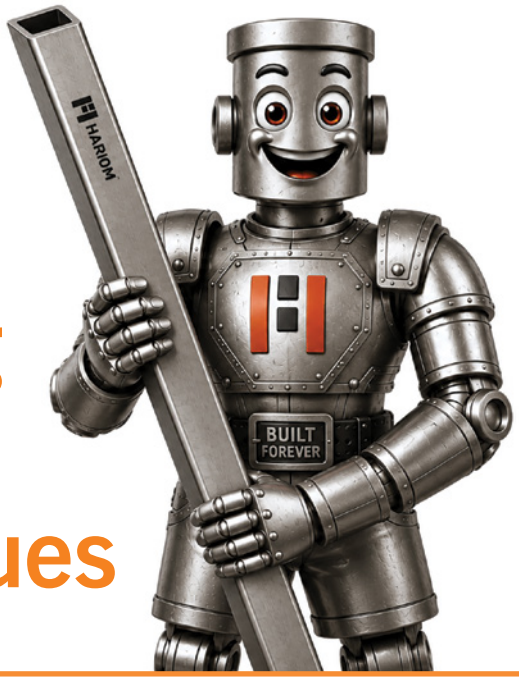
- Plumbing systems
- Irrigation networks
- Railways and infrastructure



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## Group Companies

# Tapping into Emerging Opportunities through Complementary Avenues




## Hariom Power & Energy Private Limited (HPEPL)

### Advancing Our Renewable Energy Ambitions



Hariom Power & Energy Private Limited serves as the Group's renewable energy SPV, with an initial focus on solar power generation.

The Company is currently executing a 60 MW AC solar power project awarded under the LOA and subsequent PPA with Maharashtra State Electricity Distribution Company Limited (MSEDCL). This marks our entry into the renewable energy sector, providing a platform to participate in India's growing clean energy landscape.

**Growth Potential**

- Participation in India's widening renewable energy ecosystem
- Creation of a scalable and dedicated platform for clean energy growth
- Support for the Group's broader sustainability objectives
- Diversification of future revenue streams beyond manufacturing

**Key Highlights of FY 2025-26**

- 60 MW AC solar power project under implementation
- Project planned across 13 locations in Maharashtra
- Land acquisition completed for 8 locations covering approximately 123 acres as of March 31, 2026
- Capacity tied up stood at 38 MW AC out of the planned 60 MW AC
- Dedicated platform for renewable energy growth.

While cementing our steel leadership, we are simultaneously building complementary growth platforms to broaden our long-term business opportunities. Our expanded corporate ecosystem targets high-potential sectors such as renewable energy and customer-centric solutions. By scaling these strategic business units, we successfully maximise market opportunities, diversify our revenue streams and accelerate our long-term growth momentum.

Together, these complementary initiatives are expected to broaden our industrial presence and strengthen the resilience of our business model, positioning us to respond effectively to evolving economic and industry trends.

# Metal Mart Private Limited

## Building a Customer-centric Market Platform



Metal Mart Private Limited was incorporated during FY 2025-26 as a dedicated platform for trading and distribution of steel, metal and allied products, with the objective of supporting the Group's market expansion initiatives.

Focused on the trading and distribution of metals, steel and allied products, it is envisioned as a complementary platform to Hariom's core manufacturing business, with the potential to strengthen market access and support the Group's long-term growth ambitions. The business model is intended to serve dealers, fabricators, engineering companies, infrastructure customers and other industrial consumers.

### Growth Potential

- Opportunity to fortify customer connectivity across markets
- Enhanced participation in trading and distribution activities
- Ability to broaden market reach and customer access
- Platform to support future expansion into adjacent steel and allied product categories

### Key Highlights of FY 2025-26

- Incorporated on January 22, 2026
- Hariom Pipe Industries Limited holds a 70% equity stake in the Company
- Established as a platform for the proposed trading and distribution of metals, steel and allied products
- Remained in the incorporation / initial setup stage as of March 31, 2026
- No commercial operations commenced during FY 2025-26

# Presence

# Driving Sustainable Expansion through Trusted Logistics

Long-standing relationships with dealers, fabricators and institutional customers form the core of our regional dominance across Southern India and parts of Western India. Operating as a customer-first organisation, we have turned logistical reach and deep market penetration into a formidable strategic advantage, creating a robust platform for scalable revenue and sustainable market expansion.

**900+**
Dealers and B2B Clients

**~20%**
Direct B2B Sales

**~80%**
Sales through Dealer Network

## Our Network

### Telangana

| | |
|---|---|
| 259 | Dealers & B2B Clients |
| 16 | District Coverage |

### Karnataka

| | |
|---|---|
| 200 | Dealers & B2B Clients |
| 29 | District Coverage |

### Tamil Nadu

| | |
|---|---|
| 150 | Dealers & B2B Clients |
| 24 | District Coverage |

### Andhra Pradesh

| | |
|---|---|
| 156 | Dealers & B2B Clients |
| 20 | District Coverage |

### Kerala

| | |
|---|---|
| 102 | Dealers & B2B Clients |
| 14 | District Coverage |

### Maharashtra

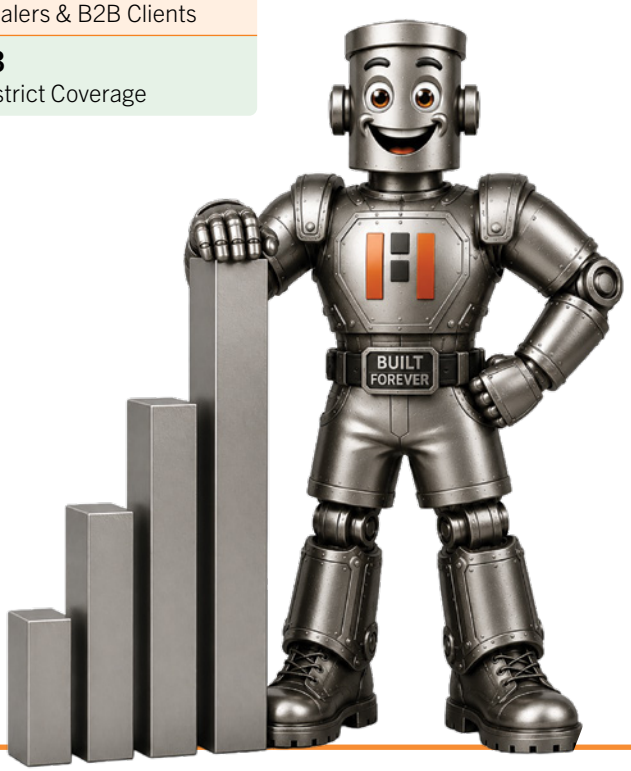
| | |
|---|---|
| 44 | Dealers & B2B Clients |
| 13 | District Coverage |

### Other States

| | |
|---|---|
| 55 | Dealers & B2B Clients |
| 33 | District Coverage |

## Strong Market Reach and Customer Relationships

- Extensive network of steel traders and manufacturers across key markets in Southern and Western India
- Long-standing dealer relationships supported through targeted regular customer engagement and market development initiatives
- Efficient direct-to-dealer model that eliminates intermediaries and augments pricing competitiveness
- Close engagement with fabricators through personalised interactions, informal meetings and regular dealer connect programmes
- Continuous market intelligence through active participation in industry events, trade fairs and exhibitions









Mahabubnagar
Unit-I, Telangana




Mahabubnagar
Unit-IV, Telangana




Ananthapur
Unit-II, Andhra Pradesh




Perundurai
Unit-III, Tamil Nadu



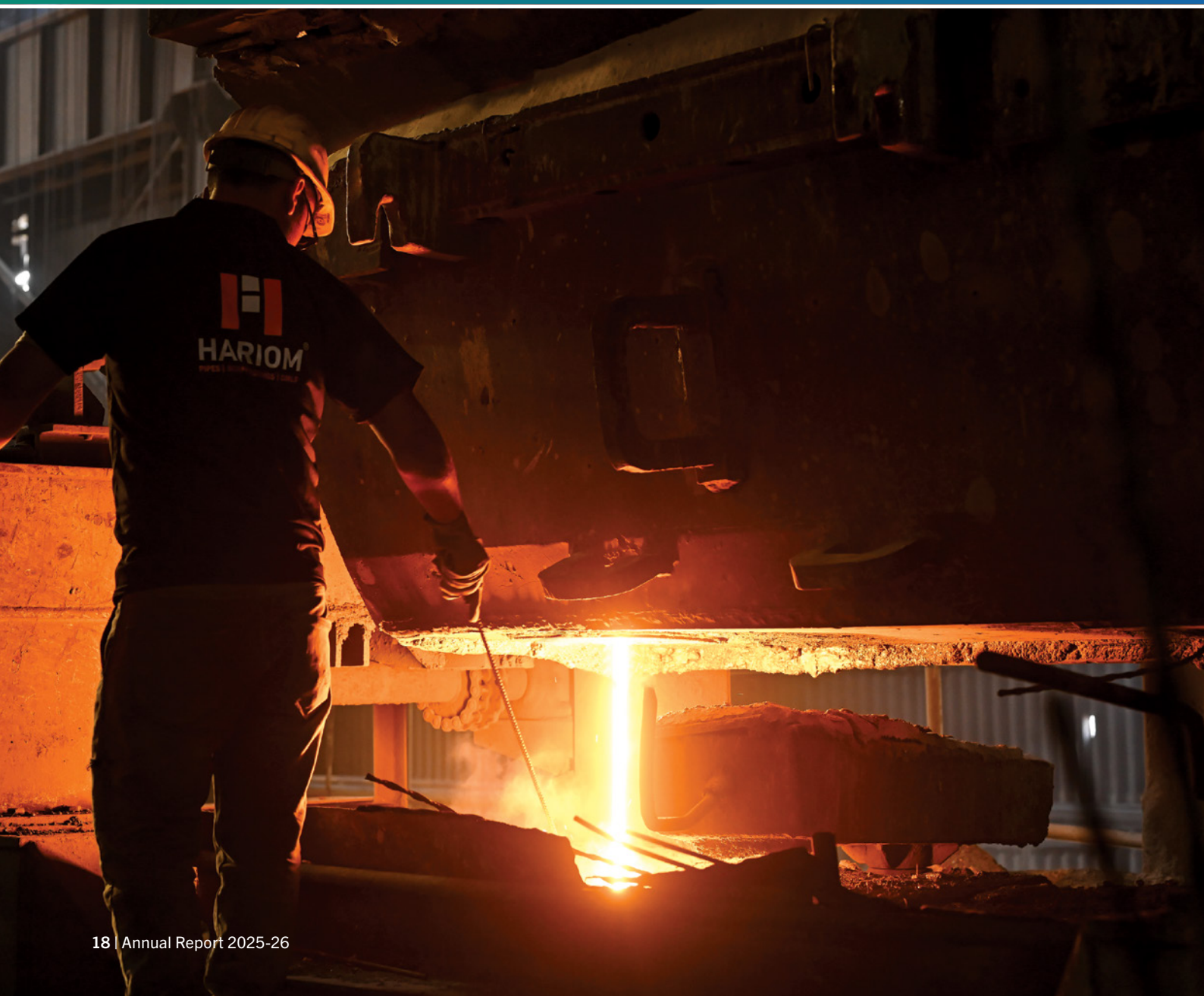

Mahabubnagar
Unit-V, Telangana

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## Capacity

# Leveraging Manufacturing Excellence for Agile Progress

We leverage a robust, integrated manufacturing framework to drive cost efficiencies and supply chain reliability. Spanning Telangana, Andhra Pradesh and Tamil Nadu, our facilities deliver premium-quality raw materials, intermediate products and value-added steel solutions. This strategic geographic footprint and optimised infrastructure allow us to consistently strengthen our portfolio versatility and market leadership with adaptable and scalable capacity.



## Manufacturing Expanse

| | | |
|---|---|---|
| **7,85,232 MTPA**<br>Total Installed Capacity | **2,64,232 MTPA**<br>Raw Material Capacity | **5 FACILITIES**<br>Across Southern India |
| **~65 ACRES**<br>Available for Future Expansion | **~115 ACRES**<br>Manufacturing Infrastructure | **5,21,000 MTPA**<br>Finished Goods Capacity |

## Strategic Manufacturing Advantages

### Integrated Value Chain

We bring an integrated manufacturing ecosystem spanning the steel value chain, from sponge iron and billets to pipes, tubes and value-added steel products. This integration enhances supply reliability, improves operational efficiency, supports cost efficiency and provides greater control over product quality.

### Focus on Value-added Products

We consistently fortify our portfolio of value-added products to support profitability, diversify applications and strengthen our competitive positioning across multiple end-use sectors.

### Quality Assurance

We place quality at the core of our operations, supported by stringent process controls, advanced testing mechanisms and continuous monitoring. Our focus is strengthened by ISO certifications for Quality, Environmental and Occupational Health & Safety Management Systems.

### Strategic Location Advantage

We leverage the strategic locations of our facilities in Telangana, Andhra Pradesh and Tamil Nadu. This geographic presence provides proximity to raw material sources, consumption centres and key logistics infrastructure, facilitating efficient operations and faster customer service.

### Future-ready Infrastructure

We have developed a robust manufacturing footprint spanning approximately 115 acres, with around 65 acres available for future expansion. This allows us the flexibility to scale operations and capitalise on emerging opportunities across the steel value chain.

### Operational Excellence

We continuously invest in process improvement, technology upgradation and manufacturing excellence. These interventions augment productivity, optimise resource utilisation and maintain consistent product quality across facilities.

## Capacity across Product Categories

| | | |
|---|---|---|
| **36,000 MTPA**<br>Sponge Iron | **1,04,232 MTPA**<br>MS Billets | **1,24,000 MTPA**<br>HR Strips |
| **2,16,000 MTPA**<br>MS Tubes | **5,000 MTPA**<br>Scaffolding | **3,00,000 MTPA**<br>Galvanised Pipes & Coils |

**7,85,232 MTPA Total Capacity**

# Our Manufacturing Footprint

## Unit I, Mahabubnagar, Telangana
Integrated Steel Products & Pipe Manufacturing Cluster



### Key Products
- MS Billets
- HR Strips
- MS Pipes & Tubes
- Scaffolding Systems

### Installed Capacity
**4,49,232 MTPA**

### Strategic Highlights
- Forms the core integrated manufacturing hub of the Company
- Converts steel inputs into billets, HR strips and downstream finished products
- Strengthens integration from intermediate steel products to MS tubes and scaffolding
- Includes the Ultra Pipes manufacturing facility, adding scale and flexibility to the Company's pipe manufacturing capabilities
- Supports operational efficiency, quality consistency and supply reliability across the value chain
- Enhances the Company's ability to serve infrastructure, construction, engineering and other industrial applications

## Unit II, Ananthapur, Andhra Pradesh
Sponge Iron Manufacturing Hub



### Key Products
Sponge Iron

### Installed Capacity
**36,000 MTPA**

### Strategic Highlights
- Bolsters backward integration strategy
- Enhances raw material security and supply stability
- Supports cost optimisation across manufacturing operations
- Forms a critical link in the integrated value chain

## Unit III, Perundurai, Tamil Nadu
Value-added Galvanised Products



### Key Products
- Galvanised Pipes & Coils
- Value-added Steel Products

### Installed Capacity
**1,80,000 MTPA**

### Strategic Highlights
- Serves as a dedicated value-added products manufacturing hub
- Caters to infrastructure, engineering and industrial applications
- Widens presence in Southern India
- Drives growth in higher-margin product categories

## Unit IV, Mahabubnagar, Telangana
Value-added Galvanised Products



### Key Products
Galvanised Pipes & Coils

### Installed Capacity
**1,20,000 MTPA**

### Strategic Highlights
- Expands value-added product capabilities
- Aligns with growing demand for corrosion-resistant products
- Augments manufacturing flexibility and product diversification
- Strengthens participation in infrastructure-led opportunities

## Unit V, Mahabubnagar, Telangana
Ultra Pipes – State-of-the-Art ERW Pipes & Tubes Mill



### Key Products
Black and pre-galvanised hollow sections

### Installed Capacity
**84,000 MTPA**

### Strategic Highlights
- Ultra Pipes manufacturing facility, adding scale and flexibility to the Company's pipe manufacturingcapabilities
- Supports operational efficiency, quality consistency and supply reliability across the value chain
- Enhances the Company's ability to serve infrastructure, construction, engineering and other industrial applications

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# Managing Director's Perspective

# Fortifying Structural Moats for Sustainable Value Creation



## Dear Shareholders,

In a year marked by evolving market conditions, geopolitical shifts and accelerating industrial transformation, resilience remained central to organisational success. Despite global headwinds, India's economic fundamentals stayed robust, supported by infrastructure-led growth, expanding manufacturing activity and favourable policy initiatives.

Momentum across construction, engineering, automotive and renewable energy strengthened the steel outlook, reaffirming its role in long-term economic development. As structural growth drivers reshape the industrial landscape, steel producers must go beyond meeting demand to deliver innovation, efficiency and responsible growth.

Against this backdrop, FY 2025-26 was defined by disciplined execution and strategic progress. We strengthened our integrated manufacturing platform, improved operating efficiencies and expanded value-added offerings to meet evolving customer needs. A sharp focus on profitability, cash generation and prudent capital allocation fortified our structural moats and customer relationships, while investments in renewable energy and future-ready capabilities laid the foundation for resilient, sustainable growth.

### Financial Performance

The year marked another milestone in our growth journey, reflecting the strength of our business model and execution of strategic priorities. In FY 2025-26, Revenue from operations increased 22.8% to ₹1,667 crore, EBITDA grew 19.4% to ₹209 crore and profit after tax rose 22.8% to ₹76 crore. Sales volumes surged 18% to 2.89 lakh MT, supported by higher throughput, strong demand across key end-use industries and continued market penetration.

Beyond scale, we continued to improve the quality of our earnings. Our focus on value-added products, cost optimisation and integrated operations enabled us to maintain healthy margins despite volatility in steel prices and input costs. Value-added products accounted for 96% of total sales volumes, reflecting our transition towards a more differentiated, higher-margin product mix. Continuous efficiency improvements across the value chain helped EBITDA per MT reach ₹7,258, reaffirming our focus on sustainable value creation through innovation, productivity enhancement and customer centricity.

We also strengthened our financial position. Operating cash flow improved to ₹192 crore, translating into 92% EBITDA-to-cash conversion, while net worth increased to ₹647 crore. Return ratios remained healthy, with ROCE at 20.7% and ROE at 11.7%. Prudent capital allocation and disciplined balance sheet management resulted in a Debt-to-Equity ratio of 0.54x and an improved Net Debt-to-EBITDA ratio of 1.65x. These results demonstrate the resilience of our integrated model, our focus on profitable, cash-generative growth and the financial flexibility to pursue future opportunities.

### Operational Review

Operational excellence remains a key differentiator supporting competitiveness and sustainable value creation. During FY 2025-26, we further strengthened our integrated manufacturing ecosystem, ramped up production capabilities and improved asset utilisation. With installed capacity of 7,85,232 MTPA across five manufacturing facilities, we are well-positioned to capitalise on future growth while maintaining operational agility.

Our integrated operations span the steel value chain, from sponge iron and billets to hot rolled sheets, CRFH coils, CRCA coils, galvanised products, pipes, tubes and scaffolding systems. This integration provides greater control over quality, costs and supply reliability while enabling

**"The year marked another milestone in our growth journey, reflecting the strength of our business model and execution of strategic priorities. In FY 2025-26, Revenue from operations increased 22.8% to ₹1,667 crore, EBITDA grew 19.4% to ₹209 crore and profit after tax rose 22.8% to ₹76 crore."**

**₹7,258**
EBITDA per MT

**11.7%**
ROE

faster response to changing market requirements. Our hot charging process enables direct transfer of billets into rolling operations, improving productivity and energy efficiency while reducing fuel consumption. Backward integration and continuous process optimisation further strengthen cost competitiveness and margin resilience.

During FY 2025-26, we achieved improved throughput across key manufacturing units, supported by better utilisation of available capacities and focused operational execution.

## Building New Growth Platforms

While strengthening our core steel business remains our foremost priority, we are equally focused on building complementary growth platforms.

A defining milestone was our entry into renewable energy through Hariom Power & Energy Private Limited. Our 60 MW AC solar power project progressed during the year, marking the Group's strategic entry into renewable energy. As at March 31, 2026, land acquisition had been completed for eight locations covering approximately 123 acres, capacity tied up stood at 38 MW AC and work had commenced at six locations.

Backed by a long-term PPA with MSEDCL, the project is expected to provide revenue visibility upon commissioning and broaden the Group's participation in India's renewable energy ecosystem.

We also incorporated Metal Mart Private Limited as a dedicated platform proposed to engage in the trading and distribution of metals, steel and allied products. The entity remained at the initial setup stage as of March 31, 2026, and had not commenced commercial operations during FY 2025-26. Together, these initiatives reflect our intent to broaden growth platforms, deepen market connectivity and progressively build a more resilient, future-ready enterprise.

## Creating Value Responsibly

We view responsible manufacturing as a safeguard for our future relevance. We are redesigning our resource mix through process optimisation, solar investments and greater utilisation of recycled inputs, delivering the dual benefit of reducing our environmental footprint and enhancing operational efficiency.

Simultaneously, we are contributing to social development through focused CSR initiatives supporting child welfare, healthcare and education, reaching communities across areas of intervention identified by the Company. Internally, we prioritise a zero-harm, inclusive workplace that fosters continuous learning and empowers our people to drive shared success.

This ecosystem is underpinned by a robust corporate governance structure. Guided by transparency and accountability, we seek to ensure that operational decisions create ethical, enduring value for all stakeholders.

## Strategic Road Ahead

Moving forward, we will prioritise sustainable, quality growth over pure volume, supported by disciplined working capital management, healthy cash flows and a strong integrated manufacturing platform. Optimising capacity utilisation and expanding our value-added product mix, particularly galvanised and specialised steel products, will remain key priorities.

We will deepen our presence in Southern and Western India by expanding our dealer network and strengthening our reach across fast-growing OEM and B2B segments. Alongside this, we will maintain margin discipline and pursue regulatory approvals for backward integration to enhance raw material security, quality and supply chain resilience.

Together, these priorities will enable us to combine customer-centric execution with capital discipline and build a more diversified, future-ready enterprise.

## In Closing

I am deeply grateful to our shareholders, employees, customers, dealers, suppliers, lending institutions and all other stakeholders for their continued alignment with our vision. Your collective conviction fuels our journey. Looking ahead, we remain focused on elevating stakeholder value and forging a stronger trajectory for India's growth story.

Warm regards,

**Rupesh Kumar Gupta**
Managing Director

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# Executive Director's Insights

# Forging the Future through Value-added Opportunities



## Dear Shareholders,

Steel begins its journey as a raw material, but its true value is realised through transformation, with each stage of refinement adding strength and purpose to the infrastructure that supports industries, connects communities and powers progress. Enduring enterprises evolve in much the same way. More than isolated achievements, they are defined by disciplined decisions, continuous improvement and the ability to adapt to changing needs. As organisations strengthen capabilities and deepen industry relationships, every stage of growth creates new opportunities. Just as value is enhanced across an integrated steel value chain, forward-thinking enterprises must continuously build capabilities, create lasting value and drive prosperity for generations.

This philosophy mirrors our own strategic evolution over the past decade. From a regional steel products manufacturer, we have evolved into a vertically integrated steel enterprise spanning the value chain, with a growing presence in value-added products and renewable energy-linked opportunities. Guided by disciplined growth and execution excellence, we continue to strengthen our foundations and position Hariom for the opportunities ahead.

### India's Structural Growth Opportunity

India stands at the centre of one of the world's most compelling growth stories. Its ambition to become a USD 5 trillion economy is driving investments across infrastructure, manufacturing, logistics and energy, creating a strong foundation for sustained expansion.

Steel remains indispensable to this transformation. In FY 2025-26, India produced 168.4 million tonnes of crude steel and consumed approximately 164 million tonnes of finished steel, reaffirming its position as the world's second-largest steel producer and one of the fastest-growing steel markets. With the National Steel Policy targeting 300 million tonnes of steelmaking capacity by FY 2030-31, the long-term opportunity remains substantial.

Importantly, demand is evolving beyond traditional construction. Industrial manufacturing, logistics parks, warehousing, transportation infrastructure, renewable energy projects and urban development increasingly require specialised, durable and application-specific steel solutions.

Initiatives such as PM Gati Shakti, Bharatmala, Dedicated Freight Corridors and industrial corridor development, together with sustained investments in roads, railways, ports and airports, are creating long-term demand across steel categories. Rapid urbanisation and expanding commercial and industrial real estate are further driving opportunities across pipes, tubes, galvanised products and structural solutions. We believe this represents a structural transformation rather than a cyclical upturn, favouring companies with integrated supply chains and strong value-added capabilities.

**Steel remains indispensable to this transformation. In FY 2025-26, India produced 168.4 million tonnes of crude steel and consumed 164 million tonnes of finished steel, reaffirming its position as the world's second-largest steel producer and one of the fastest-growing steel markets."**

**168.4 MN**
Produced steel in FY 2025-26

**300 MN**
Steel production target by FY 2030-31

## Capturing the Value-added Opportunity

Customer expectations are increasingly shifting from standard commodities towards high-performance, application-specific steel solutions offering superior durability, corrosion resistance and precision. This is accelerating the adoption of galvanised, cold rolled and engineered steel products that deliver greater lifecycle value.

We are well-positioned to capture this opportunity. Our value-added mix has become a significant driver of profitability, supported by specialised, application-driven solutions serving infrastructure, construction, industrial production, warehousing, engineering and renewable energy sectors.

Our manufacturing platform supports a portfolio exceeding 800+ SKUs, enabling us to deliver customised dimensions and high-precision components while generating superior margin realisations. Our galvanised products, pipes, tubes and scaffolding systems continue to witness healthy demand across key markets. As customers increasingly prioritise quality, reliability and specialised applications, our differentiated portfolio and integrated production footprint provide a strong competitive advantage and position us to benefit from long-term market growth.

## Advancing Sustainable Steelmaking

Our operations increasingly reflect the global shift towards a circular economy. We are improving resource efficiency, increasing the use of recycled inputs and adopting cleaner production processes. These efforts reduce our environmental impact while improving operational efficiency and protecting critical natural resources.

For us, sustainability is integral to resilience and long-term competitiveness. Through process optimisation, energy-efficient operations and circular economy practices, we are aligning growth with environmental stewardship and building a more sustainable industrial ecosystem.

## Strengthening Market Presence

Our distribution network remains central to our growth strategy. We serve a wide network of dealers and B2B customers across Southern and Western India, with operations spanning Telangana, Andhra Pradesh, Karnataka, Tamil Nadu, Kerala and Maharashtra. This footprint enables us to participate in dynamic steel-consuming regions while supporting capacity utilisation through favourable macroeconomic trends.

Our direct engagement model strengthens relationships with dealers, fabricators and institutional customers, improving supply chain responsiveness, brand visibility and market reach. Going forward, we will deepen our geographic footprint, strengthen channel partnerships and expand our presence across high-growth end-use sectors.

## Positioned for the Future

Technology adoption, sustainability imperatives, evolving customer expectations and supply chain realignments will reshape manufacturing value chains over the coming decade. In this environment, agility, continuous capability building and innovation will be critical to creating lasting value.

This forward-looking approach is embedded in Hariom's long-term strategy. We are building a future-ready enterprise anchored in manufacturing excellence, specialised value-added portfolios and continuous innovation. With strong industrial foundations and integrated capabilities, we are well-positioned to participate in India's infrastructure and industrial expansion and create enduring prosperity for all stakeholders.

Warm regards,

**Shailesh Kumar Gupta**
Whole-time Director

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## Key Performance Indicators

# Generating Superior Returns through Strategic Decision-making



## Financial Performance

**Revenue** (₹ Cr)

| FY22 | FY23 | FY24 | FY25 | **FY26** |
|---|---|---|---|---|
| 431 | 644 | 1,153 | 1,357 | **1,667** |

**EBITDA** (₹ Cr)

| FY22 | FY23 | FY24 | FY25 | **FY26** |
|---|---|---|---|---|
| 56 | 82 | 139 | 175 | **209** |

**EBITDA Margin** (%)

| FY22 | FY23 | FY24 | FY25 | **FY26** |
|---|---|---|---|---|
| 13.0 | 12.7 | 12.0 | 12.9 | **12.6** |

**Profit After Tax** (₹ Cr)

| FY22 | FY23 | FY24 | FY25 | **FY26** |
|---|---|---|---|---|
| 32 | 46 | 57 | 62 | **76** |

## Operational Indicators

**Net Production** (MT)

| FY22 | FY23 | FY24 | FY25 | **FY26** |
|---|---|---|---|---|
| 68,170 | 1,18,027 | 2,17,203 | 2,67,676 | **2,82,941** |

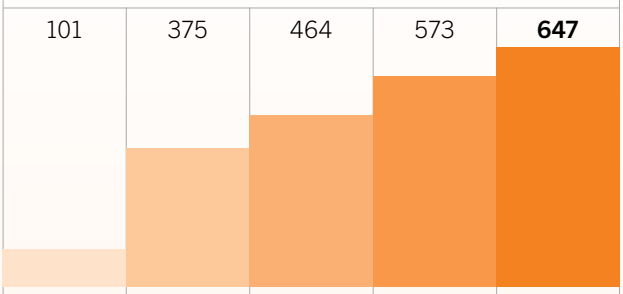
**Net Sales** (MT)

| FY22 | FY23 | FY24 | FY25 | **FY26** |
|---|---|---|---|---|
| 65,845 | 1,09,085 | 1,99,015 | 2,45,467 | **2,88,517** |

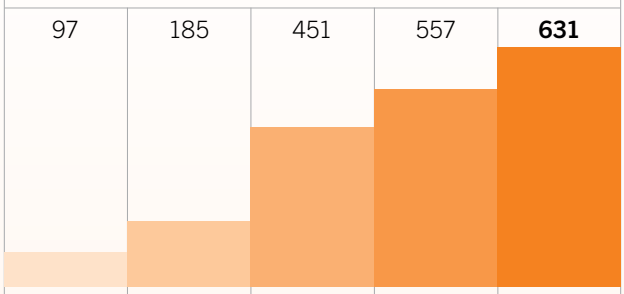
Our five-year track record reflects a period of robust growth and operational excellence. Focused capacity expansion and an increasing emphasis on value-added offerings have yielded strong revenue, profitability and volume performance. Pairing strategic manufacturing investments with rigorous balance sheet discipline, we continue to generate superior returns on capital.

Moving forward, this structural resilience ensures we remain highly agile and well-positioned to capture emerging market frontiers while sustaining our upward trajectory.

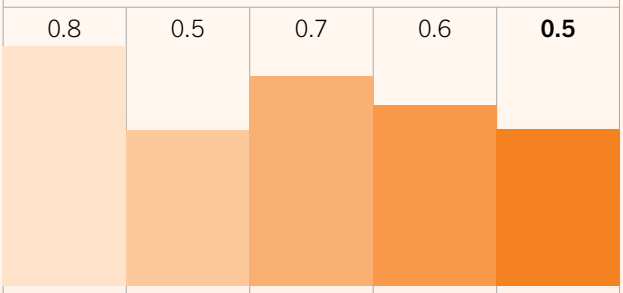
## Net Worth (₹ Cr)



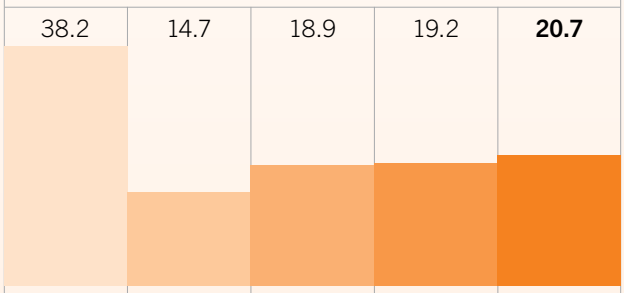

## Gross Block (₹ Cr)



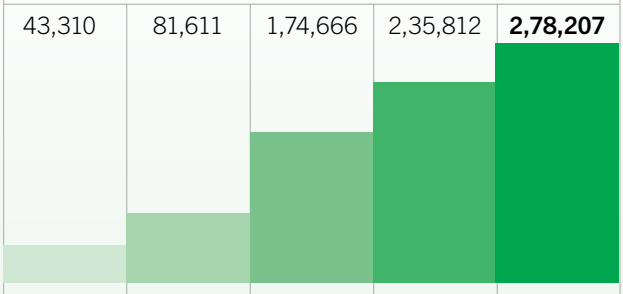

## Net Debt / Equity (X)




## RoCE (%)




## Value-added Product Sales (MT)




## Way Forward

Our strategic priorities remain focused on enhancing value addition, optimising capacity utilisation and strengthening operational excellence across the value chain. With a vertically integrated manufacturing platform, an expanding portfolio of high-value products and sustainability-driven initiatives, we are well-positioned to benefit from emerging opportunities and accelerate profitable growth.

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# Business Model

# Optimising Resources for Disciplined Value Enhancement

## 1 Our Resources & Relationships

### Financial Capital

- Robust foundation for sustainable growth
- Disciplined capital deployment
- Healthy balance sheet and liquidity
- Prudent financial management to support expansion

**₹1,667 Cr**
Revenue

**₹647 Cr**
Net Worth

### Manufactured Capital

- Integrated steel manufacturing across the value chain
- Operational excellence driving higher asset utilisation
- Continuous process and infrastructure upgrades
- Scalable manufacturing platform for secular growth

**7,85,232 MTPA**
Capacity

**5**
Facilities

### Human Capital

- Skilled workforce and organisational capabilities
- Continuous learning and leadership development
- Strong focus on safety and employee well-being
- Performance and productivity excellence

**1,096**
Total Workers

**148**
Total Employees

**ZERO**
Workplace discrimination complaints

## 2 Value Creation Framework

**Business Activities**


Sponge Iron (Raw Materials)


MS Billets


HR Coils


Slit Coils

## 3 Value Created

**₹22.8%**
Revenue Growth

**19.4%**
EBITDA Growth

**20.7%**
ROCE

**4,68,765 MT**
Gross Production Volume

**60%**
Capacity Utilisation

**1.40x**
Asset Utilisation Ratio

**100%**
Retention of Key Managerial Personnel

**100%**
Safety Education & Training Coverage

**2.89**
Lost time injury frequency rate (LTIFR)

We foster sustainable value by optimising the synergies among our financial resources, industrial capabilities and trusted partnerships. By strengthening this ecosystem through execution excellence and disciplined growth, our integrated business model consistently multiplies resources to generate resilient, long-term returns for our stakeholders.

### Social & Relationship Capital

- Sound customer and channel relationships
- Dealers and key customer engagement
- Expansion into new markets and segments
- Strategic partnerships across the value chain

**900+**
Dealers & B2B Customers

**Market Presence**
Southern & Western India

**900+**
Dealers & B2B Customers

**20%**
Institutional / B2B Contribution

**₹1.51 Cr**
CSR Expenditure

### Intellectual Capital

- Product innovation and customisation
- Operational excellence and quality assurance
- Increase in value-added offerings

**800+**
Product SKUs

**3**
ISO Certifications

**98%**
Revenue from Value-added Products

**15**
Trademarks

Achieved Capability to Produce Pipes as Thin as 0.4 mm

### Natural Capital

- Responsible resource utilisation for sustainable growth
- Renewable energy adoption and efficiency
- Water conservation and resource optimisation
- Circular manufacturing initiatives

**100%**
Waste Recovered / Reused / Recycled

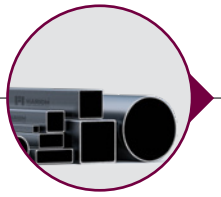
**14.69 TJ**
Renewable Energy Generation

**~33%**
Recycled Steel Usage

**33K MT**
Steel Scrap Recycled

**60 MW AC**
Solar Project under Development

**4.0 MW**
Existing Solar Renewable Capacity



MS Pipes and Scaffolding



Dealers, OEMs and Institutional Customers

### Competitive Edge

- Integrated Manufacturing
  End-to-end integration
- Thin Steel Capability
  Specialised thin-gauge products
- Manufacturing Scale
  Flexible production
- Product Breadth
  Diverse applications
- Value-added Leadership
  Differentiated products
- Market Reach
  Strong customer network

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## Operating Landscape

# Transforming in Step with India's Evolving Economic Trajectory

As India boldly shapes its trajectory through massive investments in infrastructure, manufacturing, urban development and green energy, steel is forging the very foundation of this historic journey. Rising domestic consumption, sustained capacity expansion and conducive policy environment are converging seamlessly, positioning the sector to power a multi-decade transformation that matches the scale of our country's soaring economic aspirations.

Beyond scale, demand patterns are evolving, with increasing emphasis on value-added products, sustainability and supply chain resilience. These structural changes are creating new opportunities across specialised applications and premium segments. Supported by these trends, India's steel industry is well-positioned to strengthen its global standing and expand into higher-value markets over the coming decades.

### India's Steel Growth Story

**168.4 MT**
Crude Steel Production in FY 2025-26

**164 MT**
Finished Steel Consumption in FY 2025-26

**220 MT**
Installed Steel Capacity in FY 2025-26

**300 MT**
National Capacity Target by 2030-31

(Source: PIB)



# Growth Drivers Supporting India's Steel Upsurge

## Infrastructure Development

India's infrastructure build-out remains one of the strongest drivers of steel demand. Sustained investments in transportation, logistics and urban development are expected to support robust consumption across both long and flat steel categories.

**Key Enablers**

- PM Gati Shakti and National Infrastructure Pipeline
- Bharatmala and dedicated freight corridors
- Metro rail, airports and port modernisation
- Smart cities and urban infrastructure projects

## Manufacturing and Industrial Expansion

India's push to become a global manufacturing hub is accelerating investments across key sectors, including engineering, capital goods, defence, automotive and industrial production.

**Key Enablers**

- Make in India initiative
- Production-Linked Incentive (PLI) schemes
- Industrial corridors and manufacturing clusters
- Supply chain diversification and localisation

## Urbanisation and Construction Growth

Driven by rapid urbanisation and increasing investments in residential, commercial and industrial real estate, steel demand across India continues to surge.

**Key Enablers**

- Affordable housing initiatives
- Commercial and industrial real estate expansion
- Warehousing and logistics infrastructure growth
- Persistent increase in urban population and income levels

## Shift towards Value-added Steel

Customer preferences are increasingly shifting towards products that offer superior strength, durability, corrosion resistance and application-specific performance.

**Key Enablers**

- Increasing quality standards
- Demand for specialised applications
- Focus on lifecycle performance and durability

## Sustainability and Green Steel Transition

As sustainability emerges as a defining mandate for the global steel industry, manufacturers are pivoting towards renewable energy adoption, optimised resource efficiency and low-carbon production technologies.

**Key Enablers**

- Renewable energy integration
- Energy-efficient manufacturing technologies
- Circular economy initiatives and recycling
- Evolving regulatory and stakeholder expectations

## Global Trade and Supply Chain Realignment

Ongoing realignments in global supply chains offer India's steel industry a prime opportunity to strengthen its role in international manufacturing ecosystems.

**Key Enablers**

- China+1 sourcing strategies
- Growing export opportunities
- Increasing regional supply chain diversification

## Growth Opportunities in a Transforming Landscape

Propelled by an ongoing infrastructure push, expanding manufacturing ecosystem and an industry-wide transition towards sustainability, India's steel sector is well-placed to leverage rising opportunities. Growing construction momentum, industrial activities and downstream manufacturing are accelerating domestic demand for pipes, tubes, scaffolding, structural steel and precision-engineered, application-specific solutions. At the same time, the shift towards sustainable manufacturing is generating robust market traction for green technologies and eco-responsible, differentiated offerings. Together, these trends are creating opportunities for improved realisations, higher value addition and sustained long-term growth across the steel value chain.

We are strategically positioned to capitalise on these tailwinds through our integrated production capabilities, diverse value-added product portfolio and sound customer alignment. With firm focus on capacity expansion, operational excellence and low-carbon product development, we remain ready to embrace the shifting market scenario across sectors.

# Aligning Strategic Priorities with Shifting Market Needs




## Our Strategic Priorities




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### Capacity Utilisation & Optimisation

Improving utilisation of existing capacities while enhancing manufacturing efficiency and operational flexibility



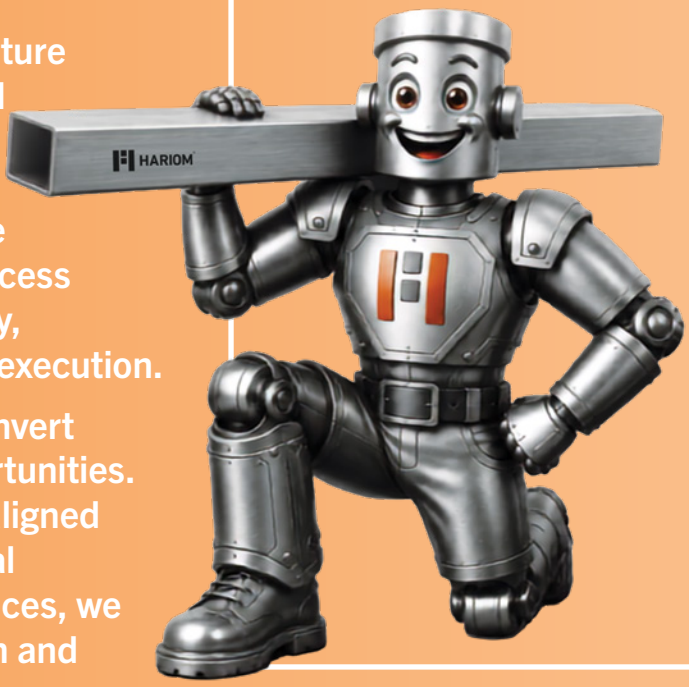

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### Operational Excellence & Innovation

Driving productivity, efficiency and sustainable profitability

**The expansion of India's steel market is creating opportunities for companies that combine manufacturing capabilities with product differentiation, operational efficiency and responsible growth. With public infrastructure projects gaining momentum and industrial activity expanding, customers are increasingly seeking differentiated and value-added steel products across diverse applications. In this context, business success increasingly depends on operational agility, customer responsiveness and disciplined execution.**

**Our strategic priorities are designed to convert these market shifts into sustainable opportunities. By keeping our growth ambitions closely aligned with operational efficiency, prudent capital allocation and responsible business practices, we aim to strengthen our competitive position and create sustainable value for all stakeholders.**







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### Value-added Offerings

Strengthening product mix and increasing the contribution of differentiated, application-led offerings




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### Customer Reach

Deepening customer relationships and broadening market presence

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## Capacity Utilisation & Optimisation

# Scaling Capacities to Strengthen Future-readiness

Through disciplined asset creation across the steel value chain, we have put in place a well-integrated manufacturing ecosystem that ensures operational resilience and structural reliability. In addition to ramping up volume, these capacity investments sharpen our competitive edge, accelerate customer responsiveness and establish a scalable, future-ready platform required to capitalise on India's emerging industrial opportunities.

## Expansion Milestones

**2020**

**Backward Integration**

Acquired Sponge Iron facility at Ananthapur

**2022**

**Core Manufacturing Expansion**

- Expanded Furnace capacity to 1,04,232 MTPA
- Increased Rolling Mill capacity to 1,24,000 MTPA

**2023**

**Downstream Capacity Enhancement**

- Scaled Pipe Mill capacity to 1,32,000 MTPA
- Commissioned GP Unit at Mahabubnagar with 1,20,000 MTPA capacity
- Acquired operating GP assets at Perundurai with 1,80,000 MTPA capacity

**2025**

**Strategic Scale-up**

Secured Ultra Pipes assets with 84,000 MTPA capacity on a 99-year lease basis



## Capacity Growth Journey

**4,01,232 MTPA**
FY 2021-22 Installed Capacity

**5,21,232 MTPA**
FY 2023-24 Installed Capacity

**7,85,232 MTPA**
FY 2025-26 Installed Capacity

# Strategic Benefits of Capacity Expansion

### Greater Manufacturing Scale

Expanded capacities strengthen our ability to cater to growing customer demand while enhancing production flexibility and responsiveness.

### Stronger Integration

Capacity additions across the value chain improve coordination between manufacturing processes, augment supply reliability and drive efficient operations.

### Improved Customer Responsiveness

Fortified manufacturing capabilities enable faster deliveries, greater production flexibility and stronger service levels across markets.

### Enhanced Operating Leverage

A larger manufacturing platform supports better absorption of fixed costs, supporting productivity improvements and long-term profitability.

### Future-ready Growth Platform

Available land and established infrastructure provide the flexibility to pursue future expansion opportunities aligned with evolving market requirements.



## Building for Tomorrow

We are transforming our manufacturing footprint to be stronger, smarter and more resilient. Through strategic scale and wider integration, we are positioning Hariom at the forefront of India's booming steel landscape, well-prepared to sharpen competitive edge and chart a sustainable growth trajectory.

## Operational Excellence & Innovation

# Creating Reliable Growth Momentum through Operational Focus

We keep our business competitive by focusing on manufacturing efficiency, cost optimisation and consistent product quality. As we control the key stages of our supply chain, we can adapt seamlessly to client needs while keeping waste to a minimum. This operational focus strengthens customer confidence, augments profitability and creates the steady foundation we need for reliable growth.

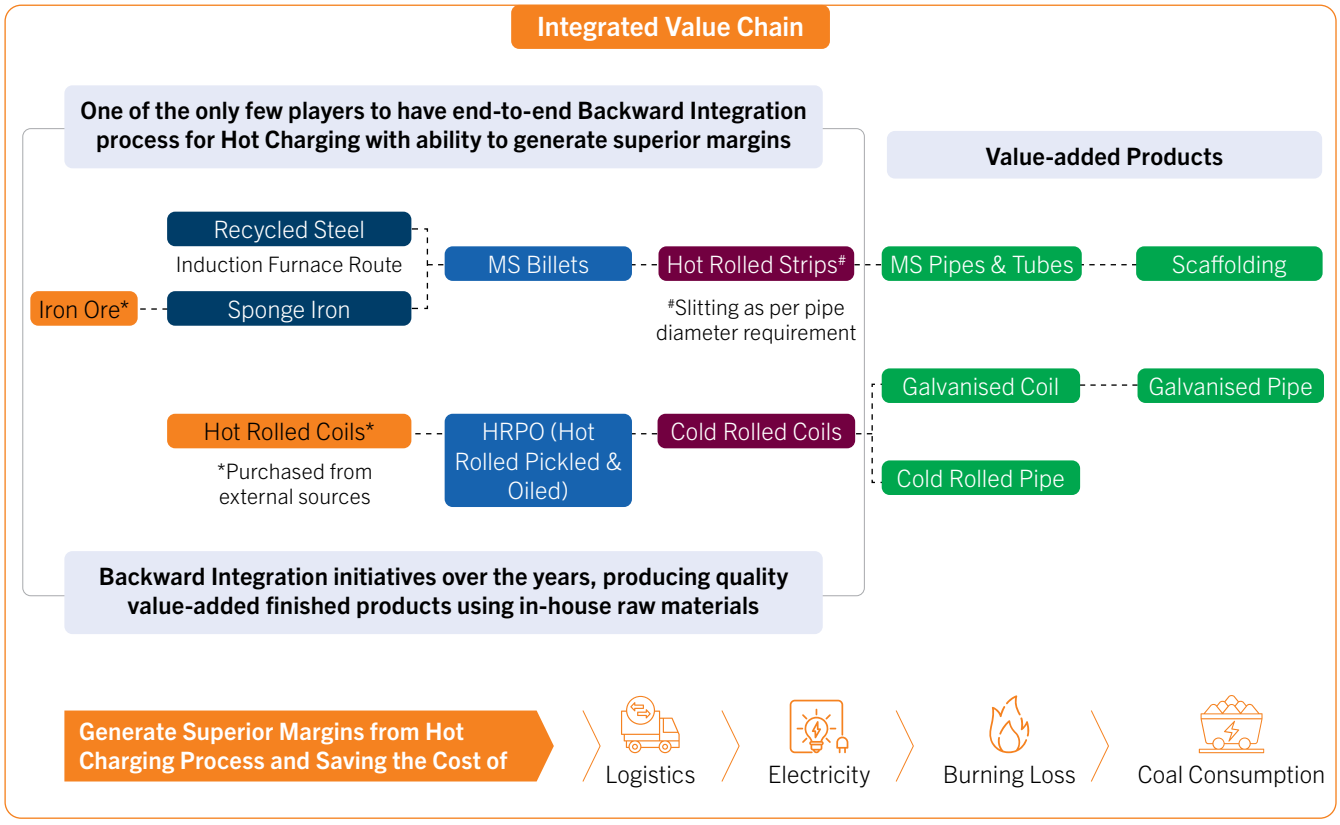
### Integrated Model Enabling Cost Efficiency

Our vertical integration ensures greater control over costs, quality and turnaround times by reducing external dependencies. By producing key raw materials in-house and seamlessly linking them to value-added manufacturing, we enhance efficiency and lower conversion costs. Additionally, the hot charging process reduces energy consumption, fuel usage and material handling requirements, supporting improved operating margins.



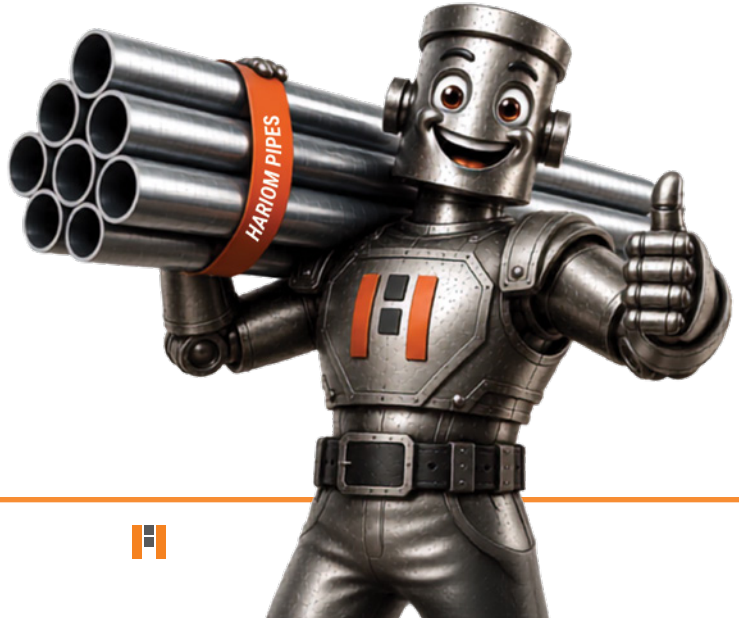
## Unlocking Operating Leverage

Our integrated manufacturing model allows us to scale output without a proportionate increase in operating costs. This creates operating leverage, improves asset utilisation and supports margin expansion. The hot charging process further augments efficiency by directly transferring billets into rolling operations, reducing reheating requirements, fuel consumption and material handling costs.




## Quality Assurance Driving Customer Confidence

We adhere to stringent quality systems aligned with national and international standards. Through BIS-compliant inputs, rigorous testing protocols and regular expert audits, we ensure precision and consistency at every stage of production. This focus on reliability minimises rejections, elevates customer satisfaction and bolsters long-term relationships.




## Key Certifications

### Product Certifications

- **IS 4923:2017** – MS and GI Square and Rectangular Hollow Sections
- **IS 18573:2024** – GP Square and Hollow Sections
- **IS 3601:2006** – MS and GI Round Tubes
- **IS 1239 Part I:2004** – MS and GI Round Tubes (Medium and Light Grade)
- **IS 277:2018** – Galvanised Steel Coils
- **IS 513 Part I:2016** – Cold Rolled Carbon Steel Sheets and Strips
- **IS 2830:2012** – Billets
- **IS 10748:2004** – HR Strips
- **IS 1161:2014** – MS Round Pipe

### Management System Certifications

- **ISO 9001:2015** – Quality Management System
- **ISO 14001:2015** – Environmental Management System
- **ISO 45001:2018** – Occupational Health and Safety Management System

## Operational Excellence & Innovation

# Driving Premiumisation through Cutting-edge Innovation

Our commitment to innovation premiumises our product portfolio. Through continuous improvements in our manufacturing technology and processes, we eliminate production bottlenecks and deliver tailored, high-performance solutions for diverse industries. This focused approach optimises realisations and solidifies our position as a preferred partner in a rapidly evolving business landscape.



## Product Innovation Driving Higher Realisations

As customer requirements become increasingly specialised, we scale our portfolio of application-driven and value-added products. Our objective is to deliver solutions that offer enhanced performance, superior durability and greater customisation while supporting higher realisations.

### Product Differentiators

- Customised pipe lengths and thicknesses cater to customer specifications
- Joint-free pipes offer superior strength and seamless finish
- Ultra-thin pipes up to 0.4 mm thickness address niche applications
- Wide range of galvanised and value-added steel products fulfil complex project needs
- 800+ SKUs serve diverse industrial and infrastructure requirements

Our sustained product development initiatives allow us to bolster relevance and widen presence across infrastructure, industrial manufacturing, warehousing, engineering and renewable energy applications.

## Process Optimisation Enhancing Efficiency

We regularly optimise production processes to improve throughput, reduce conversion costs and enhance resource productivity. This persistent focus on manufacturing excellence makes us stand out in the market.

### Process Excellence

- Hot charging process eliminates reheating requirements, reducing fuel consumption and processing time
- Integrated operations lower internal logistics and material handling costs
- Backward integration cuts down raw material dependency and improves cost control
- Zero Liquid Discharge (ZLD) system supports water conservation and reuse
- Continuous process improvements enhance yield and operational efficiency

These initiatives bolster profitability and strengthen operational resilience while fortifying sustainability commitments.

## Technology Driving Precision Manufacturing

Technology plays a critical role in strengthening manufacturing precision, consistency and productivity. Continuous investments in state-of-the-art equipment and process controls allow us to deliver products that meet increasingly demanding customer requirements.

### Technology-led Capabilities

- In-house tandem mill ensures superior dimensional accuracy
- Precision-controlled rolling and forming processes optimise structural integrity
- Advanced galvanising capabilities augment corrosion resistance and product longevity
- Process monitoring systems improve manufacturing consistency
- Integrated production systems drive seamless material flow

Leveraging our technology-driven manufacturing expertise, we ensure greater product differentiation and enhanced efficiency.

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## Value-added Offerings

# Ascending the Value Curve with High-performance Steel Products

Steel industry dynamics are increasingly favouring bespoke, application-driven solutions over generic commodities, making specialisation our primary differentiator. Responding to this shift, we have pivoted our incremental capacities towards high-value, high-performance steel products that offer superior durability and functionality. This evolving product mix equips us to address complex engineering challenges, maximise revenue and secure an enduring competitive advantage in critical sectors.

Today, our premium product portfolio forms the cornerstone of our business, driving stronger customer engagement and greater participation in next-generation industries.



# Strategic Benefits of Value-added Products

### Enhanced Profitability
Drive sustainable earnings through higher-margin products

### Diversified Demand Base
Reduce dependence on any single industry or application

### Greater Market Reach
Scale the ability to serve a wider range of customers and sectors

### Competitive Differentiation
Strengthen market positioning through quality, customisation and innovation

### Long-term Growth Platform
Align operations with emerging demand across infrastructure, renewable energy and industrial sectors

# Our Value Addition Journey

| Particulars (Quantity-MTPA, Revenue- ₹ Cr) | FY22 | | | FY23 | | | FY24 | | | FY25 | | | FY26 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Qty | Amount | % | Qty | Amount | % | Qty | Amount | % | Qty | Amount | % | Qty | Amount | % |
| Sponge Iron | - | - | 0% | 8,307 | 27.93 | 4% | 12,272 | 34.81 | 3% | 4,139 | 10.48 | 1% | 2,274 | 5.94 | 0% |
| MS Billets | 3,984 | 21.84 | 5% | 6,918 | 34.98 | 5% | 5,082 | 21.77 | 2% | 4,228 | 18.02 | 1% | 5,150 | 20.65 | 1% |
| HR Strips | 18,551 | 114.72 | 27% | 12,249 | 69.03 | 11% | 6,995 | 35.04 | 3% | 1,288 | 6.32 | 1% | 2,886 | 13.48 | 1% |
| MS Tubes | 42,386 | 286.31 | 66% | 65,222 | 393.61 | 61% | 78,639 | 426.28 | 37% | 99,348 | 498.51 | 37% | 93,249 | 459.29 | 28% |
| Scaffolding | 924 | 7.69 | 2% | 3,207 | 23.39 | 4% | 3,484 | 25.40 | 2% | 2,990 | 19.45 | 1% | 1,164 | 7.66 | 0% |
| GP Pipe, GP Coil & Others | - | - | 0% | 13,182 | 94.76 | 14% | 92,543 | 609.89 | 52% | 1,33,474 | 804.27 | 59% | 1,83,794 | 1,159.93 | 70% |
| **Total** | **65,845** | **430.57** | **100%** | **1,09,085** | **643.71** | **100%** | **1,99,015** | **1153.19** | **100%** | **2,45,467** | **1,357.05** | **100%** | **2,88,517** | **1,666.95** | **100%** |

# Diverse Applications across Growth Sectors

Our value-added products support a wide range of industries and applications:

### Infrastructure & Construction
- Scaffolding systems
- Structural frameworks
- Fencing and staircases
- Crash barriers and safety infrastructure

### Renewable Energy
- Solar module structures
- Greenhouse structures
- Solar mounting applications

### Engineering & Industrial Applications
- Auto components
- Fan stamping and power circuits
- Electrical conduits
- Engineered structures

### Consumer & Commercial Applications
- Furniture and home interiors
- Shelving and racking systems
- Storage solutions
- Elevator frames and components

### Lifestyle & Fitness Applications
- Gym equipment
- Commercial equipment structures

### Water & Irrigation Infrastructure
- Irrigation systems
- Water transportation applications
- Agricultural infrastructure

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## Customer Reach

# Serving Diverse Customer Segments through Expansive Reach

Close customer relationships and a widespread footprint have been vital to our success. By cultivating an extensive dealer-led distribution ecosystem, we have accessed diverse customer segments across Southern and Western India. This reliable network stabilises our core volume demand while accelerating our entry into high-potential, non-traditional geographies.

Our approach combines direct engagement with agile, responsive service capabilities, allowing us to understand evolving customer requirements and deliver tailored solutions. This relationship-driven model strengthens market penetration, enhances brand visibility and secures long-term value.



## Key Facts

~80%
Sales through Dealer Network

~20%
Direct B2B Sales

55
Dealers & B2B Customers across Other Parts of India

## Relationship-led Market Expansion

### Long-standing Dealer Partnerships
We have cultivated strong relationships with dealers over the years, supported by consistent engagement, reliable product availability and channel financing support.

### Direct Market Access
We follow a dealer-led model to eliminate intermediary layers, improve market responsiveness and pass on competitive pricing advantages to our channel partners.

### Fabricator Engagement
We regularly interact with fabricators and end-users to better understand market trends, identify emerging opportunities and strengthen demand visibility.

### Industry Connect
We augment brand visibility and alignment with evolving customer and industry requirements by actively participating in industry events, trade fairs and exhibitions.

## What Strengthens Our Market Reach

**Regional Market Expertise:** Deep understanding of local market dynamics and customer requirements helps boost competitive advantage.

**Strong Channel Network:** Extensive dealer ecosystem supports wider market penetration.

**Customer Proximity:** Direct engagement accelerates response and drives better service delivery.

**Reliable Supply:** Integrated manufacturing capabilities ensure timely product availability.

**Diverse Product Portfolio:** A broad product basket allows us to serve multiple industries and applications.

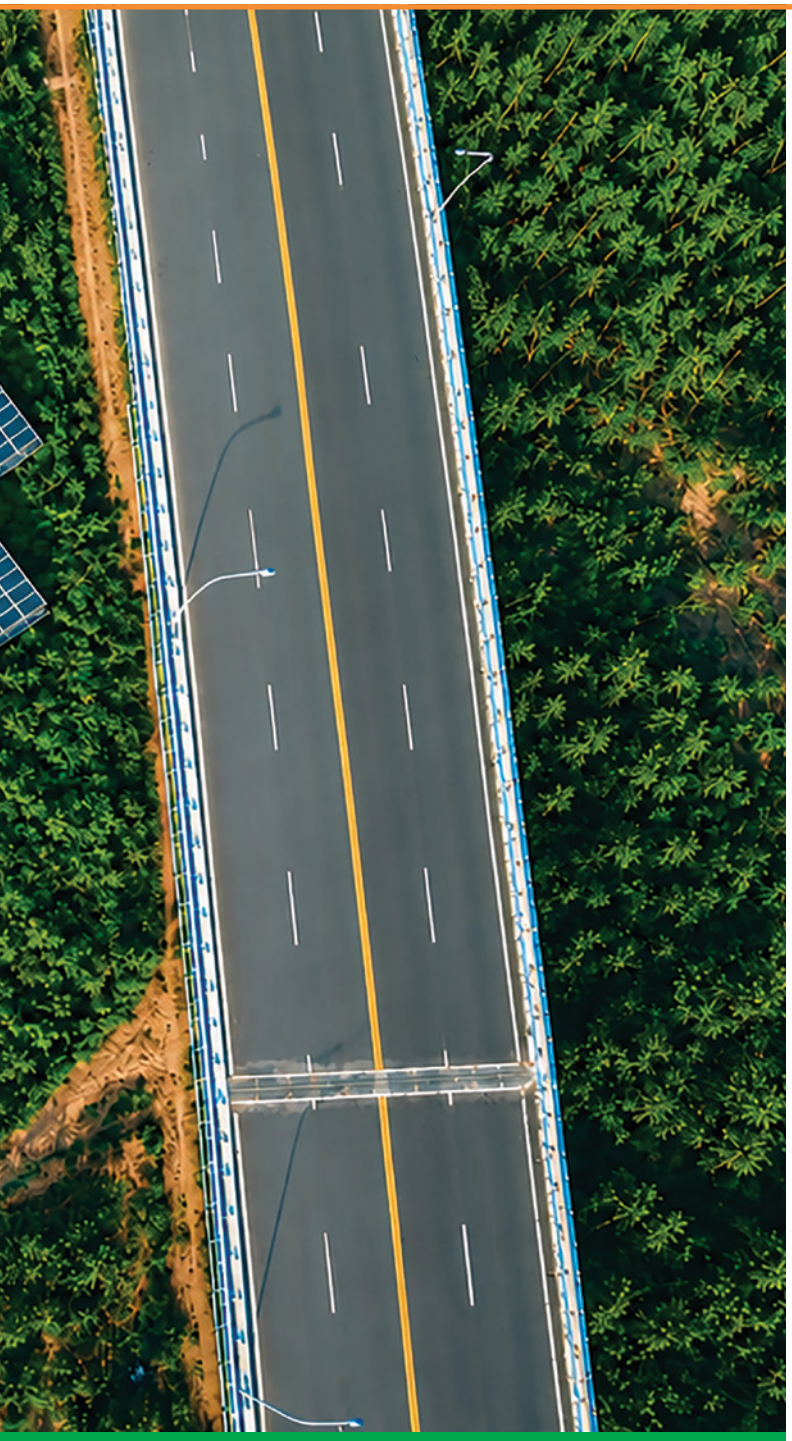




# Fostering a Resilient Enterprise through Sustainable Actions

Our growth strategy integrates strong business performance with environmental, social and governance excellence to drive enduring business value. By embedding this responsible approach across our operations, investment decisions and stakeholder engagement practices, we transform sustainability into a core competitive strength, building a resilient enterprise capable of thriving in a rapidly evolving world.

Crucial to this resilience is our alignment with national progress. As India's infrastructure and manufacturing sectors continue to expand, we recognise our responsibility to contribute to a more sustainable future through resource-efficient operations, renewable energy adoption, responsible business conduct and inclusive growth.



## Our Commitment

To grow responsibly, operate sustainably and create a positive and lasting impact for our stakeholders, communities and the environment.

## Sustainability Priorities

### Climate and Energy Transition

Propelling renewable energy adoption and enhancing energy efficiency to support a lower-carbon future.

### Resource Efficiency

Optimising the use of water, raw materials and natural resources across operations.

### Employee Well-being

Promoting a culture of safety, continuous learning, diversity and employee engagement.

### Community Development

Creating positive social impact through focused community initiatives and responsible business practices.

### Ethical Business Conduct

Strengthening governance frameworks, risk management practices and compliance systems to uphold high standards of ethical and responsible business conduct.



## Environment

# Strengthening the Foundations of Green Steel

For us, environmental stewardship is a core business imperative. We continue to strengthen the foundations of green steel by embedding resource efficiency and clean energy across our production lines. This disciplined approach enables responsible growth, supports the decarbonisation of our manufacturing footprint and promotes greater circularity across our operations.

From increasing the use of recycled steel and renewable energy to promoting responsible water and waste management, our initiatives are focused on reducing our environmental footprint, enhancing resource efficiency and strengthening cost competitiveness. Aligned with India's transition towards a low-carbon economy, we remain committed to fostering a more sustainable, resilient and future-ready manufacturing platform.



## Building the Foundation for Green Steel

As a responsible steel manufacturer, we recognise that sustainable growth is supported by efficient resource utilisation, environmental stewardship and continuous innovation.

Recycled steel forms an important component of our manufacturing process. By utilising steel scrap as a key input material, we significantly reduce dependence on fresh iron ore while lowering the energy consumption associated with steel production.

Beyond improving operational efficiency, this approach advances the circular economy principles by ensuring that valuable materials remain in productive use for a longer period. The outcome is a more sustainable manufacturing process that minimises environmental impact and improves resource efficiency.

### Environmental Benefits

- Reduced consumption of virgin raw materials
- Lower energy intensity of production
- Improved resource utilisation
- Minimised waste generation
- Enhanced value-chain circularity

**33K MT**

Recycled Steel Utilised

**33%**

Recycled Steel Usage in Production

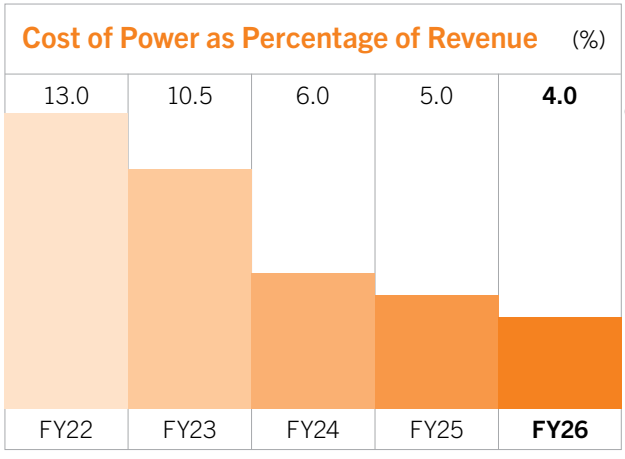


## Renewable Energy Integration

Our increasing use of renewable energy has helped reduce dependence on conventional power sources and elevated cost efficiency across operations.

### Key Highlights of FY 2025-26

- Lowered power cost from 13.0% of revenue in FY 2021-22 to 4.0% in FY 2025-26
- Installed solar capacity increased to 4.0 MW
- Transitioned the Mahabubnagar pipe facility to solar energy
- Pursued continuous investments in clean energy infrastructure






**Renewable Energy Footprint**

# 1.4 MW

Perundurai Facility

# 2.6 MW

Mahabubnagar Facility

# 4.0 MW

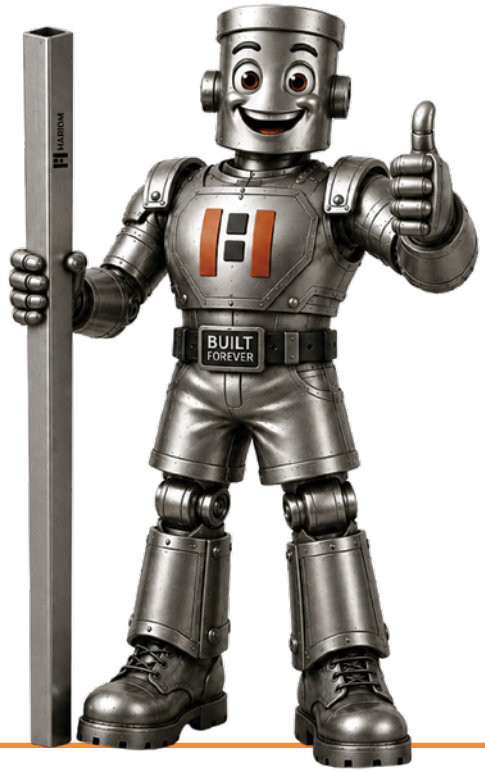
Total Installed Solar Capacity

## Advancing the Renewable Energy Ecosystem

To strengthen our presence in the renewable energy sector, we incorporated Hariom Power & Energy Private Limited (HPEPL), a dedicated platform for developing and pursuing renewable energy projects.

**Key Facts**

- 60 MW AC (72 MW DC) solar power project
- 25-Year PPA providing long-term revenue visibility
- Dedicated renewable energy platform supporting the Company's growth and sustainability objectives






## Responsible Water Management

Water stewardship is an integral part of our environmental sustainability strategy. We focus on optimising water consumption across our manufacturing processes while promoting the reuse and recycling of water wherever feasible.

Through process improvements and responsible water management practices, we continue to reduce freshwater dependence, enhance water efficiency and support sustainable operations.

### Focus Areas

- Recycling and reuse of process water
- Reduction in freshwater consumption
- Efficient water utilisation across manufacturing facilities
- Compliance with applicable environmental discharge norms

## Scientific and Responsible Waste Management

Our integrated operations enable efficient handling of production waste and responsible disposal practices in alignment with applicable environmental compliance. With this structured approach, we focus on minimising waste generation, optimising resource recovery and promoting reuse across our operations.

### Focus Areas

- Waste reduction at source
- Resource recovery and reuse
- Responsible handling and disposal of process waste
- Compliance with environmental regulations



### Looking Ahead

Resource efficiency remains integral to our long-term growth. We continue to sharpen and strengthen our environmental performance by scaling renewable energy adoption, deploying efficient water management strategies and enforcing responsible waste handling practices which collectively strengthen our long-term operational sustainability.

## Social

# Partnering with Communities for Inclusive Growth

Our long-term resilience is strengthened by our people, responsible practices and stakeholder trust. We cultivate a workplace where safety is uncompromising and continuous learning is integral to our culture. By aligning our organisational growth with the socioe-conomic development of our partner communities, we seek to create lasting value and contribute to collective progress.



# Investing in Our People

Our employees are our strongest pillar. To support them, we are committed to cultivating a workplace that prioritises safety, continuous learning and professional growth. By empowering our people to realise their potential, we strengthen organisational capabilities and support our long-term vision.



## Key Highlights of FY 2025-26

**2.89**

Lost time injury frequency rate (LTIFR)

**ZERO**

Workplace discrimination complaints

**100%**

Coverage under Safety Education and Training

### Employee Well-being

We prioritise employee well-being by fostering an engaging, safe and supportive work environment through regular health and safety initiatives, awareness programmes, training and preventive measures.

### Learning & Capability Building

We augment technical, functional and leadership capabilities of our workforce through structured training programmes and skill development initiatives.

### Employee Engagement

We foster an inclusive and collaborative workplace culture that encourages innovation and long-term professional growth.

### Building a Strong Safety Culture

We prioritise safety across all our facilities. Our objective is to go beyond compliance needs and nurture an environment where every team member actively contributes to maintaining a secure, responsible workplace.

### Focus Areas

- Workplace safety awareness and training
- Risk identification and prevention
- Employee health and well-being
- Continuous improvement in safety practices

# Strengthening Communities

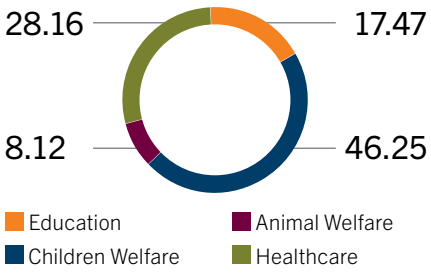
We are committed to creating a meaningful social impact through focused community development initiatives. Our CSR programmes address local needs and promote inclusive, sustainable development, contributing to the well-being of communities in the areas where we operate.

**₹1.51 Cr**

CSR Spend in FY 2025-26

### Focus Areas

**Share of CSR Spend (%)**







### Education

Extending access to quality education and learning opportunities to empower individuals and strengthen communities

### Healthcare

Promoting health and well-being through targeted initiatives and community-focused outreach

### Children Welfare

Supporting the holistic development, well-being and empowerment of children

### Animal Welfare

Driving targeted animal care and welfare initiatives to support healthier and more compassionate communities

## Governance

# Prioritising Stakeholder Trust for Shared Value Creation

Strong governance is the anchor of our market credibility and institutional longevity. As we scale our operations and capture new opportunities, we remain firmly committed to transparency, ethical leadership and regulatory compliance. Our robust oversight framework ensures prudent decision-making and stringent risk management, keeping stakeholder trust at the centre of our strategic direction.

Through a well-defined governance structure, robust policies and an experienced leadership team, we seek to create sustainable value, bolster organisational resilience and uphold the highest standards of corporate responsibility in a dynamic business environment.



# Governance Framework

Our governance structure is designed to provide strategic direction, effective oversight and operational accountability across the organisation.

### Shareholders

Empower the enterprise through active participation, strategic alignment and disciplined oversight.

### Board of Directors

Provides strategic direction and robust oversight, driving long-term value creation and sustainable growth while promoting prudent risk management, strong governance and stakeholder interests.

### Board Committees

The Company's five Board Committees play a vital role in strengthening governance and supporting the Board through focused oversight, specialised expertise and effective monitoring across key areas. Each Committee operates within a defined mandate and provides informed recommendations to the Board.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

### Management

Implements business strategies, policies and operational plans approved by the Board, ensuring effective execution and operational discipline.

### Employees

Drive execution while upholding the Company's values, policies and code of conduct.

### A Culture of Integrity

Integrity, transparency and responsible business practices form the crux of our operations. We uphold sound policies, internal controls and accountability mechanisms that foster ethical decision-making, ensure regulatory compliance and bolster stakeholder trust.

# Key Governance Priorities

### Ethical Business Conduct

Promoting integrity, transparency and accountability across all business activities.

### Regulatory Compliance

Ensuring adherence to applicable laws, regulations and governance requirements.

### Board Effectiveness

Leveraging diverse expertise and independent oversight to enable informed decision-making.

### Stakeholder Trust

Fostering enduring relationships through transparent communication and responsible corporate conduct.



# Managing Risks with Agility

Effective risk management is integral to our ability to navigate an evolving business environment and deliver sustainable value. Our risk management framework facilitates proactive identification, assessment and mitigation of risks while positioning us well to respond effectively to emerging opportunities and challenges.

By embedding risk management into our decision-making processes and business operations, we ensure that risks are systematically monitored and addressed, strengthening organisational resilience, protecting stakeholder interests and supporting long-term value creation.

# Risk Management Framework

We follow a comprehensive and continuous risk management process designed to strengthen organisational resilience and support sustainable growth.

### Risk Identification

Recognising internal and external risks that may impact strategic objectives.

### Risk Assessment

Evaluating risks based on their likelihood, potential impact and materiality.

### Risk Analysis

Assessing potential consequences and prioritising key risks.

### Risk Treatment

Implementing appropriate mitigation measures and response strategies.

### Risk Mitigation

Executing controls and action plans to reduce exposure and strengthen resilience.

### Risk Monitoring & Review

Continuously monitoring risks and evaluating the effectiveness of mitigation measures.

# Board of Directors



**Mr. Pramod Kapoor Kumar**
*Chairman & Independent Director*
AC | SRC | NRC | CSR



**Mr. Rupesh Kumar Gupta**
*Managing Director*
CSR | RMC



**Mr. Shailesh Kumar Gupta**
*Whole-time Director*
CSR



**Mr. Ansh Golas**
*Whole-time Director*



**Mr. Soumen Bose**
*Non-Executive Director*
AC | SRC | NRC | RMC



**Mrs. Sunita Gupta**
*Non-Executive Director*



**Mr. Rajender Reddy Gankidi**
*Independent Director*
AC | SRC | NRC | RMC



**Ms. Sneha Sankla**
*Independent Director*
AC | SRC | NRC

AC Audit Committee
SRC Stakeholders' Relationship Committee
NRC Nomination & Remuneration Committee
CSR Corporate Social Responsibility Committee
RMC Risk Management Committee
C Chairperson M Member

# Corporate Information

**CIN: L27100TG2007PLC054564**

## Board of Directors

**Mr. Pramod Kapoor Kumar**
Chairman & Independent Director

**Mr. Rupesh Kumar Gupta**
Managing Director

**Mr. Shailesh Kumar Gupta**
Whole-time Director

**Mr. Ansh Golas**
Whole-time Director

**Mr. Soumen Bose**
Non-Executive Director

**Mrs. Sunita Gupta**
Non-Executive Director

**Mr. Rajender Reddy Gankidi**
Independent Director

**Ms. Sneha Sankla**
Independent Director

## Key Managerial Personnel

**Mr. Rupesh Kumar Gupta**
Managing Director

**Mr. Shailesh Kumar Gupta**
Whole-time Director

**Mr. Ansh Golas**
Whole-time Director

**Mr. Amitabha Bhattacharya**
Chief Financial Officer

**Mrs. Rekha Singh**
Company Secretary & Compliance Officer

## Auditors

**Statutory Auditors**
**M/s. R Kabra & Co., LLP**
Chartered Accountants
515, Tulsiani Chambers,
Nariman Point, Mumbai – 400 021,
Maharashtra, India

**Internal Auditors**
**M/s. Ravi Ladia & Co.**
Chartered Accountants
#202 A, 2nd Floor, Highness Maurya,
8-2-601/P, 7 & 10, Gouri Shankar Nagar Colony, Road No. 10, Banjara Hills,
Hyderabad – 500 034, Telangana, India

**Cost Auditors**
**M/s. Seshadri & Associates**
Cost Accountants
House No. 3-6-288/1, 2nd Floor,
Uddagully, Opp. Corporation Bank,
Hyderguda, Near OLD MLA Quarters,
Hyderabad – 500 029, Telangana, India

**Secretarial Auditors**
**M/s. VSSK & Associates**
Company Secretary
House No. 13-15, Sri Sri Nagar,
Behind HUDA Park, Uppal,
Hyderabad – 500 039, Telangana, India

## Registered Office

3-4-174/12/2, Samarpan, 1st Floor,
Near Pillar No. 125, Attapur,
K.V. Rangareddy, Rajendranagar,
Hyderabad – 500 048, Telangana, India
Tel: 040–24016101
Email: cs@hariompipes.com
Website: www.hariompipes.com

## Registrar & Share Transfer Agent

**M/s. Bigshare Services Private Limited**
306, Right Wing, 3rd Floor,
Amrutha Ville, Opp. Yashoda Hospital,
Raj Bhavan Road, Somajiguda,
Hyderabad – 500 082, Telangana, India
Tel: 040–40144967
Email: bsshyd@bigshareonline.com
Website: www.bigshareonline.com

## Listing

- BSE Limited
- National Stock Exchange of India Limited

## Bankers

- HDFC Bank
- State Bank of India (SBI)

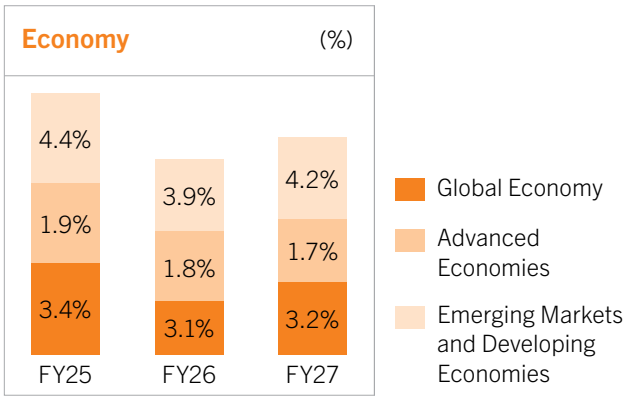
# MANAGEMENT DISCUSSION AND ANALYSIS

## Global Economy

The global economy remained resilient in 2025, navigating a challenging environment characterised by geopolitical tensions, shifting trade policies and elevated uncertainty. The economic outlook in 2026 has become more complex following the outbreak of military conflict in the Middle East, which has intensified pressures on energy markets, global trade routes and supply chains. The conflict has disrupted maritime and air transport across the region, increased commodity price volatility and heightened concerns over inflation and financial market stability.

Against this backdrop, the International Monetary Fund (IMF) projects global economic growth to moderate from **3.4% in 2025** to **3.1% in 2026**, before recovering modestly to **3.2% in 2027**. While supportive policy measures, easing trade restrictions in selected regions and stronger-than-expected economic momentum have provided some resilience, growth continues to be constrained by geopolitical fragmentation, policy uncertainty and structural economic challenges.

### GDP Growth Trend




*Source: IMF World Economic Outlook April 2026*

Global inflation has moderated significantly from the elevated levels witnessed in recent years, but continues to remain above long-term targets in several economies. According to the International Monetary Fund (IMF), global consumer inflation is projected at **4.4% in 2026**, easing further to **3.7% in 2027.** However, persistent supply-side disruptions, elevated energy prices and ongoing geopolitical developments continue to shape inflation expectations and influence monetary policy across major economies. Financial markets have remained sensitive to these developments, with periodic volatility across currencies, commodities and capital markets reflecting evolving investor sentiment. Commodity-importing economies, in particular, remain vulnerable to fluctuations in energy and food prices.

Economic resilience has varied across major markets. While the United States and China have outperformed earlier growth expectations, structural challenges remain. In China, export growth continues to exceed domestic demand, whereas the United States has experienced robust economic activity alongside moderating labour force growth. Across regions, governments and businesses continue to balance economic expansion with inflation management, fiscal discipline and geopolitical risk mitigation.

Despite near-term uncertainties, several long-term structural drivers continue to support the global economy. Investments in infrastructure, digital technologies, artificial intelligence, automation and industrial modernisation are enhancing productivity and supporting economic activity across regions. Simultaneously, businesses are accelerating supply chain diversification, regional sourcing strategies and greater end-to-end visibility to strengthen resilience and operational efficiency. These structural shifts are reshaping global trade and reinforcing the importance of adaptability in an increasingly dynamic operating environment.

### Outlook

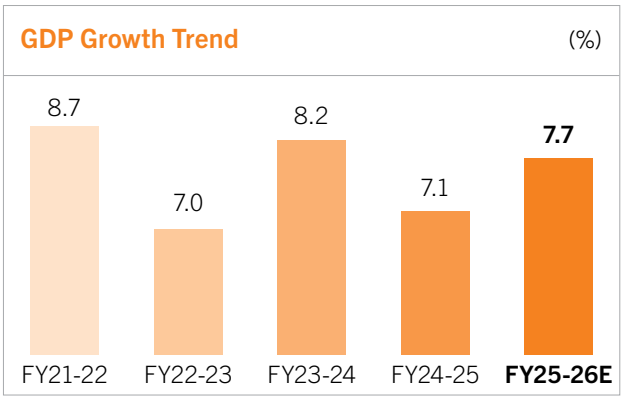
The global economy is expected to maintain moderate growth over the medium term, supported by technological innovation, infrastructure and industrial investment and continued expansion across emerging markets. However, downside risks remain significant. Geopolitical conflicts, volatility in energy and commodity prices, evolving trade policies, rising protectionist measures, elevated sovereign debt levels and potential disruptions to financial markets could weigh on global growth and business confidence.

In this environment, resilience, operational agility and disciplined execution are becoming increasingly important competitive advantages. Businesses that strengthen supply chain resilience, security, build regional manufacturing capabilities, foster strategic partnerships and adapt quickly to changing market conditions will be better positioned to navigate uncertainty and capture long-term growth opportunities.

## Indian Economy

India remained one of the world's fastest-growing major economies during FY 2025-26, demonstrating resilience amid global geopolitical tensions, trade disruptions and commodity price volatility. Strong domestic demand, sustained public and private investments, expanding manufacturing activity and a resilient services sector continued to support broad-based economic growth while reinforcing the country's macroeconomic stability.

According to the Provisional Estimates released by the Ministry of Statistics and Programme Implementation (MoSPI), India's real Gross Domestic Product (GDP) grew by **7.7%** in FY 2025-26, compared with **7.1%** in the previous year, while nominal GDP expanded by **8.9%**. Real Gross Value Added (GVA) increased by **7.9%**, reflecting healthy momentum across manufacturing, construction and services sectors.




*E: Estimated Source: MoSPI*

Domestic consumption continued to anchor economic growth during FY 2025-26. Improving employment conditions, rising household incomes and strengthening rural demand supported consumption across sectors. Private Final Consumption Expenditure (PFCE) grew by **7.7%**, underscoring the resilience of consumer sentiment and the strength of India's domestic market.

Investment activity also remained robust, driven by sustained government capital expenditure, infrastructure development and increasing private sector participation. Gross Fixed Capital Formation (GFCF) expanded by **8.2%**, reflecting continued investments in productive assets, manufacturing capacity and infrastructure. The Government's continued focus on roads, railways, urban development, renewable energy and logistics infrastructure is creating significant opportunities for steel consumption, supporting long-term demand for value-added steel products.

Manufacturing and services continued to be the key growth engines of the economy. The secondary sector expanded by **8.8%**, while the tertiary sector grew by **9.3%**, supported by strong performance across manufacturing, trade, transportation, financial services, real estate and professional services. Increasing formalisation, digital adoption and productivity improvements continue to enhance the competitiveness of Indian industry and strengthen the country's manufacturing ecosystem.

India's favourable demographics, expanding middle-income population, rising urbanisation and accelerating digital transformation continue to support long-term economic growth. At the same time, policy initiatives such as Make in India, PM Gati Shakti, the National Infrastructure Pipeline (NIP) and continued public infrastructure investments are strengthening industrial development, improving logistics efficiency and creating a conducive environment for manufacturing-led growth.

Despite an uncertain global environment, India's external sector remained resilient, supported by steady export growth, increasing participation in global value chains and sustained domestic demand. The country's diversified economic base and improving ease of doing business continue to reinforce its position as a preferred global investment destination.

### Outlook

India's economic outlook remains favourable, supported by strong domestic consumption, sustained infrastructure investments, manufacturing expansion and ongoing structural reforms. Government initiatives aimed at enhancing industrial competitiveness, improving logistics infrastructure and expanding renewable energy capacity are expected to drive long-term demand across infrastructure and construction-related sectors, providing a supportive environment for steel manufacturers.

While geopolitical uncertainties, global trade disruptions and commodity price volatility may pose near-term challenges, India's strong macroeconomic fundamentals, favourable demographics and investment-led growth trajectory provide a solid foundation for sustained economic expansion. These structural strengths are expected to support continued growth in steel consumption and create long-term opportunities for integrated steel manufacturers with diversified product portfolios and value-added offerings.

## INDUSTRY OVERVIEW

### Global Steel Industry Overview

The global steel industry remained under pressure in 2025 as weak construction activity across several major economies, geopolitical uncertainties, and trade-related disruptions tempered demand. Nevertheless, production levels remained broadly resilient, supported by infrastructure investments, manufacturing activity, and steady demand across emerging markets. China continued to dominate global steel production despite lower domestic consumption, while India further consolidated its position as the world's second-largest steel producer, supported by robust infrastructure spending, industrial expansion, and sustained domestic demand. Although excess global capacity and trade imbalances continue to pose challenges, the industry's long-term fundamentals remain favourable, driven by urbanisation, energy transition investments, and industrial development across emerging economies.

| Rank | Country | 2025 Production (Mt) | % Change (vs. 2024) |
|---|---|---|---|
| 1 | China | 960.8 | -4.4% |
| 2 | India | 164.9 | +10.4% |
| 3 | United States | 82.0 | +3.1% |
| 4 | Japan | 80.7 | -4.0% |
| 5 | Russia (estimate) | 67.8 | -4.5% |
| 6 | South Korea | 61.9 | -2.8% |
| 7 | Turkey | 38.1 | +3.3% |
| 8 | Germany | 34.1 | -8.6% |
| 9 | Brazil | 33.3 | -1.6% |
| 10 | Iran (estimate) | 31.8 | +1.4% |

*Source: World Steel Association*

# MANAGEMENT DISCUSSION AND ANALYSIS

### Production Trends and Forecasts

Global steel demand is expected to recover gradually following subdued demand during 2025. While demand across advanced economies is projected to improve only modestly, emerging markets are expected to remain the primary drivers of growth.

India is expected to remain the fastest-growing major steel market, with demand projected to grow by **7.4%** in 2026 and **9.2%** in 2027, driven by infrastructure, manufacturing, automotive, and capital expenditure. Developed economies are also expected to return to growth, while demand across developing regions remains supported by long-term urbanisation and infrastructure investments.

### Global Steel Demand Outlook

| | 2026P | 2027P |
|---|---|---|
| China | (1.5%) | ~0% |
| India | 7.4% | 9.2% |
| EU + UK | 1.3% | 3.0% |
| United States | 1.7% | 2.0% |
| Africa | 3.8% | 4.6% |

*P: Projected*

*Source: World Steel Association, Short Range Outlook (April 2026)*

### Outlook

The global steel industry is entering a phase of measured recovery, supported by improving infrastructure investment, manufacturing activity, and easing macroeconomic pressures. Although geopolitical tensions, evolving trade policies, and energy price volatility continue to present risks, demand is expected to strengthen progressively over the next two years. Emerging economies, particularly India, are expected to remain the principal drivers of global steel consumption, while the anticipated recovery across developed markets should provide additional momentum. The long-term outlook remains favourable, underpinned by urbanisation, industrialisation, energy transition investments, and sustained public infrastructure spending.

### Indian Steel Industry

India continues to consolidate its position as the world's second-largest crude steel producer, supported by strong domestic demand, expanding manufacturing activity, and sustained infrastructure investments. During FY 2025-26, India's crude steel production reached 168.4 million tonnes, while finished steel production increased to 160.9 million tonnes. Domestic finished steel consumption rose to 163.7 million tonnes, reflecting robust demand across the construction, infrastructure, automotive, engineering, capital goods and renewable energy sectors. The country also regained its status as a net exporter of finished steel, with exports increasing by 35.9% to 6.6 million tonnes, while imports declined by 31.7% to 6.5 million tonnes.

The industry continues to benefit from supportive Government initiatives under the National Steel Policy 2017, which targets 300 million tonnes of crude steel capacity, 255 million tonnes of production, and 158 kg per capita steel consumption by 2030-31. During the year, policy focus remained centred on expanding domestic capacity, promoting specialty steel manufacturing through the Production Linked Incentive (PLI) Scheme, increasing the use of domestically manufactured steel in public procurement, and accelerating decarbonisation through the National Green Steel Mission, Green Steel Taxonomy, and enhanced steel scrap recycling initiatives. These measures are strengthening India's self-reliance while improving the global competitiveness and sustainability of the domestic steel industry.

### Steel Industry Performance in India

| Particulars | FY 2025-26 | YoY Growth |
|---|---|---|
| Crude Steel Production | 168.4 MT | 10.7% |
| Finished Steel Production | 160.9 MT | 9.7% |
| Finished Steel Consumption | 163.7 MT | 7.6% |
| Finished Steel Exports | 6.6 MT | 35.9% |
| Finished Steel Imports | 6.5 MT | (31.7%) |

*Source: Ministry of Steel, Government of India*

### Union Budget 2026-27: Strengthening the Steel Growth Story

**The Union Budget 2026-27** reinforces the Government's commitment to infrastructure-led growth, with a **record capital expenditure of ₹12.2 lakh crore**, representing a 9% increase over the previous Budget Estimates. Continued investments in highways, railways, metro networks, ports, airports, industrial corridors and urban infrastructure are expected to sustain robust steel demand across the construction and manufacturing sectors. The Budget also supports the sector's green transition through measures promoting carbon capture technologies, high-precision manufacturing, construction equipment, and logistics infrastructure, creating long-term opportunities for value-added steel products and steel tubes.

### Outlook

India's long-term steel outlook remains highly favourable, supported by robust economic growth, rising per capita steel consumption, rapid urbanisation, and sustained public and private investment. Although per capita steel consumption remain below the global average, it offers significant headroom for future demand growth. The National Steel Policy targets **300 million tonnes** of installed steelmaking capacity and **160 kg** per capita steel consumption by 2030. Supported by favourable demographics, infrastructure-led development, manufacturing expansion, and the transition towards greener steel production, India is well positioned to remain one of the key growth engines of the global steel industry.

## Growth Drivers

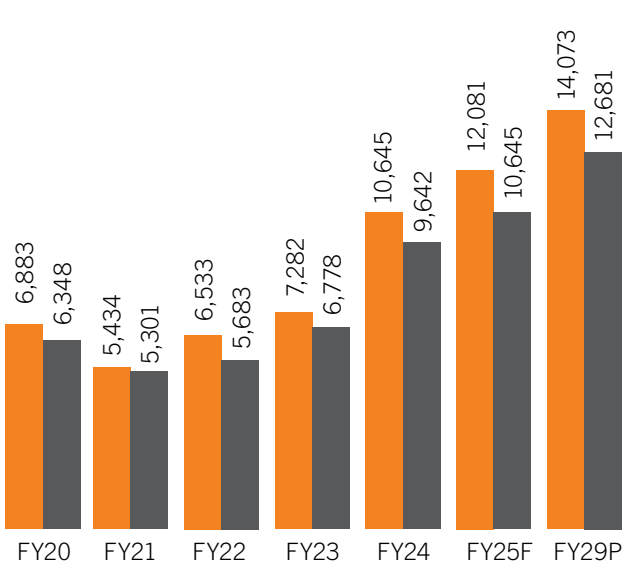
- **Infrastructure Investments:** Continued government spending on highways, railways, metro networks, airports, ports, industrial corridors, and logistics infrastructure under PM Gati Shakti and the National Infrastructure Pipeline is generating sustained demand for structural and flat steel products.
- **Manufacturing Expansion:** Production Linked Incentive (PLI) Schemes, the Make in India initiative, and rising investments across automotive, engineering, defence, capital goods, and heavy industries are driving demand for high-quality and value-added steel.
- **Urbanisation and Housing:** Growing urbanisation, commercial real estate development, affordable housing, and smart city projects continue to support long-term steel consumption across residential and non-residential construction.
- **Energy Transition:** Rapid expansion of renewable energy, transmission infrastructure, electric mobility, and green hydrogen projects is creating new opportunities for specialised, corrosion-resistant, and high-strength steel products.
- **Speciality Steel and Value Addition:** Policy support for speciality steel manufacturing, import substitution, and downstream value addition is strengthening domestic capabilities while improving India's competitiveness in global markets.
- **Green Steel Transition:** Increasing adoption of renewable energy, scrap recycling, energy-efficient technologies, and low-carbon steelmaking is supporting the sector's decarbonisation journey and enhancing long-term sustainability.

## Indian Steel Tubes and Pipes Industry

The Indian steel tubes and pipes market continues to witness robust growth, supported by sustained investments in infrastructure, water distribution, construction, oil and gas, renewable energy, and industrial manufacturing. Rising steel consumption, rapid urbanisation, expanding city gas distribution networks, and increasing demand for value-added steel products continue to strengthen the industry's long-term outlook. Government initiatives such as PM Gati Shakti, the Jal Jeevan Mission, expansion of natural gas pipeline infrastructure, and renewable energy projects are further driving demand across both urban and rural markets.

### Production and Consumption Trend and Forecast

('000 Tonnes)




*Source: CareEdge Research*

### Market Forecast

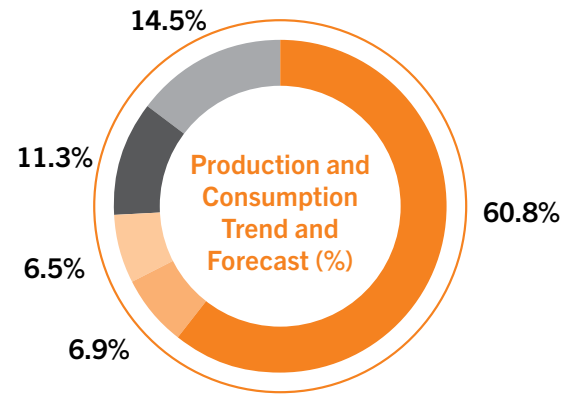
The Indian steel tubes and pipes market continues to witness robust growth, supported by expanding infrastructure investments, increasing oil and gas pipeline development, rapid urbanisation, and rising industrial activity. Growing demand across construction, water transmission, automotive, energy, and manufacturing sectors, coupled with favourable government initiatives, is strengthening the industry's long-term growth trajectory. The market reached **14.6 million tonnes in 2025** and is projected to grow to **28.7 million tonnes by 2034**, registering a **CAGR of 7.41%** during 2026-2034.

| Particulars | 2025 | 2034 (F) | CAGR (2026-2034) |
|---|---|---|---|
| Market Size (Million Tonnes) | 14.6 | 28.7 | 7.41% |

*Source: IMARC Group*

The market continues to be dominated by **mild steel (MS) tubes and pipes**, which are widely used across construction, infrastructure, agriculture, and industrial applications. Demand for **galvanized pipes and coils** is increasing due to expanding water supply networks, solar installations, and corrosion-resistant applications, while **GI pipes** remain integral to residential plumbing and sanitation. Growing investments in oil and gas transmission, city gas distribution, renewable energy, logistics infrastructure, warehousing, and industrial development are also driving demand for seamless and welded pipes. In parallel, manufacturers are increasingly focusing on high-strength, corrosion-resistant, and value-added products to cater to evolving end-user requirements

# MANAGEMENT DISCUSSION AND ANALYSIS




*Source: CareEdge Research*

## Outlook

The outlook for the Indian steel and steel tubes industry remains favourable, supported by sustained economic growth, robust public infrastructure investments, expanding manufacturing activity, and rapid urbanisation. Government initiatives such as the National Infrastructure Pipeline, PM Gati Shakti, Jal Jeevan Mission, and continued investments in railways, roads, renewable energy, and industrial corridors are expected to sustain steel demand over the medium to long term. Simultaneously, increasing investments in oil and gas pipelines, city gas distribution networks, water infrastructure, renewable energy, and pre-engineered buildings are expected to create significant opportunities for steel tubes, pipes, and value-added products.

Globally, supply chain diversification, increasing localisation of manufacturing and the transition towards greener infrastructure are reshaping demand patterns. At the same time, the industry's growing emphasis on low-carbon steelmaking, circular economy practices and energy-efficient manufacturing is accelerating investments in sustainable production technologies and value-added product development.

While challenges such as raw material price volatility, geopolitical uncertainties, evolving trade policies, and competitive intensity may continue to influence the operating environment, the Company's focus on backward integration, prudent capital allocation, and customer-centric growth strategy positions it well to deliver sustainable, profitable growth and create long-term value for all stakeholders.

## Company Overview

Hariom Pipe Industries Limited (HPIL) is one of India's leading vertically integrated iron and steel manufacturers with a strong presence across Southern and Western India. The Company operates a fully integrated manufacturing ecosystem spanning sponge iron, MS billets, HR strips, pipes and tubes, cold rolled products, galvanised products, and scaffolding systems, supported by five state-of-the-art manufacturing facilities across Telangana, Andhra Pradesh and Tamil Nadu.

With an installed manufacturing capacity of 7,85,232 MTPA, HPIL has steadily expanded its portfolio towards higher-margin value-added products catering to infrastructure, construction, renewable energy, agriculture, automotive, engineering and industrial applications. Backed by an extensive network of over 900 dealers and B2B customers, a diversified product portfolio, and continued investments in manufacturing excellence, renewable energy and operational efficiency, the Company remains well positioned to capitalise on India's infrastructure and manufacturing-led growth while creating sustainable long-term value.

## Operational and Financial Performance

### Operational Highlights

FY 2025-26 was a year of strong operational execution and profitable growth. The Company continued to strengthen its integrated manufacturing platform, enhance operational efficiencies and increase its focus on value-added products, enabling sustained volume growth and improved profitability. Investments in manufacturing capabilities, customer reach and renewable energy initiatives further enhanced the Company's operational capabilities and strengthened its competitive position.

- Total installed manufacturing capacity increased from 7,01,232 MTPA in FY 2024-25 to 7,85,232 MTPA in FY 2025-26.
- Sales volume reached 2.89 lakh MT, registering 18% YoY growth.
- Value-added products contributed 96% of total sales volume.
- EBITDA per MT increased from ₹7,147 in FY 2024-25 to ₹7,258 in FY 2025-26.
- Dealer and B2B customer network expanded to over 900 across key markets in Southern and Western India.

### Financial Highlights

HPIL delivered another year of strong financial performance in FY 2025-26, supported by higher sales volumes, improved throughput, sustained contribution from value-added products and disciplined execution. Revenue from operations grew by 23% to ₹1,666.95 crore, while EBITDA increased by 19% to ₹209.42 crore, with the EBITDA margin remaining broadly stable at 12.56%. Profit after tax increased by 23% to ₹75.83 crore. The year also witnessed a significant improvement in cash generation, with operating cash flow rising to ₹192.08 crore, reflecting stronger working capital discipline and improved capital efficiency.

| Particulars | FY26 | FY25 | YoY Change |
|---|---|---|---|
| Total Income (₹ Lakhs) | 1,68,014.65 | 1,35,994.35 | 23.5% |
| EBITDA (₹ Lakhs) | 20,941.85 | 17,542.61 | 19.4% |
| PAT (₹ Lakhs) | 7,582.77 | 6,172.60 | 22.8% |
| Revenue per MT (₹) | 57,777 | 55,284 | 4.5% |
| Cost per MT (₹) | 50,518 | 48,138 | 4.9% |
| EBITDA per MT (₹) | 7,258 | 7,147 | 1.6% |
| EBITDA Margin (%) | 12.56 | 12.93% | (37 bps) |
| PAT Margin (%) | 4.51 | 4.54% | (3 bps) |

## Cash Flow and Capital Allocation

In FY 2025-26, the Company maintained healthy cash flow generation, supported by disciplined working capital management, improved operational efficiencies and prudent capital allocation. Cash deployment remained focused on strengthening manufacturing capabilities, capacity expansion and strategic growth initiatives while maintaining financial flexibility.

- Operating Cash Flow stood at ₹19,208.44 Lakhs in FY 2025-26.
- Capital expenditure during the year was directed towards capacity expansion, modernisation and strategic growth initiatives.

| Particulars | FY26 | FY25 |
|---|---|---|
| Operating Cash Flow (₹ Lakhs) | 19,208.44 | 7,863.26 |
| Investing Cash Flow (₹ Lakhs) | (11,047.42) | (8,571.64) |
| Financing Cash Flow (₹ Lakhs) | (10,718.04) | 3,131.69 |

## Balance Sheet Metrics and Financial Ratios

HPIL continued to maintain a strong balance sheet, supported by prudent capital management, adequate liquidity and a disciplined approach to leverage, providing a solid foundation for future growth.

| Particulars | FY26 | FY25 |
|---|---|---|
| Net Working Capital (₹ Lakhs) | 25,753.59 | 23,371.50 |
| Total Debt (₹ Lakhs) | 34,670.62 | 40,032.19 |
| Total Outside Liabilities (TOL) (₹ Lakhs) | 52,220.04 | 61,407.61 |
| Cash and Equivalents (₹ Lakhs) | 45.14 | 2,601.28 |
| Net Worth (₹ Lakhs) | 64,664.25 | 57,267.42 |
| Current Ratio | 1.67 | 1.45 |
| Interest Coverage Ratio | 2.94 | 2.85 |
| Debt to Equity Ratio | 0.54 | 0.70 |
| ROCE (%) | 20.71% | 19.26% |
| RoE (%) | 11.73% | 10.78% |

## SWOT Analysis

### Strengths

- **Integrated Manufacturing Platform:** Majorly integrated operations spanning sponge iron, billets, HR strips, pipes, tubes, galvanised products and scaffolding, enabling greater control over quality, costs and supply reliability.
- **High Value-added Product Mix:** Value-added products contribute a significant share of revenue, supporting higher margins and reducing exposure to commodity products.
- **Strong Market Presence:** Well-established network of dealers and B2B customers across Southern and Western India, backed by long-standing customer relationships.
- **Manufacturing Scale and Operational Excellence:** Strategically located manufacturing facilities, process optimisation, backward integration and efficient resource utilisation drive productivity and cost competitiveness.
- **Financial Discipline:** Healthy cash generation, prudent capital allocation and a strong balance sheet support sustainable growth and future expansion.

### Weaknesses

- **Raw Material Price Sensitivity:** Profitability remains influenced by fluctuations in the prices of steel, sponge iron, scrap and other key raw materials.
- **Geographical Concentration:** The Company's Business continues to be largely concentrated in Southern and Western India, limiting exposure to other high-growth regions.
- **Limited Global Presence:** Export contribution remains relatively modest compared with larger integrated steel manufacturers.
- **Working Capital Intensive Business:** Inventory and receivable requirements remain relatively high due to the nature of steel manufacturing and distribution.

### Opportunities

- **Expanding Infrastructure Investments:** Rising Government expenditure on infrastructure, housing, water supply, railways and renewable energy is expected to drive sustained demand for steel products.
- **Growth in Value-added Products:** Increasing penetration of specialised and higher-margin products can enhance profitability and strengthen market positioning.
- **Geographical and Export Expansion:** Entry into new domestic markets and expansion of export opportunities can diversify the revenue base.
- **Renewable Energy and Sustainability:** Investments in solar power and energy-efficient operations can lower operating costs while supporting long-term sustainability objectives.
- **Capacity Expansion and Digitalisation:** Continued investments in manufacturing capacity, automation and digital technologies can improve productivity, quality and operational efficiency.

### Threats

- **Cyclical Nature of the Steel Industry:** Demand and profitability remain susceptible to economic slowdowns and fluctuations in end-user industries.
- **Intense Market Competition:** Competition from large integrated steel producers and regional manufacturers may exert pressure on pricing and market share.
- **Regulatory and Environmental Compliance:** Evolving environmental regulations, emissions norms and policy changes may increase compliance and operating costs.
- **Volatility in Input Costs:** Fluctuations in raw material, energy and logistics costs can impact margins and working capital requirements.
- **Global Trade Dynamics:** Changes in import policies, tariffs and international steel prices may affect domestic market competitiveness.

## Risk Management

Hariom Pipe Industries Limited has established a structured Enterprise Risk Management (ERM) framework to identify, assess, monitor and mitigate risks that could impact its strategic objectives and long-term value creation. The Company's Risk Management Committee periodically reviews the enterprise-wide risk profile by evaluating the nature, likelihood, velocity and potential impact of identified risks.

The framework encompasses risk identification, assessment, treatment and continuous monitoring. Risk treatment involves evaluating existing controls, selecting appropriate mitigation measures and implementing new action plans, wherever necessary, to ensure their effectiveness. Robust internal controls facilitate the timely availability of accurate information, enabling proactive decision-making and effective risk management. Functional departments conduct periodic reviews to monitor risk trends, update risk registers and reassess mitigation plans, ensuring the Company's risk management practices remain aligned with the evolving business environment.

### Risk Mitigation

The Company adopts a comprehensive approach to mitigating operational and business risks through a clearly defined organisational structure, well-defined roles and responsibilities,

robust inventory management systems for raw materials and critical spares, and standardised operating procedures. Continuous investments in technology, process standardisation, employee training and preventive asset maintenance strengthen operational efficiency and business continuity.

To enhance business resilience, the Company closely monitors macroeconomic and industry developments, market trends and forecasts issued by expert agencies. It has developed alternative sourcing strategies to ensure uninterrupted raw material availability, continuously tracks competitor developments and implements cost optimisation initiatives to improve operational efficiency. A dedicated transport function supports efficient logistics management, while periodic technology assessments, disaster preparedness plans, adequate insurance coverage and regular safety training programmes further strengthen the Company's risk mitigation framework.

### Key Risk Areas

**Financial Risk:** Financial risks are managed through prudent credit management practices, timely realisation of trade receivables and a robust framework for assessing customer creditworthiness.

**Liquidity Risk:** Liquidity risk is mitigated through disciplined financial planning, maintaining adequate cash balances and access to sanctioned credit facilities. Detailed annual and quarterly budgets are reviewed by senior management, supported by regular monitoring of cash flows and funding requirements.

**Market Risk:** Market risks are managed through continuous monitoring of interest rate movements, maintaining adequate liquidity and minimising foreign currency exposure. The Company also upholds high standards of corporate governance, ensures compliance with evolving regulatory requirements and maintains rigorous internal controls, supported by a whistleblower mechanism to help prevent corporate accounting fraud.

**Human Resource Risk:** Human resource risks are addressed through structured recruitment practices, appropriate job allocation, employee welfare initiatives and continuous learning and development programmes.

**Environmental and Legal Risk:** Environmental risks are mitigated through the efficient operation of environmental protection systems, while legal and regulatory risks are managed through continuous compliance monitoring and professional legal guidance.

*For more details, please refer to the Company's Risk Management Policy available at: https://www.hariompipes.com/investor-relations-policies.php*

## Human Resources

People remain central to Hariom's long-term success. Guided by strong leadership and a people-centric culture, the Company continues to prioritise employee health, safety, engagement and well-being while ensuring business continuity. An inclusive workplace that encourages collaboration, innovation and continuous learning enables employees to realise their full potential.

The Company attracts talent through structured recruitment processes, invests in continuous capability development through training and skill enhancement initiatives, and promotes a merit-based culture supported by employee welfare programmes. These initiatives have helped build a motivated workforce that contributes to sustainable organisational growth and long-term value creation.

As on March 31, 2026, the Company had 792 employees.

## Internal Control Systems

The Company has established a robust internal control framework designed to safeguard assets, enhance operational efficiency, ensure the reliability of financial reporting and maintain compliance with applicable laws and regulations. Clearly defined policies, procedures and internal processes facilitate the timely availability of accurate information, enabling proactive risk management and informed decision-making across the organisation.

Regular internal audits and management reviews are conducted to evaluate the effectiveness of the internal control framework and promptly address any deviations or opportunities for improvement. The Audit Committee and the Board of Directors oversee the adequacy and effectiveness of the internal control systems, ensuring alignment with the Company's strategic objectives while fostering a strong culture of governance, accountability and continuous improvement across the organisation.

## *Cautionary Statement*

*Statements contained in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or outlook may constitute forward-looking statements within the meaning of applicable laws and regulations. These statements are based on assumptions, expectations and estimates regarding future events that are believed to be reasonable at the time of preparation. Actual results may differ materially due to changes in economic conditions, Government policies, industry dynamics and other factors beyond the Company's control. The Company undertakes no obligation to publicly update or revise any forward-looking statements to reflect subsequent events, developments or information.*

# BOARD'S REPORT

**Dear Shareholders,**

The Board of Directors are pleased to present the 19th Annual Report on the business and operations of the Company ("the Company" or "HPIL"), together with the Audited Financial Statements (Standalone and Consolidated) for the financial year ended March 31, 2026 (FY 2025-26).

## 1. FINANCIAL PERFORMANCE AND OPERATIONS

### (i) Financial Results:

The Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2026, are prepared in accordance with the relevant applicable Indian Accounting Standards ("IND AS") and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

The key highlights of Standalone and Consolidated financial performance for the financial year ended March 31, 2026, as compared with the previous financial year is summarized below:

(Amount in Lakhs)

| Particulars | Standalone | | Consolidated* | |
|---|---|---|---|---|
| | FY 2025-26 | FY 2024-25 | FY 2025-26 | FY 2024-25 |
| Revenue from operations | 1,66,695.39 | 1,35,704.88 | 1,66,695.39 | 1,35,704.88 |
| Other income | 1,319.26 | 289.47 | 1,315.82 | 289.47 |
| Total Revenue | 1,68,014.65 | 1,35,994.35 | 1,68,011.21 | 1,35,994.35 |
| Profit before Depreciation, Finance Costs and Tax Expense | 22,261.11 | 17,832.08 | 22,255.21 | 17,832.08 |
| Less: Depreciation | 6,520.10 | 5,030.61 | 6,526.18 | 5,030.61 |
| Less: Finance Cost | 5,354.60 | 4,491.24 | 5,354.60 | 4,491.24 |
| Profit/(Loss) before Tax (PBT) | 10,386.41 | 8,310.23 | 10,374.43 | 8,310.23 |
| Total Tax Expenses | 2,803.65 | 2,137.62 | 2,803.65 | 2,137.62 |
| Profit/(Loss) after Tax (PAT) | 7,582.77 | 6,172.60 | 7,570.78 | 6,172.60 |

** Note: The Consolidated Financial Statements for the financial year ended March 31, 2026 include the financial statements of Hariom Power and Energy Private Limited and Metal Mart Private Limited, subsidiaries of the Company incorporated on March 19, 2025 and January 22, 2026, respectively.*

### (ii) Operational Review:

During the year under review, the Company has registered a total income of ₹1,68,014.65 Lakhs, reflecting a robust growth of 24% as against ₹1,35,994.35 Lakhs in the previous financial year. The Net Profit for the year stood ₹7,582.77 Lakhs, marking an increase of 23% as against the Net Profit of ₹6,172.60 Lakhs in the previous financial year. The Earnings Per Share (EPS) for the year was ₹24.49/.

The Company's strong performance during FY 2025–26 reflects its continued focus on operational excellence, sustainable manufacturing, and customer-centric growth. By strengthening long-term customer relationships, enhancing operational efficiencies, and expanding its market presence, the Company has further reinforced its competitive position. The Board remains confident that the Company's disciplined execution and focus on sustainable growth will continue to drive long-term value for all stakeholders.

## 2. DIVIDEND:

The Board of Directors is pleased to recommend a dividend @7.5%, i.e., ₹0.75/- (Seventy-Five Paisa only) per Equity Share of face value of ₹10/- each, as final dividend for the FY 2025-26, subject to the approval by the Members at the ensuing Annual General Meeting. The payment of dividend will be subject to deduction of applicable taxes and shall be payable to those Members whose name appears in the Register of Members (including Beneficial Owners) as on the record date i.e., September 23, 2026. The final dividend for the FY 2025-26 would involve cash outflow of ₹2,32,25,466.75/- (Rupees Two Crore Thirty-Two Lakh Twenty-Five Thousand Four Hundred Sixty-Six and Seventy-Five paise only).

The Dividend Distribution Policy, pursuant to Regulation 43A of SEBI Listing Regulations has been hosted on the Company's website and can be accessed at https://www.hariompipes.com/pdf/policies/Dividend-Distribution-Policy.pdf

## 3. TRANSFER TO RESERVES:

During the year under review, no amount was proposed to be transferred to any reserves.

## 4. SHARE CAPITAL:

### (i) Authorised Capital:

During the year under review, there was no change in the Authorized Share Capital of the Company. As on March 31, 2026, the Authorised Share Capital stood at ₹50,00,00,000/- (Rupees Fifty Crores only) comprising of 4,66,83,800 (Four Crore Sixty-Six Lakh Eighty-Three Thousand and Eight Hundred) Equity Shares of ₹10/- (Rupees Ten only) each and 33,16,200 (Thirty-Three Lakh Sixteen Thousand and Two Hundred) 0% Series A redeemable Non-Cumulative Preference Shares of ₹10/- (Rupees Ten only) each.

**(ii) Paid-up Capital:**

During the year under review, there was no change in the Paid-up Share Capital of the Company. As on March 31, 2026, the Paid-up Share Capital stood at ₹33,91,72,890/- (Rupees Thirty-Three Crore Ninety-One Lakh Seventy-Two Thousand Eight Hundred and Ninety only) comprising of 3,09,67,289 (Three Crore Nine Lakh Sixty-Seven Thousand Two Hundred and Eighty-Nine) Equity Shares of ₹10/- each and 29,50,000 (Twenty-Nine Lakh Fifty Thousand) 0% Series A redeemable Non-Cumulative Preference Shares of ₹10/- each.

## 5. CHANGE IN THE NATURE OF THE BUSINESS, IF ANY:

During the year under review, there is no change in the nature of the business of the Company.

## 6. DEPOSITS FROM PUBLIC:

During the year under review, the Company has neither accepted nor renewed any deposits pursuant to the provisions of Sections 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 including any modification, amendment and re-enactment thereto for the time being in force from the public. Accordingly, no amount of principal or interest was outstanding as on March 31, 2026.

## 7. SUBSIDIARY / JOINT VENTURE / ASSOCIATE COMPANIES:

During the year under review, the Company had no Joint Ventures or Associate Companies. However, as on March 31, 2026, the Company had two (2) subsidiaries, namely M/s. Hariom Power and Energy Private Limited, incorporated on March 19, 2025 and M/s. Metal Mart Private Limited, incorporated on January 22, 2026.

Pursuant to the first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 as amended from time to time, a statement containing the salient features of the financial statements of the Company's subsidiaries for the financial year ended March 31, 2026 in the prescribed Form AOC-1, is annexed as "**BR_Annexure – I**" to this Annual Report.

The Policy for Determining Material Subsidiaries of the Company has been hosted on the Company's website and can be accessed at https://www.hariompipes.com/pdf/Material%20Subsidiary%20Policy%20-%20Updated.pdf.

## 8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Pursuant to Regulation 34(2)(e) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis for the financial year ended March 31, 2026 is presented in a separate section and forms an integral part of this Annual Report. The Audit Committee has reviewed the Management Discussion and Analysis Report in accordance with the applicable provisions of SEBI Listing Regulations.

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

Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, as amended from time to time, the particulars pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo for the financial year ended March 31, 2026, are annexed as "**BR_Annexure – II**" to this Annual Report.

## 10. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of Directors of the Company comprises of Eight (8) Directors with an optimum combination of Executive, Non-Executive and Independent Directors including two Women Directors and three Independent Directors, in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the composition of the Board of Directors and its Committees, meetings held during the year, attendance of Directors and other related details are provided in the Corporate Governance Report, which forms a part of this Annual Report.

**a) Directors Retiring by Rotation:**

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Sunita Gupta (DIN: 02981707), Non-Executive Director, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment. The Board of Directors recommends her re-appointment. A brief profile of Mrs. Sunita Gupta as required under the applicable provisions, is provided in the Notice convening the ensuing Annual General Meeting, which forms a part of this Annual Report.

**b) Appointment/Re-appointment/Change in Designation of Director:**

During the year under review, the Members approved the following appointments and re-appointments of Directors:

(i) Based on the recommendation of the Nomination and Remuneration Committee ("NRC"), the Board of Directors, at its meeting held on August 08, 2025, approved the appointment of Mr. Ansh Golas (DIN: 11225536) as an Additional Director and Whole-time Director of the Company for a term of three (3) years with effect from August 08, 2025. The said appointment was subsequently approved by the Members by way of a Special Resolution passed at the 18th Annual General Meeting held on September 30, 2025.

(ii) Based on the recommendation of the Nomination and Remuneration Committee ("NRC"), the Board of Directors, at its meeting held on March 02, 2026, approved the re-appointment of Mr. Rajender Reddy Gankidi (DIN: 09165223) as a Non-Executive Independent Director of the Company for a second term of five (5) consecutive years with effect from May 14, 2026. The re-appointment was approved by the Members by way of a Special Resolution passed through Postal Ballot on April 07, 2026.

Except as stated above, there were no changes in the composition of the Board of Directors of the Company during the year under review.

**c) Key Managerial Personnel:**

Pursuant to the provisions of Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Ansh Golas (DIN: 11225536) was appointed as the Whole-time Director of the Company. Apart from the aforesaid appointment, there were no other changes in the Key Managerial Personnel (KMP) of the Company during the year under review.

As on March 31, 2026, the Company has following Key Managerial Personnel:

| S. NO. | NAME OF KMP | DESIGNATION |
|---|---|---|
| 1. | Mr. Rupesh Kumar Gupta | Managing Director |
| 2. | Mr. Shailesh Kumar Gupta | Whole-time Director |
| 3. | Mr. Ansh Golas* | Whole-time Director |
| 4. | Mr. Amitabha Bhattacharya | Chief Financial Officer |
| 5. | Mrs. Rekha Singh | Company Secretary & Compliance Officer |

**Mr. Ansh Golas was appointed as Whole-time Director of the Company w.e.f., August 08, 2025.*

Remuneration and other matters provided in Section 178(3) of the Companies Act, 2013, have been disclosed in the Corporate Governance Report, which forms a part of this Annual Report.

**d) Meetings of the Board:**

During the year under review, seven (7) meetings of the Board of Directors were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the meetings of the Board of Directors, including the attendance of Directors and other details are provided in the Corporate Governance Report, which forms a part of this Annual Report.

**e) Independent Directors:**

**(i) Statement of Declaration given by Independent Directors:**

In compliance with the provisions of Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Independent Directors have submitted the Declaration of Independence, confirming that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there has been no change in the circumstances which may affect their status as an Independent Director of the Company.

The Independent Directors have also confirmed compliance with the requirements of Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, with respect to the registration of their name appearing in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs.

**(ii) Meeting of Independent Directors:**

Pursuant to the provisions of Schedule IV to the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on March 21, 2026, without the attendance of the Non-Independent Directors and members of the Management.

The Independent Directors inter-alia has reviewed and evaluated the performance of Non-Independent Directors, the Committees of the Board, the Executive Directors and the Board as a whole, along with the performance of the Chairperson of the Board and have also assessed the quality, quantity and timeliness of the flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**(iii) Familiarization Programmes for Independent Directors:**

In accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors are familiarized with their roles, rights and responsibilities, nature of the industry, business model of the Company and other relevant matters at the time of appointment and also on a recurrent basis.

The details of the familiarization programme imparted to Independent Directors during FY 2025-26 has been hosted on the Company's website and can be accessed at https://www.hariompipes.com/pdf/details-of-familiarization-programmes/Familiarization%20and%20Induction%20Program%20for%20Independent%20Directors-2025-26.pdf

**f) Committee of the Board and details of meetings:**

The Board of Directors has constituted various Committees in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, namely:

(i) Audit Committee;

(ii) Nomination and Remuneration Committee;

(iii) Stakeholders Relationship Committee;

(iv) Corporate Social Responsibility (CSR) Committee; and

(v) Risk Management Committee.

During the year under review, all the recommendations made by the Committees of the Board including the Audit Committee were accepted and approved by the Board of Directors.

During the year under review, seven (7) meetings of the Audit Committee, three (3) meeting of Nomination and Remuneration Committee, one (1) meeting of Stakeholders

Relationship Committee, one (1) meeting of Corporate Social Responsibility (CSR) Committee and two (2) meetings of Risk Management Committee were convened and held. The details pertaining to the composition, terms of reference, numbers of meetings held and attendance of the members at the meetings of the aforesaid Committees, has been enumerated in the Corporate Governance Report, which forms a part of this Annual Report.

**g) Appointment of Directors and Remuneration Policy:**

The assessment and appointment of Directors are based on a combination of criterion that includes integrity, qualifications, expertise, experience, skills, professional standing, diversity and other attributes required for the effective functioning of the Board. The potential Independent Director are also assessed on the basis of independence criteria prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 178(3) of the Companies Act, 2013, and based on the recommendations of the Nomination and Remuneration Committee, the Board has formulated and adopted a Nomination and Remuneration Policy for Directors, Key Management Personnel (KMPs) and Senior Management Personnel that lays down the criteria for appointment, remuneration, performance evaluation of Directors, Key Managerial Personnel and Senior Management Personnel, as well as the Board Diversity Policy. The Nomination and Remuneration Policy have been hosted on the Company's website and can be accessed at https://www.hariompipes.com/pdf/policies/nomination-and-remuneration-policy.pdf.

## 11. BOARD EVALUATION:

Pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an evaluation of the annual performance of the Board of Directors, its Committees and Individual Directors were undertaken by the Board of Directors. To ensure an effective evaluation process, the Nomination and Remuneration Committee of the Board of Directors ("NRC") has laid down an evaluation framework comprising the criteria and methodology for evaluating the performance of the Board, its Committees and the individual Directors.

Based on the criteria approved by the NRC, the Board of Directors has carried out the annual performance evaluation for the FY 2025-26.

The evaluation of the Board of Directors was conducted based on various parameters, including its composition, effectiveness, governance practices, strategic oversight, quality of deliberations, independence from the Management and protection of the interest of the Company and its stakeholders. The performance of the individual Directors was evaluated on parameters such as their constructive participation and contribution at Board and Committee meetings, strategic guidelines, expertise, commitment and adherence to governance standards.

Similarly, the performance of the Committees was evaluated on parameters such as their composition, effectiveness in discharging their respective roles and responsibilities, quality of deliberations and reporting to the Board. The performance of the Chairperson was evaluated based on the leadership, strategic direction, effective conduct of Board meetings and overall functioning of the Board.

The Independent Directors, at their separate meeting held during the year, reviewed and evaluated the performance of the Non-Independent Directors, the Chairperson and the Board as a whole. They also assessed the quality, quantity and timeliness of the flow of information between the Management and the Board to enable the Directors to effectively discharge their duties.

The Board of Directors are satisfied with the effectiveness of the evaluation process and believes that it provides a constructive mechanism for improving the overall effectiveness of the Board and its Committees.

## 12. RELATED PARTY TRANSACTIONS:

During the year under review, all Related Party Transactions entered into by the Company were in the Ordinary Course of Business and at an Arm's Length basis and were reviewed and approved by the Audit Committee and the Board of Directors wherever applicable, in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Omnibus approvals are obtained for the transactions which were foreseeable and repetitive in nature. A statement of all Related Party Transactions is presented before the Audit Committee on quarterly basis, specifying the nature, value and terms and conditions of the transactions. The details of the Related Party Transactions entered into during the financial year are disclosed in the Notes to the Financial Statements, which forms a part of this Annual Report.

Pursuant to the provisions of the SEBI Listing Regulations, the Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions, as approved by the Board of Directors has been hosted on the Company's website and can be accessed at https://www.hariompipes.com/pdf/policy-on-related-party-transaction.pdf

Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contracts or agreements entered into with Related Parties in Form AOC-2 are annexed as "**BR_Annexure – III**" to this Annual Report.

## 13. COMPLIANCE WITH SECRETARIAL STANDARDS:

During the year under review, the Company has complied with the applicable provisions of all Secretarial Standards, issued by the Institute of Company Secretaries of India ('ICSI'), as amendment from time to time.

## 14. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and belief, confirms that:

a. In the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. They had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and the statement of profit and loss of the Company for the financial year ended March 31, 2026;

c. They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. They had prepared the annual accounts for the financial year ended March 31, 2026 on a 'going concern basis';

e. They had laid down proper Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and operating effectively; and

f. They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 15. AUDITORS AND AUDIT REPORT:

### (i) Statutory Auditors and Statutory Auditor's Report:

Pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, M/s. R Kabra & Co. LLP, Chartered Accountants (Firm Registration No. 104502W/W100721) were appointed as the Statutory Auditors of the Company for a term of five (5) consecutive years from the conclusion of the 14th Annual General Meeting held on September 14, 2021 till the conclusion of 19th Annual General Meeting of the Company to be held in the year 2026.

Based on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on May 22, 2026, has approved the re-appointment of M/s. R Kabra & Co. LLP, Chartered Accountants as the Statutory Auditors of the Company for a second term of five (5) consecutive years, commencing from the conclusion of the ensuing 19th Annual General Meeting until the conclusion of the 24th Annual General Meeting of the Company, subject to the approval of the Members at the ensuing Annual General Meeting.

The Independent Auditors' Reports on the Standalone and Consolidated Financial Statements for the financial year ended March 31, 2026, issued by M/s. R Kabra & Co. LLP, Chartered Accountants, Statutory Auditors are unmodified and do not contain any qualification, reservation, adverse remark, or disclaimer. The Statutory Auditors' Reports form part of this Annual Report.

### Reporting of Frauds by Auditors:

During the year under review, there is no instance of frauds reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

### (ii) Cost Auditors and Cost Audit Report:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain the cost accounts and records, as specified by the Central Government. These cost accounts and records are subject to an audit by a Cost Accountant.

Based on the recommendation of Audit Committee, the Board of Directors has appointed M/s. Sheshadri & Associates, Cost Accountants, (Firm Registration No. 101476) as the Cost Auditors of the Company for conducting the cost audit for the FY 2026-27, subject to ratification of their remuneration by the Members at the ensuing Annual General Meeting. The necessary consent and certificate of eligibility have been received from the cost auditors confirming their eligibility to be appointed as the Cost Auditors of the Company.

The Cost accounts and records as required to be maintained under Section 148(1) of the Companies Act, 2013 are duly made and maintained by the Company.

### Cost Audit Report:

The Cost Audit Report for the FY 2025-26 shall be filed with the Central Government within the prescribed timeline.

### Maintenance of Cost Records:

The provisions of Cost Records are applicable to the Company and the Company has maintained the cost records as specified by the Central Government under sub-section (1) Section 148 of the Companies Act, 2013.

### (iii) Secretarial Auditors and Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and, other applicable provisions, the Board of Directors, at their meeting held on August 30, 2025, appointed M/s. VSSK & Associates, Company Secretaries, Hyderabad, a Peer Reviewed Firm, as the Secretarial Auditors of the Company for a term of 5 (Five) consecutive years, commencing from the conclusion of the 18th Annual General Meeting until the conclusion of 23rd Annual General Meeting of the Company to be held in the year 2030 with the approval of the Members at the 18th Annual General Meeting held on September 30, 2025.

### Annual Secretarial Audit Report:

Pursuant to Section 204 of the Companies Act, 2013 and Regulation 24A of SEBI Listing Regulations, the Secretarial Audit Report for FY 2025-26, issued by M/s. VSSK & Associates, Secretarial Auditors in Form No. MR-3 is annexed as "**BR_Annexure - IV**" to this Annual Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

### Annual Secretarial Compliance Report:

Pursuant to the provisions of Regulation 24A of SEBI Listing Regulations, the Annual Secretarial Compliance Report for the financial year ended March 31, 2026, confirming compliance with all applicable SEBI Regulations and circulars / guidelines issued thereunder, has been obtained from M/s. VSSK & Associates and submitted to the Stock Exchanges within the prescribed timelines.

### (iv) Internal Auditors and Internal Audit Report:

Pursuant to the provisions of Section 138 and other applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Board of Directors based on the recommendation of the Audit Committee, has appointed M/s. Ravi Ladia & Co., Chartered Accountants (Firm Regn. No.014255s), as the Internal Auditors of the Company for the FY 2026-27. M/s. Ravi Ladia & Co., have confirmed their eligibility and willingness to be appointed as an Internal Auditors of the Company and are submitting their internal audit reports to the Audit Committee on a quarterly basis.

## 16. CREDIT RATINGS:

During the year under review, CRISIL Ratings Limited has assigned the following rating vide its letter dated April 14, 2026, to the Company:

| Facility | Tenure | Previous Rating | Current Ratings |
|---|---|---|---|
| Fund Based | Long Term | CRISIL A-/ Stable | CRISIL A-/Watch Developing |
| Non-Fund Based | Short Term | CRISIL A2+ | CRISIL A2+ /Watch Developing |

## 17. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Pursuant to the provisions of Section 135 and Schedule VII of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, the Company has constituted a Corporate Social Responsibility (CSR) Committee comprising Mr. Rupesh Kumar Gupta, Mr. Shailesh Kumar Gupta and Mr. Pramod Kapoor Kumar. Mr. Rupesh Kumar Gupta, Managing Director, is the Chairperson of the CSR Committee.

During the year under review, the Company has spent a total sum of ₹ 1,51,34,717/- on the CSR activities as approved by the CSR Committee. The Company undertook CSR initiatives in accordance with its CSR Policy and the applicable provisions of the Companies Act, 2013. The Annual Report on CSR activities, containing the prescribed disclosures under the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed as "**BR_Annexure – V**" and forms a part of this Annual Report. The CSR Policy of the Company has been hosted on the Company's website and can be accessed at https://www.hariompipes.com/pdf/policies/CSR-Policy.pdf.

## 18. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

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

## 19. QUALITY AND SYSTEMS:

During the year under review, the Company continues to maintain its Integrated Management Systems certifications, including ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System), ISO 45001:2018 (Occupational Health & Safety Management System) reflecting its commitment to quality, environmental sustainability and occupational health and safety standards.

## 20. CODE OF CONDUCT:

Pursuant to Regulation 17(5) of SEBI Listing Regulations, the Company has adopted a comprehensive Code of Conduct ('the Code') applicable to all the Senior Management Personnel and Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code lays down the standards of ethical conduct of business and compliance of law. The Code has been hosted on the Company's website and can be accessed at https://www.hariompipes.com/pdf/code-of-conduct/Code-of-Conduct-for-Board-and-Senior-Management.pdf.

The Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them for the financial year ended March 31, 2026. A declaration to this effect, signed by the Managing Director in terms of the Listing Regulations, forms a part of this Annual Report.

## 21. ANNUAL RETURN:

Pursuant to the provisions of Sections 92(3) and 134(3)(a) of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rule, 2014, the Annual Return of the Company for the financial year ended March 31, 2026, has been hosted on the Company's website and can be accessed at https://www.hariompipes.com/investor-relations-annual-return.php.

## 22. CORPORATE GOVERNANCE REPORT:

The Company remains commitment to adhere to the highest standards of Corporate Governance. Pursuant to Regulation 34(3) read with Schedule V(C) of SEBI Listing Regulations and Companies Act, 2013, the Corporate Governance Report for the financial year ended March 31, 2026, together with the certificate from the Practicing Company Secretary confirming compliance with the requirements of Corporate Governance, as stipulated under the aforesaid Regulations forms a part of this Annual Report.

## 23. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR):

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations read with SEBI Circular SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, and the applicable SEBI Circulars, the Business Responsibility

and Sustainability Report (BRSR) for the FY 2025-26, describing the initiatives taken by the Company from an environment, social and governance (ESG) perspective, which forms a part of this Annual Report. In addition to the BRSR, the Annual Report of the Company provides an insight on various ESG initiatives adopted by the Company.

## 24. COMPANY'S POLICIES:

The details of the policies approved and adopted by the Board of Directors are provided in the Corporate Governance Report which forms a part of this Annual Report. The policies are also available on the Company's website.

## 25. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT 2013:

The particulars of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 are disclosed in the notes to the Standalone Financial Statements forming part of this Annual Report.

## 26. NOMINATION AND REMUNERATION POLICY:

The Company has in place a Nomination and Remuneration Policy in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. The Policy lays down the criteria for appointment, remuneration, evaluation and removal of Directors, Key Managerial Personnel and Senior Management Personnel. It also assists the Board and the Nomination and Remuneration Committee in identifying individuals with the appropriate skills, experience, integrity and diversity to ensure an effective and balanced Board. The Nomination and Remuneration Policy has been hosted on the Company's website and can be accessed at https://www.hariompipes.com/pdf/policies/nomination-and-remuneration-policy.pdf

## 27. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

Pursuant to the provisions of Section 177 of the Companies Act, 2013, Regulation 22 of the SEBI Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and established a Vigil Mechanism / Whistle Blower Policy to provide a mechanism for Directors, employees and other stakeholders to report genuine concerns, unethical behaviour, actual or suspected fraud, or violations of the Company's Code of Conduct, without fear of retaliation.

The Policy provides for adequate safeguards against victimization and enables direct access to the Chairperson of the Audit Committee in appropriate cases. The aforesaid policy has been hosted on the Company's website and can be accessed at https://www.hariompipes.com/pdf/policies/whistle-blower-policy.pdf.

During the year under review, the Company has not received any complaints under the vigil mechanism/Whistle Blower Policy.

## 28. RISK MANAGEMENT POLICY:

The Company has instituted a proper mechanism for appropriate identification and establishing controls to effectively manage different kinds of risks. This risk identification exercise is integrated with the annual planning cycle, ensuring both regularity and comprehensiveness. Risks are identified at the strategic, business, operational, and process levels.

The Board of Directors has constituted a Risk Management Committee and formulated and adopted a policy on Risk Management in accordance with the provisions of Companies Act, 2013 and Regulation 21 of SEBI Listing Regulations to frame, implement and monitor the risk management plan and ensuring its effectiveness. The details of the Committee, its terms of reference and meeting details are provided in the Corporate Governance Report, which forms a part of this Annual Report. The Policy on Risk Management of the Company has been hosted on the Company's website and can be accessed at https://www.hariompipes.com/pdf/policies/Risk-Management-Policy-new.pdf.

## 29. PARTICULARS OF EMPLOYEES:

Pursuant to Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the disclosure relating to the ratio of the remuneration of each Directors to the median remuneration of the employees of the Company and other requisite details, is annexed as "**BR_Annexure – VI**" and forms a part of this Annual Report. Further, the particulars of employees pursuant to Rule 5(2) & 5(3) of the above Rules forms a part of this Annual Report. The said information is available for inspection at the registered office of the Company, during working days of the Company up to the date of the ensuing Annual General Meeting.

## 30. PREVENTION OF INSIDER TRADING AND CODE OF FAIR DISCLOSURE:

Pursuant to the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and adopted a Code of Internal Procedures and Conduct to regulate, monitor, and report trading by Insiders. This code outlines the guidelines and procedures to be followed, and the disclosures required by insiders when dealing with Company shares, while also warning them of the consequences of non-compliance. The code of conduct has been hosted on the Company's website and can be accessed at https://www.hariompipes.com/pdf/code-of-conduct/code-of-conduct-under-pit-regulations-2015.pdf.

Further, the Board of Directors has formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Fair Disclosure Policy"). This code ensures the fair disclosure of events and occurrences that could affect price discovery in the market for the Company's securities, promoting uniformity,

transparency, and fairness in dealings with all stakeholders, and ensuring adherence to applicable laws and regulations. The Fair Disclosure Code has been hosted on the Company's website and can be accessed at https://www.hariompipes.com/pdf/policies/Fair-Disclosure-Policy.pdf.

## 31. POLICY ON PREVENTION OF SEXUAL HARASSMENT:

The Company is committed to providing a safe, secure and harassment-free workplace and fostering a work environment that is free from discrimination and harassment including sexual harassment.

Pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has adopted a policy on Prevention of Sexual Harassment at Workplace and constituted an Internal Complaints Committee ("ICC") to address and redress complaints relating to sexual harassment in accordance with the provisions of the Act. The Policy has been hosted on the Company's website and can be accessed at https://www.hariompipes.com/pdf/hariom-posh-policy.pdf.

During the financial year ended March 31, 2026, the status of complaints pertaining to sexual harassment have been reported as follows:

| S. No | Particulars | Number |
|---|---|---|
| 1. | Number of Complaints of Sexual Harassment Received in the Year. | 0 |
| 2. | Number of Complaints disposed of during the year. | 0 |
| 3. | Number of Cases Pending for more than ninety days. | 0 |
| 4. | Number of Complaints pending as on end of the financial year. | 0 |

## 32. MATERNITY BENEFIT

The Company affirms that it is in full compliance with the provisions of the Maternity Benefit Act, 1961. The Company is committed to fostering a supportive, inclusive and equitable work environment and regularly monitor the compliances to uphold the rights and welfare of women employees in adherence to all the statutory obligations relating to maternity benefits.

## 33. LISTING STATUS:

The Equity Shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The annual listing fees for the FY 2026-27 have been paid to both the exchanges. The Company has also paid the Annual Custody Fee to the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the FY 2026-27.

## 34. REVISION MADE IN FINANCIAL STATEMENTS/ BOARD'S REPORT:

The Company has not made any revisions to the Financial Statements or Board's Report of the Company pertaining to any of the three immediately preceding financial years.

## 35. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

During the year under review, no significant and /or material orders, were passed by any Court, Tribunal or Regulatory Authority, which may impact the going concern status or future operations of the Company.

## 36. PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year under review, no application has been made under the Insolvency and Bankruptcy Code, 2016, therefore there are no details of application or proceedings pending to disclose under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

## 37. MATERIAL CHANGES AND COMMITMENTS:

Pursuant to Section 134(3)(l) of the Companies Act, 2013, except as disclosed elsewhere in this Annual Report, the following material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year, i.e., March 31, 2026 till the date of this Report:

1. Re-appointment of Independent Director: The Members of the Company, by way of a Special Resolution passed through Postal Ballot on April 07, 2026, approved the re-appointment of Mr. Rajender Reddy Gankidi (DIN: 09165223) as a Non-Executive Independent Director of the Company for a second term of five (5) consecutive years with effect from May 14, 2026.

2. Approval of Material Related Party Transaction with Hariom Power and Energy Private Limited (HPEPL): The Members of the Company, by way of a Ordinary Resolution passed through Postal Ballot on April 07, 2026, approved the material related party transaction(s) with Hariom Power and Energy Private Limited, a subsidiary of the Company, under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to support the development of the solar power project in line with the Company's commitment to renewable energy, reduction of carbon footprint, sustainable manufacturing practices and its long-term vision of green steel manufacturing and sustainable value creation.

3. Approval of Material Related Party Transactions with Metal Mart Private Limited (MMPL): The Members of the Company, by way of a Ordinary Resolution passed through Postal Ballot on April 07, 2026, approved the material related party transaction(s) with Metal Mart Private Limited, a subsidiary of the Company, under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The transactions are intended to improve operational efficiency, enhance profitability, expand market penetration, support the Company's new product portfolio, and enable the Telangana manufacturing unit to avail the Mega Project subsidy benefits, including GST reimbursement, thereby creating long-term value for the Company and its stakeholders.

4. Preferential Issue of Convertible Warrants: The Members of the Company, by way of a Special Resolution passed at the Extra-ordinary General Meeting held on June 16,

2026, approved the issuance of up to 15,00,000 (Fifteen Lakhs) warrants, each convertible into one equity share of the Company, on a preferential basis to persons belonging to the Promoter and Promoter Group, in accordance with the applicable provisions of the Companies Act, 2013, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable laws.

5. Alteration of Articles of Association: The Members of the Company, by way of a Special Resolution passed at the Extra-ordinary General Meeting held on June 16, 2026, approved the alteration of the Articles of Association of the Company.

6. Approval for Conversion of Debt into Equity: The Members of the Company, by way of a Special Resolution passed at the Extra-ordinary General Meeting held on June 16, 2026, approved the conversion of outstanding debt/loan into equity shares of the Company, subject to the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and such other approvals, consents and permissions as may be required.

7. Re-designation of Senior Management Personnel: Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its meeting held on May 22, 2026, approved the re-designation of Mr. Yash Gupta as a Senior Management Personnel of the Company with effect from May 22, 2026.

8. Hariom Power and Energy Private Limited, a subsidiary of the Company, commissioned a 5 MW AC (6 MW DC) Solar PV Power Project at Rupur Tanda, Hingoli District, Maharashtra, on July 8, 2026;

9. Operations at the Company's Perundurai Unit resumed following the suspension of the closure order and restoration of power supply by the Tamil Nadu Pollution Control Board on July 13, 2026;

10. Resignation of Senior Management Personnel: Mr. Sanjay Madanlalji Bhansali resigned from the position of Chief Operating Officer (COO), designated as Senior Management Personnel of the Company, with effect from August 10, 2026.

Except as stated above, there are no other material changes and commitments, affecting the financial position of the Company, that have occurred between the close of the financial year ended March 31, 2026 and the date of this Board's Report.

## 38. GENERAL:

During the year under review, the Directors notify that no disclosure or reporting is required in respect of the following items as there were no transactions related to following items:

(i) Issue of equity shares with differential rights as to dividend, voting or otherwise.

(ii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

(iii) The Company does not have any Employee Stock Option Scheme & Employee Stock Purchase Scheme for its Employees/Directors.

(iv) There was no one-time settlement with any Banks or Financial Institutions during the year. Hence, disclosure pertaining to difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan is not applicable.

## 39. HUMAN RESOURCE:

The Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, the Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of employees is the driving force behind the Company's vision. The Company appreciates the spirit of its dedicated employees.

## 40. ACKNOWLEDGEMENT:

The Directors take this opportunity to express their appreciation for the cooperation and continued support received from the customers, vendors, bankers, stock exchanges, depositories, auditors, legal advisors, consultants, stakeholders, business associates, Government of India, State Governments, Regulators and local bodies. The Directors also wish to place on record their sincere appreciation for the significant contribution made by its employees through their dedication, hard work and commitment at all levels. The Board of Directors look forward to your continued support in the future.

For and on behalf of the Board
**Hariom Pipe Industries Limited**

Sd/-
**Rupesh Kumar Gupta**
Managing Director
DIN: 00540787

Sd/-
**Shailesh Kumar Gupta**
Whole-time Director
DIN: 00540862

Date: 02-09-2026
Place: Hyderabad

***BR_Annexure-I***

# Form No. AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statements of Subsidiaries or Associate Companies or Joint Ventures**

## Part A Subsidiaries

**Details of Subsidiaries**

(Information in respect of each Subsidiary to be presented with amounts in ₹ Lakh)

| S. No | Particulars | Details | Details |
|---|---|---|---|
| 1. | Name of the Subsidiary | Hariom Power and Energy Private Limited | Metal Mart Private Limited |
| 2. | CIN | U35105TS2025PTC195757 | U24319TS2026PTC210086 |
| 3. | The date since when subsidiary was acquired | 19/03/2025 | 22/01/2026 |
| 4. | Reporting period for the subsidiary concerned, if different from the holding Company's reporting period. | Same as Holding Company's reporting period | Same as Holding Company's reporting period |
| 5. | Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries | Not Applicable | Not Applicable |
| 6. | Share Capital | 1,186.92 | 10.00 |
| 7. | Reserves and surplus | (8.22) | (0.32) |
| 8. | Total assets | 4,699.63 | 10.00 |
| 9. | Total Liabilities | 3,520.92 | 0.32 |
| 10. | Investments | - | - |
| 11. | Turnover | - | - |
| 12. | Profit before taxation | (8.22) | (0.32) |
| 13. | Provision for taxation | - | - |
| 14. | Profit after taxation | (8.22) | (0.32) |
| 15. | Proposed Dividend | - | - |
| 16. | Extent of shareholding (in percentage) | 77.42% | 70.00% |

**Notes:** 1. Names of subsidiaries which are yet to commence operations - Metal Mart Private Limited (As on March 31, 2026)
2. Names of subsidiaries which have been liquidated or sold during the year - NIL

## Part B: Associates and Joint Ventures

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

a) Name of Associates or Joint Ventures: Nil

b) Names of associates or joint ventures which are yet to commence operations: Nil

c) Names of associates or joint ventures which have been liquidated or sold during the year: Nil

For and on behalf of the Board
**Hariom Pipe Industries Limited**

Sd/-
**Rupesh Kumar Gupta**
Managing Director
DIN: 00540787

Sd/-
**Shailesh Kumar Gupta**
Whole-time Director
DIN: 00540862

Date: 02-09-2026
Place: Hyderabad

*BR_Annexure-II*

# Disclosure Pursuant to Section 134(3)(M) of the Companies Act, 2013, Read With Rule 8 of the Companies (Accounts) Rules, 2014.

## (A) CONSERVATION OF ENERGY:

i. The Company, being engaged in manufacturing, has adopted the hot charge technique for round rolling, wherein billets are directly transferred for hot rolling in the wire rod or bar mill immediately after exiting the casting unit, before the significant heat loss occurs. This technique provides multiple benefits including:

- Significant energy savings;
- Reduction in billet inventory and yard space requirements;
- Shorter production cycle time;
- Prevention of billet surface quality defects that may arise during cooling;
- The management continues to make concerted efforts to identify and implement measures for improving energy efficiency across all its manufacturing units;
- Continued efforts towards optimising water consumption and promoting rainwater harvesting across its operations, strengthening its focus on water conservation and sustainable resource management.

ii. The Company continued to focus on energy conservation and optimisation of renewable energy sources across its manufacturing units. The existing 4.0 MW rooftop solar power capacity continued to contribute towards meeting the Company's energy requirements, thereby reducing dependence on conventional sources of energy and supporting the reduction of its carbon footprint. The Company also continued the use of Compressed Bio-Gas (CBG), derived from agro-waste, as a fuel for manufacturing steel pipes at its Tamil Nadu unit, thereby promoting the use of cleaner fuel and reducing reliance on conventional fuels.

## (B) TECHNOLOGY ABSORPTION:

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

## (C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

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

(Amount in Lakhs)

| Particulars | FY 2025-26 | FY 2024-25 |
|---|---|---|
| Foreign Exchange Earnings | 0.88 | 20.89 |
| Foreign Exchange Outgo | - | - |

For and on behalf of the Board
**Hariom Pipe Industries Limited**

Sd/-
**Rupesh Kumar Gupta**
Managing Director
DIN: 00540787

Sd/-
**Shailesh Kumar Gupta**
Whole-time Director
DIN: 00540862

Date: 02-09-2026
Place: Hyderabad

***BR_Annexure-III***

# Form No. AOC-2
# Details of Related Party Transactions

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

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:

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

2. Details of material contracts or arrangement or transactions at arm's length basis: The following are the details of the transactions:

| Name(s) of the related party and nature of relationship | Nature of contracts/ arrangements/ transactions | Duration of the contracts / arrangement / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any (₹ In Lakhs) | Date(s) of approval by the Board, if any | Amount paid as advance, if any |
|---|---|---|---|---|---|
| Mr. Rupesh Kumar Gupta | Rent paid (Expenses) | NA | Rent of ₹ 89.47 Lakh Per Annum | Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable.<br><br>Further the necessary approvals were granted by the Audit Committee from time to time. | - |
| Mr. Shailesh Kumar Gupta | Rent paid (Expenses) | NA | Rent of ₹ 6.00 Lakh Per Annum | | - |
| Ultra Pipes | Rent paid (Expenses) | NA | ₹ 200.00/- Per Annum | 06-03-2025 | - |

For and on behalf of the Board
**Hariom Pipe Industries Limited**

Sd/-
**Rupesh Kumar Gupta**
Managing Director
DIN: 00540787

Sd/-
**Shailesh Kumar Gupta**
Whole-time Director
DIN: 00540862

Date: 02-09-2026
Place: Hyderabad

*BR_Annexure –IV*

# FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

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

To,

The Members,

M/s. HARIOM PIPE INDUSTRIES LIMITED

L27100TG2007PLC054564

3-4-174/12/2, SAMARPAN, 1st Floor,

Near Pillar No. 125, Hyderabad, Attapur,

K.V. Rangareddy, Telangana, India, 500048.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HARIOM PIPE INDUSTRIES LIMITED** (CIN: L27100TG2007PLC054564) (hereinafter called "the Company"). Secretarial Audit was conducted in accordance with the guidance note issued by the Institute of Company Secretaries of India and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

### Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, confirmations, clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2026 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

(ii) The Securities Contract (Regulations) Act, 1956 ('SCRA') and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - (Not applicable to the Company during the audit period);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - (Not applicable to the Company during the audit period);

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 - (Not applicable to the Company during the audit period);

  (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - (Not applicable to the Company during the audit period);

(f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - (Not applicable to the Company during the audit period);

(g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2021 - (Not applicable to the Company during the audit period);

(h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - (Not applicable to the Company during the audit period); and

(j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(vi) We have relied on the representation made by the Company and its officers for the systems and mechanisms formed by the Company for compliances under applicable Acts, Rules, Laws and Regulations to the Company. The lists of major head or groups of Acts, Rules, Laws and Regulations as applicable to the Company are given in **Annexure-B.**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and notifies under the Companies Act, 2013;

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. ('Listing Regulations')

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

**We further report that:**

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

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

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

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

**We further report that** during the audit period the following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

**Ordinary Resolutions passed during FY 2025-26:**

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company (Standalone and Consolidated) for the financial year ended on March 31, 2025, along with the Report of the Directors and the Auditors thereon. (AGM dated 30/09/2025);

2. To appoint Mr. Soumen Bose (DIN: 09608922) as a Director of the Company, liable to retire by rotation. (AGM dated 30/09/2025);

3. To declare final dividend on equity shares for the financial year ended March 31, 2025. (AGM dated 30/09/2025);

4. To ratify the remuneration payable to the Cost Auditors for the financial year ending March 31, 2026. (AGM dated 30/09/2025);

5. To appoint M/s. VSSK & Associates, Company Secretaries, as the Secretarial Auditors of the Company. (AGM dated 30/09/2025);

6. To appoint Mr. Ansh Golas (DIN: 11225536) as a Director and Whole-time Director (Designated as Executive Director), of the Company and payment of remuneration. (AGM dated 30/09/2025);

7. To consider and approve the Material Related Party Transactions under Regulation 23 of SEBI (LODR) Regulations, 2015, with the Company's subsidiary, Hariom Power and Energy Private Limited (HPEPL), to support the development of the solar power project in line with the Company's commitment to renewable energy, ESG principles, reduction of carbon footprint and its long-term vision of green steel manufacturing and sustainable value creation. (Passed through postal ballot on 07/04/2026);

8. To consider and approve Material Related Party Transactions under Regulation 23 of SEBI (LODR) Regulations, 2015, with the Company's subsidiary, Metal Mart Private Limited (MMPL), aimed at improving operational efficiency, enhancing profitability, expanding market penetration, supporting the Company's new product portfolio, and enabling the Telangana Unit to avail mega subsidy benefits (GST reimbursement), thereby supporting long-term value. (Passed through postal ballot on 07/04/2026).

**Special Resolutions passed during FY 2025-26:**

1. To approve the revision in remuneration payable to Mr. Rupesh Kumar Gupta (DIN:00540787), Managing Director of the Company. (AGM dated 30/09/2025);

2. To approve the revision in remuneration payable to Mr. Sailesh Gupta (DIN: 00540862), Whole-time Director of the Company. (AGM dated 30/09/2025);

3. To increase the borrowing powers of the Company. (AGM dated 30/09/2025);

4. To create/ modify charges on the movable and immovable properties of the Company, both present and future, in respect of its borrowings. (AGM dated 30/09/2025);

5. To consider and approve the re-appointment of Mr. Rajender Reddy Gankidi (DIN: 09165223) as a Non-Executive Independent Director of the company for a second term of five years. (Passed through postal ballot on 07/04/2026).

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

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

Sd/-
**CS Vinod Sakaram,**
Partner
ACS: 23285, CP No.: 8345
UDIN: A023285H001328160
PR No.: 1456/2021

Place: Hyderabad
Date: 02-09-2026

***Annexure A***

**To,**
**The Members**
**HARIOM PIPE INDUSTRIES LIMITED**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Sd/-
**CS Vinod Sakaram,**
Partner
ACS: 23285, CP No.: 8345
UDIN: A023285H001328160
PR No.: 1456/2021

Place: Hyderabad
Date: 02-09-2026

*Annexure B*

## (I) LABOUR AND WORKPLACE RELATED LAWS:

1. Employees Provident Funds & Misc. Provisions Act, 1952;*
2. Employees State Insurance Act, 1948*
3. Payment of Gratuity Act, 1972;*
4. Minimum Wages Act, 1948;*
5. Equal Remuneration Act, 1976;*
6. Payment of Wages Act, 1936;*
7. Workmen's Compensation Act, 1923;*
8. Maternity Benefit Act, 1961;*
9. Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013;
10. Labour Welfare Fund Act, 1952;
11. Contract Labour (Regulation & Abolition) Act, 1970; (Later subsumed in Occupational Safety, Health and Working Conditions Code, 2020)
12. Telangana Tax on Professions, Trades, Callings and Employments Act, 1987;
13. Factories Act, 1948 and allied State Laws; (Later subsumed in Occupational Safety, Health and Working Conditions Code, 2020)
14. Industrial Employment (Standing Orders) Act, 1947; (Later subsumed in Industrial Relations Code, 2020)
15. Industries (Development & Regulation) Act, 1951;
16. The Child Labour (Regulation and Abolition) Act, 1970; (Later subsumed in Occupational Safety, Health and Working Conditions Code, 2020)
17. The Industrial Disputes Act, 1947. (Later subsumed in Industrial Relations Code, 2020)

During the year under review the laws marked above with (*) are later subsumed in Code on Social Security, 2020.

*The Ministry of Labour & Employment (MoLE), Government of India, has notified all four Codes with effect from 21 November, 2025.*

## (II) ECONOMIC & MISC. LAWS:

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

## (III) REVENUE LAWS:

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

## (IV) ENVIRONMENTAL LAWS:

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

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

Sd/-
**CS Vinod Sakaram,**
Partner
ACS: 23285, CP No.: 8345
UDIN: A023285H001328160
PR No.: 1456/2021

Place: Hyderabad
Date: 02-09-2026

***BR_Annexure-V***

# Annual Report on Corporate Social Responsibility (CSR) Activities

(Pursuant to Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014)

## 1) Brief outline on the Corporate Social Responsibility (CSR) Policy of the Company:

In accordance with the provisions of Section 135 of the Companies Act, 2013 ("ACT") read with the Companies (Corporate Social Responsibility Policy) Rules 2014, as amended from time to time, Hariom Pipe Industries Limited ("the Company or HPIL") has formulated its Corporate Social Responsibility Policy ("CSR Policy"), duly approved by the Board of Directors of the Company. CSR is essentially a way of conducting business responsibly and HPIL shall endeavour to conduct its business operations and activities in a socially responsible and sustainable manner at all times. HPIL will strive to contribute to inclusive growth and sustainable development with emphasis on development of weaker sections of society.

The Company's CSR initiatives focus on utilising its capabilities and resources to improve lives and contribute towards sustainable development through meaningful interventions for the benefit of local communities and society at large.

During the financial year under review, the Company undertook CSR activities in accordance with its CSR Policy and in the areas specified under Schedule VII to the Act.

## 2) Composition of CSR Committee:

The CSR Committee of the Board is responsible for overseeing the execution of the Company's CSR Policy.The composition of the CSR Committee as at March 31, 2026, was as follows:

| Sl. No. | Name of Members | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---|---|---|---|---|
| 1 | Rupesh Kumar Gupta | Chairman, Managing Director | 1 | 1 |
| 2 | Shailesh Kumar Gupta | Member, Whole-time Director | 1 | 1 |
| 3 | Pramod Kapoor Kumar | Member, Non-Executive Independent Director | 1 | 1 |

## 3) Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

The relevant web-links are as follows:

The composition of the CSR Committee: https://www.hariompipes.com/pdf/Composition-of-Various-Committees.pdf

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

CSR Projects: Not Applicable

4) Provide the executive summary along with web-link (s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

| S. No | Particular | | Amount (in ₹) |
|---|---|---|---|
| 5) | (a) | Average Net Profit of the Company as per Section 135 (5) of the Act.: | : 74,43,04,333 |
| | (b) | Two per cent of the Average Net Profit of the Company as per Section 135 (5) of the Act. | : 1,48,86,087 |
| | (c) | Surplus arising out of the CSR projects or programmes or activities of the previous financial year | : NIL |
| | (d) | Amount required to be set-off for the financial year, if any. | : 2,00,238 |
| | (e) | Total CSR obligation for the financial year [(b)+(c)-(d)] | : 1,46,85,849 |

| S. No | Particular | | Amount (in ₹) |
|---|---|---|---|
| 6) | (a) | Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) | : 1,51,34,717 |
| | (b) | Amount spent in Administrative Overheads. | : NIL |
| | (c) | Amount spent on Impact Assessment, if applicable. | : NIL |
| | (d) | Total amount spent for the Financial Year [(a)+(b) +(c)] | : 1,51,34,717 |
| | (e) | CSR amount spent or unspent for the Financial Year : | |

| Total Amount Spent for the Financial Year (In ₹) | Amount Unspent (in ₹) | | | | |
|---|---|---|---|---|---|
| | Total Amount transferred to Unspent CSR Account as per Section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 1,51,34,717 | | | NA | | |

(f) Excess amount for set off, if any:

| S. No | Particular | Amount (in ₹) |
|---|---|---|
| (i) | Two percent of average net profit of the Company as per Section 135(5)* | 1,46,85,849 |
| (ii) | Total amount spent for the Financial Year | 1,51,34,717 |
| (iii) | Excess amount spent for the Financial Year [(ii)-(i)] | 4,48,868 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Year, if any. | NIL |
| (v) | Amount available for set off in succeeding Financial Year [(iii)-(iv)] | 4,48,868 |

***Note:** The Company had ₹2,00,238/- available for set-off from excess CSR expenditure of the previous financial year, which was adjusted against its CSR obligation for FY 2025-26. Accordingly, the net CSR obligation for FY 2025-26 was ₹1,46,85,849/-.*

7) Details of Unspent CSR amount for the preceding three Financial Years: **Not Applicable.**

| 1 | 2 | 3 | 4 | 5 | 6 | | 7 | 8 |
|---|---|---|---|---|---|---|---|---|
| Sl. No. | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in ₹) | Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹) | Amount Spent in the Financial Year (in ₹) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (6) of Section 135 (in ₹) | | Amount remaining to be spent in succeeding Financial Years (in ₹) | Deficiency, if any |
| | | | | | Amount (in ₹) | Date of Transfer | | |
| NIL | | | | | | | | |

8) Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year: No

9) Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): Not Applicable.

Responsibility Statement: The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy and CSR activities of the Company are in compliance with CSR objective and CSR Policy of the Company.

**For HARIOM PIPE INDUSTRIES LIMITED**

Sd/-
**Rupesh Kumar Gupta**
Chairman CSR Committee
DIN: 00540787

Sd/-
**Pramod Kapoor Kumar**
Member CSR Committee
DIN: 03557358

Place: Hyderabad
Date: 02-09-2026

***BR_Annexure - VI***

# REPORT ON MANAGERIAL REMUNERATION

[Pursuant to Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

## 1. The information required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the FY 2025-26 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, during the FY 2025-26;

| Sl. No. | Name of Director(s)/KMP(s) | Designation | Ratio of Remuneration of each Director to median remuneration of employees | Percentage increase/ (decrease) in the remuneration in the FY 2025-26 (%) |
|---|---|---|---|---|
| **I** | **Executive Director(s)** | | | |
| 1 | Mr. Rupesh Kumar Gupta | Managing Director | 87.43 | 16.67 |
| 2 | Mr. Shailesh Kumar Gupta | Whole-time Director | 75.77 | 26.39 |
| 3 | Mr. Ansh Golas | Whole-time Director | 20.65 | - |
| **II** | **Non-Executive Director(s)** | | | |
| 1 | Mr. Pramod Kapoor Kumar | Chairman & Independent Director | 1.64 | 49.06 |
| 2 | Mr. G Rajender Reddy | Independent Director | 1.67 | 48.15 |
| 3 | Mrs. Sneha Sankla | Independent Director | 1.60 | 45.28 |
| 4 | Mr. Soumen Bose | Non-Executive & Non-Independent Director | 9.55 | (7.00) |
| 5 | Mrs. Sunita Gupta | Non-Executive & Non-Independent Director | 0.81 | 30.00 |
| **III** | **Key Managerial Personnel (KMP)** | | | |
| 1 | Mr. Amitabha Bhattacharya | Chief Financial Officer | 24.89 | 39.10 |
| 2 | Mrs. Rekha Singh | Company Secretary & Compliance Officer | 8.65 | 46.57 |

***Note:*** *The Independent Directors and Non-Executive Directors (except Mr. Soumen Bose) are entitled for sitting fee as per the statutory provisions and the details of the same are provided in the Corporate Governance Report.*

**(ii) The percentage increase in the median remuneration of employees in the financial year:**
The Median remuneration of employees of the Company as at the end of the year under review was ₹2,40,201/- and the percentage increase/(decrease) in the median remuneration of the employees in the financial year ending March 31, 2026 was 15.60%.

**(iii) The number of permanent employees on the rolls of Company:**
There were 792 permanent employees as on March 31, 2026.

**(iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**
The average percentile increases in the salaries of the employees other than KMP's is 12% as compared to FY 2025-26. Whereas there is an aggregate Increase of 10% in the remuneration of KMPs in FY 2025-26 as compared to previous year. The increase in remuneration of the KMPs was based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.

**(v) Affirmation that the remuneration is as per the remuneration policy of the Company:**
The Company affirms that the remuneration paid in the FY 2025-26 is as per the Nomination and Remuneration Policy of the Company for Directors, Key Managerial Personnel and Senior Management.

**(vi) Statement of particulars of employees pursuant to the provision of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended:**

a) Particulars of top 10 employees in terms of remuneration drawn during the year

| S. No. | Name of Employees | Age | Designation | Remuneration received (Amount in ₹) | Nature of employment, whether contractual or otherwise | Qualification & Experience | Date of commencement of employment | Last employment held before joining the Company | % of equity shares held by the employee in the Company | Whether the employee is a relative of any director or manager of the Company |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Rupesh Kumar Gupta | 49 years | Managing Director | 2,10,00,000 | P | Undergraduate with more than 2 decades of experience in Steel Industry. | 21-06-2007 | -- | 14.45 | Yes |
| 2 | Shailesh Kumar Gupta | 44 years | Whole-time Director | 1,81,99,998 | P | B. Com Graduate with more than a decade of experience in marketing. | 09-01-2010 | -- | 10.39 | Yes |
| 3 | Amitabha Bhattacharya | 50 years | Chief Financial Officer (CFO) | 59,78,400 | P | B. Com, MSc with more than 20 years of experience in Diverse Industries. | 01-07-2007 | Hariom Metal Tubes Private Limited | 0.18 | No |
| 4 | Ansh Golas | 26 years | Whole-time Director | 49,60,435 | P | Graduated with a Bachelor of Business Administration (BBA), with over 3 years of professional experience at Hariom. | 01-07-2020 | -- | 0.47 | Yes |
| 5 | Rakesh Kumar Gupta | 72 years | Technology Advisor | 48,00,000 | P | Undergraduate with more than 4 decades of experience in Steel Industry. | | -- | 6.43 | Yes |
| 6 | Paul Gupta | 47 years | Human Resource Officer | 36,00,000 | P | Graduate with more than 8 years of experience in Steel Industry. | 01-10-2014 | -- | 2.93 | Yes |
| 7 | Isha Gupta | 42 years | Brand Manager | 36,00,000 | P | Undergraduate with more than 8 years of experience in Steel Industry. | 01-10-2014 | -- | 2.08 | Yes |
| 8 | Gangadharan Satyan | 59 years | GM Operations, Perundurai, Tamil Nadu Division | 36,00,000 | P | Master's in Business Administration (MBA) in Operation Management with 35 years of experience in Steel Industry | 01-03-2023 | M/s Manaksia Aluminium Industries Ltd, Kolkata. | Nil | No |
| 9 | Ashish Agarwal | 48 years | GM Sales & Marketing, Hyderabad Division | 26,76,240 | P | Master's in Business Administration (MBA) in Finance & Marketing with 19 years of experience in Marketing & Sales. | 01-11-2016 | -- | 0.02 | No |
| 10 | Suresh Reddy Gingilipalem | 59 years | GM Sales & Marketing OEM | 22,03,080 | P | Diploma in Mechanics with more than 35 years of experience in | 01-02-2024 | Triveni Steels Private Ltd. | Nil | No |

For and on behalf of the Board
**Hariom Pipe Industries Limited**

Sd/-
**Rupesh Kumar Gupta**
Managing Director
DIN: 00540787

Sd/-
**Shailesh Kumar Gupta**
Whole-time Director
DIN: 00540862

Date: 02-09-2026
Place: Hyderabad

# CORPORATE GOVERNANCE REPORT

The Corporate Governance Report of Hariom Pipe Industries Limited ("the Company"/ "HPIL") for the Financial Year ("FY") 2025-26, forms part of Boards' Report and has been prepared in compliance with the principles of Corporate Governance norms as prescribed under Regulation 34 read with Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Company remains committed to upholding the highest standards of corporate governance by adopting transparent, ethical and responsible business practices, thereby enhancing stakeholder value and ensuring sustainable growth. This Report provides a comprehensive overview of the corporate governance systems and processes at HPIL.

## 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company firmly believes that good Corporate Governance is the foundation for sustainable growth, responsible business conduct and long-term value creation. Its governance framework is built on the principles of integrity, transparency, accountability, fairness and ethical business practices, while maintaining an appropriate balance between economic performance, environmental stewardship, social responsibility and stakeholder interests.

The Company's corporate governance philosophy is centred on conducting its business in a transparent and responsible manner, ensuring compliance with applicable laws and regulations, safeguarding the interests of all stakeholders and fostering a culture of ethical decision-making. The Board and the Management are committed to maintaining high standards of governance through effective oversight, robust internal controls, timely and accurate disclosures, prudent risk management and a strong compliance framework.

As the Company continues to expand its operations and strengthen its integrated manufacturing capabilities, it remains committed to embedding sustainability and Environmental, Social and Governance (ESG) principles into its business strategy. The Company endeavours to create enduring value by promoting responsible resource utilisation, protecting the environment, supporting the communities in which it operates and upholding the highest standards of corporate conduct.

Corporate Governance at the Company is an evolving and continuous process. The Company consistently reviews and enhances its governance practices in line with regulatory developments, industry best practices and stakeholder expectations. Through a culture of accountability, operational excellence and financial discipline, the Company strives to deliver superior quality products, maintain operational and financial integrity, ensure transparent financial reporting and create sustainable long-term value for all its stakeholders.

## 2. BOARD OF DIRECTORS:

### (i) Composition of the Board:

The composition of the Board of Directors are in compliance with the provisions of Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 ("the Act"), as amended from time to time.

The Board of Directors bears the ultimate responsibility for the organization and administration of the Company. The Company has a judicious mix of Executive Director and Non-Executive Directors (including Independent Directors) to maintain independence, in-depth knowledge, specialized skills and rich experience, which is essential to separate the two main functions of the Board of Directors viz., governance and management.

As on March 31, 2026, the Company's Board of Directors comprised of eight (8) Directors consisting of three (3) Executive Directors, two (2) Non-Executive Non-Independent Directors and three (3) Non-Executive Independent Directors, including one (1) Woman Non-Executive Non-Independent Director and one (1) Woman Non-Executive Independent Director. The Chairperson of the Board of Directors is a Non-Executive Independent Directors. This composition represents an optimal balance of professionalism, knowledge and experience and enables the Board of Directors to discharge its responsibilities and provide effective leadership to the business.

The details of the Board of Directors, including their category, attendance at the Board Meetings held during the year and at the last Annual General Meeting, shareholding in the Company, directorships and committee memberships held by them in other Companies as required under Regulation 17 of the SEBI Listing Regulations, as on March 31, 2026 are given hereunder:

| Name of Directors | Category | No. of Board Meetings during the FY 2025-26 | | Attendance at the last AGM held on 30 September, 2025 | No. of Director-ships helds in other Companies* | No. of Committee positions in other public companies** | | No. of Equity Shares held |
|---|---|---|---|---|---|---|---|---|
| | | Held | Attended | | | Chairperson | Member | |
| Pramod Kapoor Kumar | Chairperson, Non-Executive Independent Director | 7 | 7 | Yes | - | - | - | - |
| Rupesh Kumar Gupta | Promoter Executive Director | 7 | 7 | Yes | - | - | - | 44,73,847 |
| Shailesh Kumar Gupta | Promoter Executive Director | 7 | 7 | Yes | - | - | - | 32,16,222 |

# CORPORATE GOVERNANCE REPORT

| Name of Directors | Category | No. of Board Meetings during the FY 2025-26 | | Attendance at the last AGM held on 30 September, 2025 | No. of Director-ships helds in other Companies* | No. of Committee positions in other public companies** | | No. of Equity Shares held |
|---|---|---|---|---|---|---|---|---|
| | | Held | Attended | | | Chairperson | Member | |
| Ansh Golas | Promoter Group Executive Director | 5 | 5 | Yes | - | - | - | 1,46,720 |
| Sunita Gupta | Promoter Group Non-Executive Non-Independent Director | 7 | 7 | Yes | - | - | - | 10,75,720 |
| Soumen Bose | Non-Executive Non-Independent Director | 7 | 7 | Yes | - | - | - | - |
| Rajender Reddy Gankidi | Non-Executive Independent Director | 7 | 7 | Yes | - | - | - | - |
| Sneha Sankla | Non-Executive Independent Director | 7 | 7 | Yes | - | - | - | 5,000 |

Notes:

1. *Number of Directorships held in other Companies includes only Public Companies. However, it excludes Directorships in Foreign Companies, Private Limited Companies and those Companies Registered under Section 8 of the Companies Act, 2013.

2. **Chairmanships/ Memberships of committee include Audit Committee and Stakeholders Relationship Committee as required under regulation 26(1)(b) of SEBI Listing Regulations.

3. The Directors are not holding Directorship in any other Listed Entity as on March 31, 2026.

4. The Directors are not holding any Convertible Warrants as on March 31, 2026*.

The number of Directorship(s) and Committee Membership(s)/Chairperson (s) held by all the Directors are in compliance with the limits prescribed under the Companies Act, 2013 and the SEBI Listing Regulations. All necessary disclosures regarding committee positions in other Public Companies as at March 31, 2026 has been duly made by the Directors.

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

*Note: *Subsequent to March 31, 2026, Mr. Rupesh Kumar Gupta and Mr. Shailesh Kumar Gupta were allotted 6,20,000 Convertible Warrants each on July 27, 2026.*

**(ii) Number of meetings of the Board of Directors held and dates on which held:**

The Board of Directors must meet at least four times a financial year, with a maximum interval of 120 days between two consecutive meetings in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the FY 2025-26, the Board of Directors met seven (7) times on May 09, 2025; August 08, 2025; August 30, 2025; November 12, 2025; January 07, 2026; February 07, 2026 and March 02, 2026. The intervening gap between any two meetings did not exceed the statutory period of 120 days.

All the meetings of the Board of Directors were held through video conferencing in accordance with the applicable provisions of the Companies Act, 2013, the Rules made thereunder, Secretarial Standard-1 on Meetings of the Board of Directors (SS-1) and the SEBI Listing Regulations. The requisite quorum was present throughout all the meetings. The Company place before the Board of Directors and its Committees all such information as required under Regulation 17 read with Part A of Schedule II of SEBI Listing Regulations, to the extent applicable, to enable the Board and its Committees to effectively discharge their responsibilities.

**(iii) Disclosure of relationships between Directors:**

Mrs. Sunita Gupta, Non- Executive Director of the Company, is the mother of Mr. Rupesh Kumar Gupta, Managing Director and Mr. Shailesh Kumar Gupta, Whole-time Director and the grandmother of Mr. Ansh Golas, Whole-time Director.

Mr. Rupesh Kumar Gupta, Managing Director and Mr. Shailesh Kumar Gupta, Whole-time Director are brothers. Mr. Ansh Golas, Whole-time Director, is the son of Mr. Rupesh Kumar Gupta and the nephew of Mr. Shailesh Kumar Gupta.

Except as stated above, none of the Directors are related to each other.

**(iv) Web-link for Familiarisation Programmes imparted to Independent Directors:**

Pursuant to Regulation 25(7) and 46 of SEBI Listing Regulations, the details of the familiarization programmes imparted to the Independent Directors, covering their role, rights, responsibilities, the nature of the Company's business and industry business model and other relevant matters, are available on the Company's website and can be accessed at https://www.hariompipes.com/investor-relations-details-of-familiarization-programmes.php.

**(v) Core skills/Expertise/Competencies of the Board of Directors:**

The Board of Directors comprises qualified and experienced members with diverse skills, expertise and competencies required for providing strategic direction, effective oversight and governance of the Company's business. The Board possesses a balanced mix of functional, industry and leadership experience, enabling it to discharge its responsibilities effectively and create long-term value for stakeholders.

The Board has identified the following core skills, expertise and competencies as essential for the effective functioning and sustainable growth of the Company and are currently available with the Board of Directors:

- Strategy and Business Transformation
- Industry Knowledge
- Sales and Marketing
- Finance and Accounting
- Corporate Governance
- Leadership and Management
- Legal, Regulatory and Risk Management
- Operations and Manufacturing

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

| Name of the Directors | Skills/ Expertise/ Competencies |
|---|---|
| Pramod Kapoor Kumar | Strategy and Business Transformation; Industry Knowledge; Sales and Marketing; Finance and Accounting; Corporate Governance; Leadership and Management; Legal, Regulatory and Risk Management. |
| Rupesh Kumar Gupta | Strategy and Business Transformation; Industry Knowledge; Sales and Marketing; Finance and Accounting; Corporate Governance; Leadership and Management; Legal, Regulatory and Risk Management; Operations and Manufacturing. |
| Shailesh Kumar Gupta | Strategy and Business Transformation; Industry Knowledge; Sales and Marketing; Corporate Governance; Leadership and Management; Operations and Manufacturing. |
| Ansh Golas | Strategy and Business Transformation; Industry Knowledge; Sales and Marketing; Corporate Governance; Operations and Manufacturing. |
| Sunita Gupta | Strategy and Business Transformation; Legal, Regulatory and Risk Management. |
| Rajender Reddy Gankidi | Strategy and Business Transformation; Finance and Accounting; Corporate Governance; Leadership and Management; Legal, Regulatory and Risk Management. |
| Soumen Bose | Strategy and Business Transformation; Industry Knowledge; Sales and Marketing; Finance and Accounting; Corporate Governance; Leadership and Management; Legal, Regulatory and Risk Management, Operations and Manufacturing. |
| Sneha Sankla | Strategy and Business Transformation; Corporate Governance; Legal, Regulatory and Risk Management. |

**(vi) Confirmation on Independent Directors:**

- In the opinion of the Board of Directors, all the Non-Executive Independent Directors of the Company fulfil the conditions as specified under the Companies Act, 2013 and the SEBI Listing Regulations and are independent of the management.

- The Independent Directors have submitted the requisite declarations confirming that they continue to satisfy the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations. They have also confirmed compliance with Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, relating to registration with the Independent Directors' Database maintained by the Indian Institute of Corporate Affairs and renewal of the same, wherever applicable.

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

No Independent Directors resigned during the FY 2025-26.

## 3. AUDIT COMMITTEE:

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The Audit Committee is entrusted with the responsibility to assists the Board in overseeing the integrity of the Company's financial statements, financial reporting process, internal financial controls, internal and statutory audit functions, risk management framework, compliance with legal and regulatory requirements and related party transactions.

**(a) Brief description of terms of reference:**

The terms of reference and the powers and role of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations. The key responsibilities of the Committee, inter alia, include:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    i. matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
    ii. changes, if any, in accounting policies and practices and reasons for the same;
    iii. major accounting entries involving estimates based on the exercise of judgment by management;
    iv. significant adjustments made in the financial statements arising out of audit findings, if any;
    v. compliance with listing and other legal requirements relating to financial statements;
    vi. disclosure of any related party transactions and;
    vii. modified opinion(s) in draft audit report, if any.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee;

21. Reviewing the utilization of loans and/or advances from/ investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision;

22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

23. Reviewing the management discussion and analysis of financial condition and results of operations;

24. Reviewing the management letters/letters of internal control weaknesses issued by the statutory auditors;

25. Reviewing the internal audit reports relating to internal control weaknesses; and

26. Reviewing the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

27. Reviewing the statement of deviations:

    (i) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

    (ii) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

    In addition to the above, the Committee also reviews the statement of related party transactions, including the granting of omnibus approvals as well as internal audit reports relating to observations on internal controls, etc.

### (b) Composition, name of members and Chairperson:

As on March 31, 2026, the Audit Committee comprised three (3) Non-Executive Independent Directors and one (1) Non-Executive Non-Independent Director. The Chairperson of the Audit Committee is a Non-Executive Independent Director. The below table presents the composition, name of members and Chairperson of the Audit Committee:

| S. No. | Name of the Members | Category | Role |
|---|---|---|---|
| 1. | Mr. Rajender Reddy Gankidi | Independent Director | Chairperson |
| 2. | Mr. Pramod Kapoor Kumar | Independent Director | Member |
| 3. | Mrs. Sneha Sankla | Independent Director | Member |
| 4. | Mr. Soumen Bose | Non-Executive Director | Member |

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations, the members of the Audit Committee are financially literate and possess accounting and financial management expertise by virtue of their experience and background.

### (c) Meetings and attendance during the year:

During the FY 2025-26, the Audit Committee met seven (7) times on May 09, 2025; August 08, 2025; August 30, 2025; November 12, 2025; January 07, 2026; February 07, 2026 and March 02, 2026. The requisite quorum was present throughout all the meetings. The Managing Director, Chief Financial Officer, Statutory Auditors, Internal Auditors and other executives are invited to attend the meetings of the Committee, as and when required. The Company Secretary acts as the Secretary to the Audit Committee.

All the members of Audit Committee were present in all the meetings.

## 4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee ("NRC") of the Company is constituted in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

### (a) Brief description of terms of reference:

The broad terms of reference and role of the Nomination and Remuneration Committee are in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations. The key responsibilities of the Committee, inter alia, include:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, key managerial personnel and other employees.

2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.

3. Devising a policy on diversity of Board of Directors.

4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.

5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

6. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

**(b) Composition, name of members and Chairperson:**

As on March 31, 2026, the Nomination and Remuneration Committee comprised three (3) Non-Executive Independent Directors and one (1) Non-Executive Non-Independent Director. The Chairperson of the Nomination and Remuneration Committee is Non-Executive Independent Director. The below table presents the composition, name of members and Chairperson of the Nomination and Remuneration Committee:

| S. No. | Name of the Members | Category | Role |
|---|---|---|---|
| 1. | Mr. Rajender Reddy Gankidi | Independent Director | Chairperson |
| 2. | Mr. Pramod Kapoor Kumar | Independent Director | Member |
| 3. | Mrs. Sneha Sankla | Independent Director | Member |
| 4. | Mr. Soumen Bose | Non-Executive Director | Member |

**(c) Meeting and attendance during the year:**

During the FY 2025-26, the Nomination and Remuneration Committee met three (3) time on May 08, 2025, August 08, 2025 and August 30, 2025. The requisite quorum was present throughout the meeting(s). The Company Secretary acts as the secretary to the Nomination and Remuneration Committee.

All the members of Nomination and Remuneration Committee were present in all the meetings.

**(d) Performance evaluation criteria for Independent Directors:**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a comprehensive framework for the annual performance evaluation of the Board, its Committees, the Chairperson and Individual Directors, including Independent Directors.

During the financial year under review, the Board of Directors carried out an annual evaluation of its own performance, the performance of its Committees and Individual Directors (including Independent and Non-Independent Directors) through a structured evaluation process based on the criteria prescribed under the Company's Performance Evaluation Policy. The evaluation was conducted by seeking feedback on various aspects of the functioning of the Board and its Committees through a structured questionnaire. The performance of the Independent Directors was evaluated by the entire Board, excluding the Director being evaluated, in accordance with the applicable statutory provisions.

## 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

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

**(a) Composition, name of members and Chairperson:**

As on March 31, 2026 the Stakeholders' Relationship Committee comprised three (3) Non-Executive Independent Directors and one (1) Non-Executive Non-Independent Director. The Chairperson of the Committee is a Non-Executive Independent Director.

The below table presents the composition, name of members and Chairperson of the Stakeholders' Relationship Committee:

| S. No. | Name of the Members | Category | Role |
|---|---|---|---|
| 1. | Mr. Pramod Kapoor Kumar | Independent Director | Chairperson |
| 2. | Mr. Rajender Reddy Gankidi | Independent Director | Member |
| 3. | Mrs. Sneha Sankla | Independent Director | Member |
| 4. | Mr. Soumen Bose | Non-Executive Director | Member |

**(b) Brief description of terms of reference:** The broad terms of reference and role of the Stakeholders Relationship Committee are in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations. The key responsibilities of the Committee, inter alia, include:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(2) Review of measures taken for effective exercise of voting rights by shareholders.

(3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

(4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.

**(c) Meeting and attendance during the year:** During the FY 2025-26 the Stakeholders Relationship Committee met One (1) time on March 21, 2026. The requisite quorum was present throughout the meeting. The Company Secretary acts as the secretary to the Stakeholders Relationship Committee.

All the members of Stakeholders Relationship Committee were present in the meeting

**(d) Name and designation of the Compliance Officer:**
Mrs. Rekha Singh, Company Secretary and Compliance Officer of the Company in terms of the SEBI Listing Regulations.

**(e) Number of Shareholders' complaints received during the financial year:**
The status of investor complaints received and redressed during the FY 2025-26 is as follow:

| Opening Balance | Received during the year | Resolved during the year | Closing Balance |
|---|---|---|---|
| 0 | 0 | 0 | 0 |

**(f) Number of complaints not solved to the satisfaction of Shareholders:**
As on March 31, 2026, there were no unresolved complaints pending from shareholders.

**(g) Number of pending complaints:**
As on March 31, 2026, no investor complaints remained pending.

## 5A. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee of the Company is constituted in line with the provisions as contemplated under Regulation 21 of the SEBI Listing Regulations.

**(a) Brief description of terms of reference:**
The broad terms of reference and role of the Risk Management Committee are in accordance with Regulation 21 read with Part D of Schedule II of the SEBI Listing Regulations. The key responsibilities of the Committee, inter alia, include:

(1) To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;

(b) Measures for risk mitigation including systems and processes for internal control of identified risks;

(c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

**(b) Composition, name of members and Chairperson:**
As on March 31, 2026, the Risk Management Committee comprised three (3) members consisting of one (1) Non-Executive Independent Directors; one (1) Non-Executive Non-Independent Director and one (1) Executive Director. The Chairperson of the Risk Management Committee is Non-Executive Non-Independent Director. The below table presents the composition, name of members and chairperson of the Risk Management Committee:

| S. No. | Name of the Members | Category | Role |
|---|---|---|---|
| 1. | Mr. Soumen Bose | Non-Executive Director | Chairperson |
| 2. | Mr. Rajender Reddy Gankidi | Independent Director | Member |
| 3. | Mr. Rupesh Kumar Gupta | Managing Director | Member |

**(c) Meeting and attendance during the year:**

During the FY 2025-26, the Risk Management Committee met two (2) times on October 23, 2025 and March 21, 2026. The requisite quorum was present throughout all the meetings. The Company Secretary acts as the secretary to the Risk Management Committee.

All the members of Risk Management Committee were present in all the meetings.

## 5B. SENIOR MANAGEMENT:

Particulars of senior management including the changes therein since the close of the previous financial year:

Pursuant to Regulation 16(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of the Senior Management Personnel (SMP) of the Company, including the changes that occurred during the financial year ended March 31, 2026, are provided below. As on March 31, 2026, the following officials constituted the Senior Management of the Company:

| S. No | Name | Designation |
|---|---|---|
| 1. | Mr. Rupesh Kumar Gupta | Managing Director |
| 2. | Mr. Shailesh Kumar Gupta | Whole-time Director |
| 3. | Mr. Ansh Golas* | Whole-time Director |
| 4. | Mr. Amitabha Bhattacharya | Chief Financial Officer |
| 5. | Mrs. Rekha Singh | Company Secretary & Compliance officer |
| 6. | Mr. Ashish Agarwal** | GM Sales & Marketing, Hyderabad Division |
| 7. | Mr. Gangadharan Sathyan** | GM Operations, Perundurai, Tamil Nadu Division |
| 8. | Mr. Sanjay Madanlalji Bhansali*** | Chief Operations Officer (COO) |
| 9. | Mr. Ramavtar Sharma**** | Vice President – Sales and Marketing |

*Notes:*

**Mr. Ansh Golas was appointed as Whole-time Director of the Company with effect from August 08, 2025, pursuant to the approval of the Board of Directors and the Members of the Company;*
***Mr. Ashish Agarwal and Mr. Gangadharan Sathyan were designated as Senior Management Personnel with effect from May 09, 2025, pursuant to the approval of the Board of Directors at its Meeting held on the same date;*
****Mr. Sanjay Madanlalji Bhansali was appointed as the Chief Operation Officer (COO) of the Company with effect from December 12, 2025, pursuant to a Circular Resolution passed by the Board on the same date. His resignation from the position of COO was effective from August 10, 2026.*
*****Mr. Ramavtar Sharma was appointed as Vice President – Sales & Marketing and designated as Senior Management Personnel with effect from January 1, 2026, pursuant to a Circular Resolution passed by the Board on December 29, 2025.*

## 5C. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility ("CSR") Committee is constituted in accordance with the provisions of Section 135(1) of the Companies Act, 2013 which provides for the appointment of three or more Directors out of which at least one Director shall be an Independent Director.

**(a) Brief description of terms of reference:**

The terms of reference of the CSR Committee are in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The key responsibilities of the Committee, inter alia, include:

(1) Monitoring the Corporate Social Responsibility Policy;

(2) Recommending and approving the amount of expenditure incurred on CSR activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

(3) Review the monitoring mechanism for ensuring implementation of activities proposed to be undertaken by the Company; and

(4) Formulating and recommending to the Board of Directors, an annual action plan in pursuance of its CSR policy, which includes list of CSR programmes that are approved to be undertaken by the Company in conformity with Schedule VII of the Companies Act, 2013 and the Rules thereof, its manner of execution, the modalities of utilization of funds/implementation schedules for the same and details of need and impact assessment, if any, for the project undertaken by the Company.

### (b) Composition, name of members and Chairperson:

As on March 31, 2026, the Corporate Social Responsibility comprised two (2) Executive Director and one (1) Non-Executive Independent Directors. The Chairman of the CSR Committee is an Executive Director. The below table presents the composition, name of members and chairperson of the CSR Committee:

| S. No. | Name of the Members | Category | Role |
|---|---|---|---|
| 1. | Mr. Rupesh Kumar Gupta | Managing Director | Chairperson |
| 2. | Mr. Shailesh Kumar Gupta | Whole-time Director | Member |
| 3. | Mr. Pramod Kapoor Kumar | Independent Director | Member |

### (c) Meeting and attendance during the year:

During the FY 2025-26 the CSR Committee met one (1) time on March 21, 2026. The requisite quorum was present throughout the meeting. The Company Secretary acts as the secretary to the CSR Committee.

All the members of CSR Committee were present in the meeting.

## 6. REMUNERATION OF DIRECTORS:

### (a) All pecuniary relationship or transactions of the non-executive Directors vis-à-vis the listed entity:

**Remuneration paid/payable to Non-Executive Directors:**

As on March 31, 2026, except for Mrs. Sunita Gupta, Non-Executive Non-Independent Director and a member of the Promoter Group, the other Non-Executive Directors have no pecuniary relationship or transaction with the Company, other than the remuneration paid / payable by way of sitting fees, commission (wherever applicable) and reimbursement of expenses incurred for attending the meetings of Board, its Committees, site visits, and other official related activities. Sitting Fees and commission paid/payable to Non-Executive Directors for the financial year ended March 31, 2026 are as follows:

(Amount In Lakhs)

| Name | Designation | Sitting Fees | Commission/ Remuneration | Total |
|---|---|---|---|---|
| Mr. Pramod Kapoor Kumar | Independent Director | 3.95 | - | 3.95 |
| Mr. Rajender Reddy Gankidi | Independent Director | 4.00 | - | 4.00 |
| Mrs. Sneha Sankla | Independent Director | 3.85 | - | 3.85 |
| Mrs. Sunita Gupta | Director | 1.95 | - | 1.95 |
| Mr. Soumen Bose | Director | - | 22.93 | 22.93 |

The criteria for payment of Non-Executive Directors are set out in the Nomination and Remuneration Policy displayed on the website of the Company.

**Remuneration paid/payable to Executive Directors:**

The details of the remuneration paid/payable to the Executive Directors for the financial year ended March 31, 2026 was in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, and in line with the approvals of the Board of Directors and Members of the Company. The Executive Directors of the Company are not entitled to sitting fees:

(Amount In Lakhs)

| S. No. | Name | Designation | Salary | Commission | Bonus | Other benefits |
|---|---|---|---|---|---|---|
| 1. | Rupesh Kumar Gupta | Managing Director | 210.00 | - | - | - |
| 2. | Shailesh Kumar Gupta | Whole-time Director | 182.00 | - | - | - |
| 3. | Ansh Golas | Whole-time Director | 49.60 | | | |

**Note:**

- The Executive Directors, except Mr. Ansh Golas, were entitled to commission of 2.5% of the net profit each.
- The Company does not have performance linked incentive scheme for its Directors.
- No severance fee is paid/payable to any of the Directors.
- The Directors are entitled to reimbursement of expenses incurred in the performance of their official duties.
- The Company has not granted any stock options to the Directors of the Company.

- **Service Contract and Notice Period:** The Company shall appoint/ re-appoint its executive Director for a term not exceeding three years having a 3 months' notice period either side and there is no severance fees involved for any of its Directors of the Company.
- Letters of appointment have been issued to the Independent Directors in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

## 7. GENERAL BODY MEETINGS:

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

| Year | Venue | Day | Date | Time |
|---|---|---|---|---|
| 18th AGM 2024-25 | Deemed to be at Registered Office located at 3-4-174/12/2, Samarpan, 1st Floor, Near Pillar No. 125, Attapur, Hyderabad – 500048, Rajendranagar, K. V. Rangareddy, Telangana, India, held through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM). | Tuesday | September 30, 2025 | 11.30AM |
| 17th AGM 2023-24 | Deemed to be at Registered Office located at 3-4-174/12/2, 1st Floor, Samarpan, lane beside Spencer's, Pillar No. 125, Attapur, Hyderabad – 500048, Telangana, held through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM). | Monday | September 23, 2024 | 11.30AM |
| 16th AGM 2022-23 | Deemed to be at Registered Office located at 3-4-174/12/2, 1st Floor, Samarpan, lane beside Spencer's, Pillar No. 125, Attapur, Hyderabad – 500048, Telangana, held through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) | Friday | September 22, 2023 | 11.30AM |

### (b Details of the special resolutions passed in the Annual General Meetings held in the previous three years are given below:

| S. No. | Details of AGM | Date & Time | Description of Special Resolution |
|---|---|---|---|
| 1. | 18th AGM 2024-25 | Tuesday, September 30, 2025 at 11.30 AM (IST) | 1. Approval of revision in remuneration of Mr. Rupesh Kumar Gupta (DIN: 00540787), Managing Director of the Company.<br>2. Approval of revision in remuneration of Mr. Sailesh Gupta (DIN: 00540862), Whole-time Director of the Company.<br>3. Increase in the borrowing powers of the Company.<br>4. Creation/Modification of charges on the movable and immovable properties of the Company, both present and future, in respect of its borrowings. |
| 2. | 17th AGM 2023-24 | Monday, September 23, 2024 at 11.30 AM (IST) | No Special resolution passed during the 17th AGM. |
| 3. | 16th AGM 2022-23 | Friday, September 22, 2023 at 11.30 AM (IST) | 1. Approval of appointment and remuneration of Mr. Rupesh Kumar Gupta, Managing Director of the Company.<br>2. Approval of appointment and remuneration of Mr. Sailesh Gupta, Whole Time Director of the Company. |

### (c) Details of the Special Resolutions passed last year through Postal Ballot – Details of Voting Pattern:

**Postal Ballot completed during the Financial Year 2025-26:** During the financial year under review, the Company conducted a Postal Ballot pursuant to the Notice dated March 06, 2025 in accordance with the applicable provisions of the Companies Act, 2013, the Rules made thereunder and the SEBI Listing Regulations, for seeking the approval of the Members for the following Special Resolution:

**Item No 1: Alteration of the Object Clause of the Memorandum of Association of the Company.**

| Particulars | Number of Valid | | Percentage (%) |
|---|---|---|---|
| | Voters (via e-voting) | Votes (via e-voting) | |
| Assent | 128 | 1,16,78,199 | 99.98% |
| Dissent | 5 | 1,941 | 0.02% |
| Invalid/Abstained | 0 | 0 | 0.00% |
| **Total** | **133** | **1,16,80,140** | **100.00%** |

The Special Resolution was approved by the Members with the requisite majority on April 10, 2025.

**Postal Ballot initiated during FY 2025-26 and completed after the year-end:** The Company also issued a Postal Ballot Notice dated March 02, 2026 in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, for seeking the approval of the Members for the following Special Resolution:

**Item No 1: Re-appointment of Mr. Rajender Reddy Gankidi (DIN: 09165223) as a Non-Executive Independent Director of the Company for a second term of five years:**

| Particulars | Number of Valid | | Percentage (%) |
|---|---|---|---|
| | Voters (via e-voting) | Votes (via e-voting) | |
| Assent | 122 | 1,58,79,571 | 99.98% |
| Dissent | 6 | 2,592 | 0.02% |
| Invalid/Abstained | 0 | 0 | 0.00% |
| **Total** | **128** | **1,58,82,163** | **100.00%** |

The Special Resolution was approved by the Members with the requisite majority on April 07, 2026.

The Board of Directors appointed Mr. Vinod Sakaram (Membership No. 23285), Partner of M/s. VSSK & Associates, Company Secretaries in practice, as the Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner. The Company provided the remote e-Voting ("e-Voting") facility through CDSL, to enable the Members to cast their votes electronically.

**Previous Financial Year (FY 2024-25):** During the previous financial year, the Company conducted a Postal Ballot pursuant to the Notice dated September 24, 2024 for seeking the approval of the Members for the following Special Resolutions:

**Item No 1: Increase in the Authorised Share Capital of the Company and consequential alteration of the Capital Clause of the Memorandum of Association of the Company:**

| Particulars | Number of Valid | | Percentage (%) |
|---|---|---|---|
| | Voters (via e-voting) | Votes (via e-voting) | |
| Assent | 138 | 1,27,95,188 | 99.99% |
| Dissent | 10 | 442 | 00.01% |
| Invalid/Abstained | 0 | 0 | 00.00% |
| **Total** | **148** | **1,27,95,630** | **100.00%** |

**Item No 2: Approval for raising capital by way of issuance of equity shares and/or other eligible securities:**

| Particulars | Number of Valid | | Percentage (%) |
|---|---|---|---|
| | Voters (via e-voting) | Votes (via e-voting) | |
| Assent | 139 | 1,27,95,296 | 99.99% |
| Dissent | 10 | 344 | 00.01% |
| Invalid/Abstained | 0 | 0 | 00.00% |
| **Total** | **149** | **1,27,95,640** | **100.00%** |

The Special Resolutions were approved by the Members with the requisite majority on October 29, 2024.

### (d) Whether any Special Resolution is proposed to be conducted through Postal Ballot:

No, special resolution is proposed to be conducted through postal ballot as on the date of this report. Further, none of the businesses proposed to be transacted at the ensuing AGM require the passing of a special resolution through postal ballot.

### (e) Procedure for Postal Ballot:

The Postal Ballot process was conducted in compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the relevant circulars issued by the Ministry of Corporate Affairs from time to time, including the latest circular being 03/2025 dated September 22, 2025, and the applicable provisions of the SEBI Listing Regulations.

## 8. MEANS OF COMMUNICATION:

The Company follows a robust communication framework to ensure timely, transparent and accurate dissemination of information to shareholders, investors, analysts and other stakeholders in compliance with the applicable provisions of the SEBI Listing Regulations.

### a) Financial Results

The quarterly, half yearly, annual financial results and all other material information are approved by the Board of Directors and are submitted to the stock exchanges. The results are also published in the newspapers and hosted on the Company's website as per the requirement of the SEBI Listing Regulations.

# CORPORATE GOVERNANCE REPORT

**b) Newspapers wherein the results normally published**

The financial results and other statutory notices are generally published by the Company in the leading newspapers Business Line (English – All India Edition) and Surya (Telugu – Hyderabad Edition).

**c) Any website, where displayed**

The Company maintained a dedicated "Investors Relations" section on its website https://www.hariompipes.com/, containing financial results, annual reports, shareholding pattern, corporate governance disclosures, policies, stock exchange filings, notices, presentations and other information relevant to shareholders and investors.

**d) Whether it also displays official news releases**

All the official press releases and material announcements are submitted to the stock exchanges and are simultaneously hosted on the website of the Company.

**e) Presentations made to institutional investors or to the analysts**

The Company ensures transparent and timely communication with investors and analysts. Presentations made to institutional investors and analysts are uploaded on the Company's website. Audio/video recordings and transcripts of investor and analyst conference call are also made available on the website and submitted to the stock exchanges where the shares of the Company are listed in accordance with the SEBI Listing Regulations.

**f) Annual Report**

The Annual Report, including the Board's Report, Management Discussion and Analysis, Corporate Governance Report, Business Responsibility and Sustainability Report (BRSR) and Audited Financial Statements (Standalone and Consolidated) is circulated electronically to the Members and is also available on the Company's website.

**g) SCORES (SEBI Complaints Redressal System)**

The Company is registered on the SEBI Complaints Redress System (SCORES) platform and ensures timely redressal of investor grievances in accordance with the applicable regulatory requirements.

**h) Green Initiative – Service of Documents in Electronic Form**

In line with the Green Initiative of the Ministry of Corporate Affairs (MCA), the Company sends the Annual Report and other statutory communications to Members through electronic mode. Members holding shares in dematerialised form are requested to register or update their email addresses with their respective Depository Participants. Members holding shares in physical form are requested to register or update their email addresses with the Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited.

## 9. GENERAL SHAREHOLDER INFORMATION:

**a) Annual General Meeting -**

**Date, Time and Venue:** September 30, 2026, at 12:30 pm (IST)

Venue: Meeting shall be conducted through VC/OAVM. The deemed venue shall be at the Registered Office: 3-4-174/12/2, SAMARPAN, 1st Floor, Near Pillar No. 125, Hyderabad, Attapur, K.V. Rangareddy, Rajendranagar, Telangana, India, 500048.

**b Financial Year:** April 1 to March 31

**c) Dividend Payment Date:** Dividend, if declared at the ensuing Annual General Meeting (AGM) will be paid within 30 days from AGM.

**d) The name and address of each stock exchange(s) at which the listed entity's securities listed are:**

**National Stock Exchange of India Limited**

Exchange Plaza, 5th Floor, Plot No. C/1, Block G, Bandra-Kurla Complex, Bandra(E), Mumbai - 400051

**BSE Limited**

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001

The Annual Listing fee was remitted to the above stock exchanges up to FY 2025-26.

**h) In case the securities are suspended from trading, if any:**

The Securities of the Company have not been suspended from trading at any time during the financial year ended March 31, 2026.

**i) Registrar to an issue and share transfer agents:**

M/s. Bigshare Services Private Limited

Address: 306, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500082, Telangana, India.

Tel: 040-23374967

e-mail: bsshyd@bigshareonline.com,

Website: www.bigshareonline.com

**j) Share Transfer System:**

The Company's Registrar and Share Transfer Agent (RTA), M/s. **Bigshare Services Private Limited**, registered with the Securities and Exchange Board of India (SEBI) as a Category-I Registrar to an Issue and Share Transfer Agent, processes all share transfer and investor service requests.

Pursuant to Regulation 40 of the SEBI Listing Regulations, as amended, transfer of securities is permitted only in dematerialised form, except in cases of transmission or transposition. Further, in accordance with the applicable SEBI circulars, requests for investor services such as issue of duplicate share certificates, renewal, exchange,

endorsement, sub-division, consolidation, transmission and transposition are processed only after the securities are converted into dematerialised form, wherever applicable. Accordingly, Members holding shares in physical form are encouraged to dematerialise their holdings to facilitate seamless transfer and other investor service requests.

## k) Distribution of shareholding:

(1) Distribution of shareholding as on March 31, 2026:

| Category | Share Holders | | Share Amount | |
|---|---|---|---|---|
| | Number | % to Total | Amount (In ₹) | % to Total |
| (1) | (2) | (3) | (4) | (5) |
| 1 - 5000 | 51,980 | 94.64 | 3,57,72,930 | 11.55 |
| 5001 - 10000 | 1,516 | 2.76 | 1,13,19,580 | 3.66 |
| 10001 - 20000 | 776 | 1.41 | 1,13,17,260 | 3.65 |
| 20001 - 30000 | 239 | 0.44 | 59,03,960 | 1.91 |
| 30001 - 40000 | 109 | 0.20 | 38,68,270 | 1.25 |
| 40001 - 50000 | 75 | 0.14 | 34,78,100 | 1.12 |
| 50001 - 100000 | 133 | 0.24 | 96,78,230 | 3.13 |
| 100001 - Above | 94 | 0.17 | 22,83,34,560 | 73.73 |
| **TOTAL** | **54,922** | **100.00** | **30,96,72,890** | **100.00** |

(2) Shareholding Pattern of the Company as on March 31, 2026:

| S. No. | Shareholders Category | Number of Shareholders | Percent of total Shareholders (%) | Number of Shares | Percentage (%) |
|---|---|---|---|---|---|
| 1 | Promoters & Promoter Group | 17 | 0.03 | 1,77,32,924 | 57.26 |
| 2 | Alternate Investment Funds | 1 | 0.01 | 17,700 | 0.06 |
| 3 | Foreign Portfolio Investor (Corporate-Category I & II) | 8 | 0.01 | 29,39,491 | 9.49 |
| 4 | Individuals | 53,169 | 96.81 | 86,19,850 | 27.84 |
| 5 | Non-Resident Indians (NRIs) | 940 | 1.71 | 6,75,296 | 2.18 |
| 6 | Bodies Corporate | 151 | 0.27 | 4,43,746 | 1.43 |
| 7 | Any Other | 636 | 1.16 | 5,38,282 | 1.74 |
| | **Total** | **54,922** | **100.00** | **3,09,67,289** | **100.00** |

## l) Dematerialization of shares and liquidity:

As on March 31, 2026, 3,09,67,289 Equity Shares of the Company having a face value of ₹10/- each, representing 100% of the paid-up equity share capital, were held in dematerialised form. The Company has connectivity with both the depositories in India, namely, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), thereby ensuring liquidity and efficient transfer of securities.

## m) Outstanding GDRS/ADRS/Warrants or any Convertible Instruments, Conversion Date and likely impact on equity:

As on March 31, 2026, the Company had no outstanding Global Depository Receipts (GDRs), American Depository Receipts (ADRs), warrants or any other convertible instruments. Accordingly, there is no impact on the equity share capital of the Company on account of conversion of such instruments.

## n) Commodity price risk or foreign exchange risk and hedging activities:

Not Applicable to the Company

## o) Plant locations:

**UNIT-I:** 3-45/1, Sy. No. 62 & 63, Sheriguda Paddayapally (G.P.) Balanagar Mahabubnagar 509202, Telangana, India.

**UNIT-II:** Survey No. 98, D. Hirehal Village and Mandal, Ananthapur District - 515872, Andhra Pradesh, India.

**UNIT- III:** Plot No. B-15 to B-28, Sipcot Industrial Area, Sipcot Indl Growth Centre, Perundurai, Perundurai Taluk, Erode District - 638052, Tamil Nadu, India.

**UNIT- IV:** Survey. No. 39 situated at Sheriguda Village, Peddaiahpally, Balanagar Mandal, Mahabubnagar District - 509202, Telangana, India.

**UNIT- V:** Sheriguda (V), Balanagar (M), Mahabubnagar Dist - 509 202, Telangana, India.

**p) Address for correspondence:**

| S. No. | Shareholders Correspondence for | Address to |
|---|---|---|
| 1. | Transfer/Dematerialization/ consolidation/split of shares, issue of Duplicate share certificates, change of address of members and beneficial owners and any other query relating to the shares of the Company. | M/s. Bigshare Services Private Limited<br>Registrar and Share Transfer Agent.<br>Address: 306, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad – 500082, Telangana, India.<br>Tel: 040-23374967<br>Email: bsshyd@bigshareonline.com |
| 2. | Investor Correspondence/queries on Corporate Governance and other secretarial matters. | COMPANY SECRETARY<br>M/s. Hariom Pipe Industries Limited.<br>Address: 3-4-174/12/2, SAMARPAN, 1st Floor, Near Pillar No. 125, Hyderabad, Attapur, K.V. Rangareddy, Rajendranagar, Telangana, India, 500048.<br>Tel: 040-24016101<br>Email: cs@hariompipes.com |

**q) Credit Rating:**

During the financial year ended March 31, 2026, the credit ratings assigned by CRISIL Ratings Limited (Rating Agency) to the Company's bank facilities were revised as follows:

| S. No. | Instrument Type | Previous Rating | Current Rating |
|---|---|---|---|
| 1. | Long Term Borrowings | CRISIL A-/Stable | CRISIL A-/Watch Developing |
| 2. | Short Term Borrowings | CRISIL A2+ | CRISIL A2+/Watch Developing |

## 10. OTHER DISCLOSURES:

**(a) Disclosures on materially significant Related Party Transactions that may have potential conflict with the interests of listed entity at large;**

During the FY 2025-26, all the Related Party Transactions entered into by the Company were in the ordinary course of business and on an arm's length basis. These transactions were reviewed and approved by the Audit Committee and the Board of Directors, as applicable, in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The Company did not enter into any materially significant Related Party Transaction that may have potential conflict with the interest of the Company or its shareholders at large. The details of Related Party Transactions are placed before the Audit Committee and Board of Directors on a quarterly basis along with the financial results and are disclosed in accordance with the Regulation 23 of SEBI Listing Regulations.

**(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:**

During the last three financial years, the Company has complied with the applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws. No penalties or strictures have been imposed on the Company by the Stock Exchanges, the Securities and Exchange Board of India (SEBI) or any statutory authority on any matter relating to the capital markets.

**(c) Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:**

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations, the Company has established a Whistle Blower Policy/Vigil Mechanism. The Policy enables Directors, employees and other stakeholders to report genuine concerns relating to unethical behaviour, actual or suspected fraud, violation of the Company's Code of Conduct or any other improper practices without fear of retaliation.

The Whistle Blower Policy is available on the Company's website and can be accessed at https://www.hariompipes.com/pdf/policies/whistle-blower-policy.pdf. No person has been denied access to the Audit Committee during the financial year.

**(d) Compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has complied with all the mandatory requirements prescribed under SEBI Listing Regulations for the financial year ended March 31, 2026. The status of compliance with the discretionary requirements specified under Part E of Schedule II to the SEBI Listing Regulations is provided under Point No. 12 of this Report.

**(e) Web-link where policy for determining 'material' subsidiaries is disclosed:**

The Policy for determining Material Subsidiaries, as approved by the Board of Directors is available on the Company's website and can be accessed at https://www.hariompipes.com/pdf/Material%20Subsidiary%20Policy%20-%20Updated.pdf

**(f) Web-link where policy for dealing with Related Party Transactions:**

The Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transaction as approved by the Board of Directors is available on the Company's website and can be accessed at https://www.hariompipes.com/investor-relations-policies.

**(g) Disclosure of Commodity Price Risks and Commodity Hedging Activities:**

The Company is exposed to fluctuations in the prices of key raw materials used in its manufacturing operations, which constitute a significant portion of its operating costs. Variations in commodity prices may impact the Company's cost of production, profitability and cash flows. The Company continuously monitors commodity price movements and adopts appropriate procurement strategies to mitigate such risks. As on March 31, 2026, the Company had not undertaken any commodity hedging activities.

**(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**

During the financial year ended March 31, 2026, the Company did not raise any funds through preferential allotment or qualified institutions placement. Accordingly, the disclosure requirements under Regulation 32(7A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable.

**(i) Where the Board of Directors had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:**

During the financial year ended March 31, 2026, the Board of Directors accepted all the recommendations made by the Committees of the Board, wherever such recommendations were required under the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

**(j) Total fees for all services paid by the Listed Entity and its Subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the Network Firm/Network Entity of which the Statutory Auditors is a part.**

The total fees paid/payable by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part, for the FY 2025-26 are ₹28.60 Lakh (Rupees Twenty Eight Lakh and Sixty Thousand only) as set out in financial Statements and forms part of this annual report.

**(k) Disclosures in relation to the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013:**

| S. No. | Particulars | Number |
|---|---|---|
| 1. | Number of Complaints received during the year | Nil |
| 2. | Number of Complaints disposed of during the year | Nil |
| 3. | Number of Complaints pending as at the end of the financial year | Nil |

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

During the financial year ended March 31, 2026, neither the Company nor its subsidiary granted any loans or advances in the nature of loans to any firm or company in which any Director is interested.

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

During the financial year ended March 31, 2026, the Company has two subsidiaries under the name M/s. Hariom Power and Energy Private Limited incorporated on March 19, 2025 and M/s. Metal Mart Private Limited incorporated on January 22, 2026. M/s. R Kabra & Co., LLP, has been appointed as the Statutory Auditor of the both the subsidiaries. It is further clarified that the provisions relating to material subsidiaries are not applicable to the Company.

**(n) Statutory Certificates:**

**(i) CEO/CFO Certificate:**

Pursuant to Regulation 17(8) of the SEBI Listing Regulations, the certificate in the prescribed format, duly signed by the Managing Director and the Chief Financial Officer, confirming the accuracy of the financial statements and adequacy of internal controls for the financial year ended March 31, 2026, was placed before the Audit Committee and the Board of Directors at their meeting held on May 22, 2026. The said certificate is annexed as **"CG_Annexure – A"** and forms part of this Corporate Governance Report.

**(ii) Certificate from Secretarial Auditors on Corporate Governance:**

The certificate received from M/s. VSSK & Associates, Company Secretaries in Practice, confirming compliance with the conditions of Corporate

Governance as stipulated under the SEBI Listing Regulations, for the financial year ended March 31, 2026, is annexed as **"CG_Annexure – B"** and forms part of this Corporate Governance Report.

**(iii) Certificate from Secretarial Auditors that none of the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority:**

A certificate received from M/s. VSSK & Associates, Company Secretaries in Practice, pursuant to Schedule V of the SEBI Listing Regulations, confirming that none of the Directors of the Company has been debarred or disqualified from being appointed or continuing as a Director by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs or any other statutory authority as on March 31, 2026, is annexed as **"CG_Annexure – C"** and forms part of this Corporate Governance Report.

**(o) Dispute Resolution Mechanism at Stock Exchange (SMART ODR):**

In accordance with the SEBI Circulars on the Online Dispute Resolution (ODR) mechanism, investors may avail the SMART ODR platform for resolution of disputes relating to investor service requests against the Company or its Registrar and Share Transfer Agent (RTA). The relevant details and web-link to the SMART ODR platform are available on the Company's website.

## 11. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) to (10) ABOVE, WITH REASONS THEREOF SHALL BE DISCLOSED:

The Company has complied with all the applicable requirements of the Corporate Governance Report specified under sub-paragraphs (2) to (10) of Part C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, there were no instances of non-compliance requiring disclosure.

## 12. CORPORATE GOVERNANCE REPORT SHALL ALSO DISCLOSE THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED:

In addition to the compliance with mandatory requirements of the SEBI Listing Regulations, the Company has adopted and complied with the following discretionary requirements prescribed under Part E of Schedule II:

**(a) The Board:** The Board of Directors periodically reviews compliance with all the applicable laws and the status of corrective actions, if any. The Company is in compliance with all mandatory requirements of the SEBI Listing Regulations. The Company has a Non-Executive Independent Chairperson and has complied with the applicable governance requirements.

**(b) Shareholders' Rights:** The Company disseminates all material information to the shareholders on a timely and non-discriminatory basis. Quarterly and annual financial results, press releases, investor presentations and other material information are hosted on the Company's website and submitted to the Stock Exchanges.

**(c) Modified opinion(s) in Audit Report:** The Statutory Auditors have expressed an unmodified opinion on the standalone and consolidated financial statements of the Company for the financial year ended March 31, 2026.

**(d) Separate posts of Chairperson and Managing Director:** The Company has complied with the requirement of having a separate individual holding the positions of Chairperson and Managing Director. The Chairperson is a Non-Executive Independent Director and is not related to Managing Director within the meaning of the Companies Act, 2013.

**(e) Reporting of Internal Auditors:** The Internal Auditors submit their internal audit reports directly to the Audit Committee on a quarterly basis for its review and guidance.

**13. INDEPENDENT DIRECTORS:** The Independent Directors held a separate meeting during the financial year in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, without the presence of Non-Independent Directors and members of the management.

**14. RISK MANAGEMENT:** The Company has constituted a Risk Management Committee and complied with the applicable requirements relating to its composition, roles and responsibilities in accordance with the SEBI Listing Regulations.

## 15. THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46.

The Company has complied with the Corporate Governance requirements specified under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, to the extent applicable. The status of compliance is provided in the table below:

| S. No. | Particulars | Regulation | Brief Description of Regulation | Compliance Status (Yes / No/ NA) |
|---|---|---|---|---|
| 1 | Board of Directors | 17 (1) | Board Composition | Yes |
| | | 17 (2) | Meeting of Board of Directors | Yes |
| | | 17 (3) | Review of Compliance Reports | Yes |
| | | 17 (4) | Plans for orderly succession or appointments | Yes |
| | | 17 (5) | Code of Conduct | Yes |
| | | 17 (6) | Fees / Compensation | Yes |
| | | 17 (7) | Minimum Information to be placed before Board | Yes |
| | | 17 (8) | Compliance Certificate | Yes |
| | | 17 (9) | Risk Assessment & Management | Yes |
| | | 17 (10) | Performance evaluation | Yes |
| | | 17 (11) | The statement to be annexed to the notice. | Yes |
| | | 17A | Maximum number of Directorships. | Yes |
| 2 | Audit Committee | 18 (1) | Composition of Audit Committee & Presence of the Chairperson of the Committee at the Annual General Meeting | Yes |
| | | 18 (2) | Meeting of Audit Committee | Yes |
| | | 18 (3) | Role of Committee and Review of information by the Committee | Yes |
| 3 | Nomination and Remuneration Committee | 19 (1) & (2) | Composition of Nomination & Remuneration Committee | Yes |
| | | 19(3) | Presence of the Chairperson of the Committee at the Annual General Meeting | Yes |
| | | 19(4) | Role of Committee | Yes |
| 4 | Stakeholders Relationship Committee | 20 (1), (2) & (3) | Composition of Stakeholders Relationship Committee | Yes |
| | | 20 (4) | Role of Committee | Yes |
| 5 | Risk Management Committee | 21 (1), (2) & (3) | Composition of Risk Management Committee | Yes |
| | | 21(4), (5), (6) | Role of the Committee | Yes |
| 6 | Vigil Mechanism | 22 (1), (2) | Formulation of Vigil Mechanism for Directors and Employee | Yes |
| 7 | Related Party Transaction | 23(1), (2), (3) (5), (6), (8) & (9) | Policy for Related Party Transactions | Yes |
| | | 23 (2) & (3) | Approval including omnibus approval of Audit Committee for all Related Party Transaction and review of Transaction by the Committee | Yes |
| | | 23(4) | Approval for material Related Party Transactions | Yes |
| 8 | Subsidiaries of the Company | 24(1) | Composition of Board of Directors of unlisted material subsidiary | NA |
| | | 24 (2), (3), (4), (5) & (6), (7) 24(A) | Other Corporate Governance requirements with respect to subsidiary of listed entity | Yes |

# CORPORATE GOVERNANCE REPORT

| S. No. | Particulars | Regulation | Brief Description of Regulation | Compliance Status (Yes / No/ NA) |
|---|---|---|---|---|
| 9 | Obligations with respect to Independent Directors | 25 (1) & (2) | Maximum Directorship & Tenure | Yes |
| | | 25 (3) | Meeting of Independent Directors | Yes |
| | | 25 (4) | Review of Performance by the Independent Directors | Yes |
| | | 25 (7) | Familiarization of Independent Directors | Yes |
| | | 25 (8) | Declaration of Independence | Yes |
| | | 25 (9) | Declaration and Confirmation submitted by the Independent Director | Yes |
| | | 25 (10) & (12) | Directors and Officers insurance ('D and O insurance') | Yes |
| | | 25 (11) | No Independent Director, who resigns from a listed entity, shall be appointed as an executive / whole time Director on the board | Yes |
| 10 | Obligations with respect to Directors and Senior Management | 26 (1) | Memberships in committees | Yes |
| | | 26 (3) | Affirmations with compliance to Code of Conduct from members Board of Directors and Senior Management personnel | Yes |
| | | 26 (2) & (5) | Policy with respect to Obligations of Directors and Senior Management | Yes |
| | | 26 (6) | Enter into any agreement with regard to compensation or profit sharing in connection with dealings in the securities of such listed entity | Yes |
| | | 26A. (1), (2), (3) | Any vacancy in the office of CEO, MD, WTD or Manager | Yes |
| 11 | Other Corporate Governance Requirements | 27(1) | Compliance of Discretionary Requirements | Yes |
| | | 27(2) | Filing of Quarterly Compliance Report on Corporate Governance | Yes |
| 12 | Disclosures on Website of the Company | 46(2)(b) | Terms and conditions of appointment of Independent Directors | Yes |
| | | 46(2)(c) | Composition of various committees of Board of Directors | Yes |
| | | 46(2)(d) | Code of Conduct of Board of Directors and Senior Management Personnel | Yes |
| | | 46(2)(e) | Details of establishment of Vigil Mechanism/ Whistle Blower policy | Yes |
| | | 46(2)(f) | Criteria of making payments to Non-Executive Directors | Yes |
| | | 46(2)(g) | Policy on dealing with Related Party Transactions | Yes |
| | | 46(2)(h) | Policy for determining Material Subsidiaries | Yes |
| | | 46(2)(i) | Details of familiarization programmes imparted to Independent Directors | Yes |

***CG_Annexure-A***

## COMPLIANCE CERTIFICATE BY MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO)

(Pursuant to Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**To,**

**The Board of Directors,**

**Hariom Pipe Industries Limited**

We, Mr. Rupesh Kumar Gupta, Managing Director (MD) and Mr. Amitabha Bhattacharya, Chief Financial Officer (CFO) of Hariom Pipe Industries Limited, hereby certify that:

A. We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2026 and that to the best of our knowledge and belief:

   1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended March 31, 2026 which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectifying these deficiencies.

D. We have indicated to the Auditors and the Audit Committee:

   1. Significant changes in internal control over financial reporting during the year;

   2. Significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and

   3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For HARIOM PIPE INDUSTRIES LIMITED**

Sd/-
**Rupesh Kumar Gupta**
Managing Director
DIN: 00540787

Sd/-
**Amitabha Bhattacharya**
Chief Financial Officer

Place: Hyderabad
Date: May 22, 2026

*CG_Annexure-B*

## CERTIFICATE BY THE PRACTICING COMPANY SECRETARIES ON CORPORATE GOVERNANCE

**To**

**The Members,**

**Hariom Pipe Industries Limited**

We have examined the compliance of conditions of Corporate Governance by Hariom Pipe Industries Limited ("the Company"), for the year ended March 31, 2026, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub- regulation (2) of Regulation 46 and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of the Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to the review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of the opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of SEBI Listing Regulations.

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

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

Sd/-
**CS Vinod Sakaram,**
Partner
ACS: 23285, CP No. 8345
UDIN: A023285H001328325
PR No.: 1456/2021

Place: Hyderabad
Date: 02-09-2026

***CG_Annexure-C***

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

**To**

**The Members,**

**Hariom Pipe Industries Limited.**

We, VSSK & Associates, Practicing Company Secretaries, have examined the relevant registers, records, books, forms, returns and disclosures received from the Directors of **Hariom Pipe Industries Limited having** CIN: L27100TG2007PLC054564 and having Registered Office at 3-4-174/12/2, SAMARPAN, 1st Floor, Near Pillar No. 125, Hyderabad, Attapur, K.V. Rangareddy, Rajendranagar, Telangana, India, 500048 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para-C, Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the examinations carried out by us and explanations and representation furnished to us by the Company, its officers and agents, we hereby certify that none of the following Directors of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority as on March 31, 2026:

| S. No | Name of the Director | Designation | DIN |
|---|---|---|---|
| 1. | Pramod Kapoor Kumar | Chairman & Independent Director | 03557358 |
| 2. | Rupesh Kumar Gupta | Managing Director | 00540787 |
| 3. | Sailesh Gupta | Whole Time Director | 00540862 |
| 4. | Ansh Golas | Whole Time Director | 11225536 |
| 5. | Sunita Gupta | Non-Executive Director | 02981707 |
| 6. | Sneha Sankla | Independent Director | 02849733 |
| 7. | Rajender Reddy Gankidi | Independent Director | 09165223 |
| 8. | Soumen Bose | Non-Executive Director | 09608922 |

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

Sd/-
**CS Vinod Sakaram,**
Partner
ACS: 23285, CP No. 8345
UDIN: A023285H001328314
PR No.: 1456/2021

Place: Hyderabad
Date: 02-09-2026

## DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The Code of Conduct has also been posted on the website of the Company. It is further confirmed that the Members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct and Ethics, as applicable to them for the financial year ended on 31st March, 2026 as envisaged in the Chapter IV of the Securities Exchange board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sd/-
**Rupesh Kumar Gupta**
Managing Director
DIN: 00540787

Place: Hyderabad
Date: May 22, 2026

# BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

## I. Details of the listed entity

| | | |
|---|---|---|
| 1 | **Corporate Identity Number (CIN) of the Listed Entity** | L27100TG2007PLC054564 |
| 2 | **Name of the Listed Entity** | HARIOM PIPE INDUSTRIES LIMITED |
| 3 | **Year of incorporation** | June 21, 2007 |
| 4 | **Registered office address** | 3-4-174/12/2, SAMARPAN, 1st Floor, Near Pillar No. 125, Hyderabad, Attapur, K.V.Rangareddy, Rajendranagar, Telangana, India, 500048 |
| 5 | **Corporate address** | 3-4-174/12/2, SAMARPAN, 1st Floor, Near Pillar No. 125, Hyderabad, Attapur, K.V.Rangareddy, Rajendranagar, Telangana, India, 500048 |
| 6 | **E-mail** | cs@hariompipes.com |
| 7 | **Telephone** | +91 040 - 24016101 |
| 8 | **Website** | www.hariompipes.com |
| 9 | **Financial year for which reporting is being done** | April 01, 2025 to March 31, 2026 |
| 10 | **Name of the Stock Exchange(s) where shares are listed** | a) BSE Limited<br>b) National Stock Exchange of India Limited (NSE) |
| 11 | **Paid-up Capital** | 30,96,72,890 |
| 12 | **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report** | **Name:** Rekha Singh, Company Secretary<br>**Telephone:** +91 040 - 24016101<br>**E-mail:** cs@hariompipes.com |
| 13 | **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).** | Disclosures made in this report are on a standalone basis and pertain only to Hariom Pipe Industries Limited |
| 14 | **Name of assessment or assurance provider** | NA |
| 15 | **Type of assessment or assurance obtained** | NA |

## II. Products/Services

**16 Details of business activities (accounting for 90% of the turnover):**

| S. No. | Description of Main Activity | Description of Business Activity | % of Turnover of the entity |
|---|---|---|---|
| 1 | Manufacturing | Manufacturing and sale of steel pipes, tubes and coils | 100% |

**17 Products/Services sold by the entity (accounting for 90% of the entity's Turnover)**

| S. No. | Product/Service | NIC Code | % of total Turnover contribute |
|---|---|---|---|
| 1 | MS/GP/GI/CR Steel Pipes & Tubes | 24106 | 79.3% |
| 2 | Galvanised Steel Coils/Slits & Allied Products | 24109 | 12.8% |
| 3 | Cold Rolled Steel Products | 24105 | 5.9% |
| 4 | MS Billets/Semi-finished Steel | 24103 | 1.1% |
| 5 | Scaffolding & Metal Frameworks for Construction | 25112 | 0.5% |
| 6 | Sponge Iron | 24102 | 0.5% |

## III. Operations

**18 Number of locations where plants and/or operations/offices of the entity are situated:**

| Location | Number of plants | Number of offices | Total |
|---|---|---|---|
| National | 5 | 1 | 6 |
| International | 0 | 1 | 1 |

## 19 Markets served by the entity:

**a. Number of locations**

| Locations | Number |
|---|---|
| National (No. of States) | 16 States and 3 Union Territories |
| International (No. of Countries) | 0 |

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

Nil

**c. A brief on types of customers**

The Company primarily serves dealers/traders and direct B2B/institutional customers across steel distribution, fabrication, construction, infrastructure, engineering and other industrial applications. Approximately 80% of sales are through the dealer network and 20% through direct B2B/institutional customers.

# IV. Employees

## 20 Details as at the end of Financial Year:

**a. Employees and workers (including differently abled):**

**Employees and workers**

| S. No. | Particulars | Total (A) | Male | | Female | |
|---|---|---|---|---|---|---|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| | **Employees** | | | | | |
| 1 | Permanent (D) | 148 | 133 | 90% | 15 | 10% |
| 2 | Other than Permanent (E) | 0 | 0 | 0% | 0 | 0% |
| **3** | **Total employees (D + E)** | 148 | 133 | 90% | 15 | 10% |
| | **Workers** | | | | | |
| 4 | Permanent (F) | 644 | 640 | 99% | 4 | 1% |
| 5 | Other than Permanent (G) | 452 | 452 | 100% | 0 | 0% |
| **6** | **Total workers (F + G)** | 1,096 | 1,092 | 100% | 4 | 0% |

**b. Differently abled Employees and workers:**

| S. No. | Particulars | Total (A) | Male | | Female | |
|---|---|---|---|---|---|---|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| | **Differently Abled Employees** | | | | | |
| 1 | Permanent (D) | 0 | 0 | 0 | 0 | 0 |
| 2 | Other than Permanent (E) | 0 | 0 | 0 | 0 | 0 |
| 3 | Total employees (D + E) | 0 | 0 | 0 | 0 | 0 |
| | **Differently Abled Workers** | | | | | |
| 4 | Permanent (F) | 0 | 0 | 0 | 0 | 0 |
| 5 | Other than Permanent (G) | 0 | 0 | 0 | 0 | 0 |
| 6 | Total workers (F + G) | 0 | 0 | 0 | 0 | 0 |

## 21 Participation/Inclusion/Representation of women

| Particulars | Total (A) | No. and percentage of Females | |
|---|---|---|---|
| | | No. (B) | % (B / A) |
| Board of Directors | 8 | 2 | 25.00% |
| Key Management Personnel | 5 | 1 | 20.00% |

## 22 Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

| | Turnover rate in FY 2025-26 | | | Turnover rate in FY 2024-25 | | | Turnover rate in FY 2023-24 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| **Permanent Employees & Workers** | 41% | 12% | 53% | 9% | 1% | 10% | 53% | 1% | 54% |

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

### 23 Names of holding / subsidiary / associate companies / joint ventures

| S. No. | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No) |
|---|---|---|---|---|
| 1 | Hariom Power and Energy Private Limited | Subsidiary | 77.42 | Yes |
| 2 | Metal Mart Private Limited | Subsidiary | 70.00 | Yes |

## VI. CSR Details

**24 (i). Whether CSR is applicable as per section 135 of Companies Act, 2013:** Yes

**(ii). Turnover (₹ in Lakhs):** 1,68,014.65

**(iii). Net worth (₹ in Lakhs):** 64,664.25

## VII. Transparency and Disclosures Compliances

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

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) | (If Yes, then provide web-link for grievance redress policy) | FY 2025-26 | | | FY 2024-25 | | |
|---|---|---|---|---|---|---|---|---|
| | | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities | Yes | https://www.hariompipes.com/investor-relations.php | 0 | 0 | NA | 0 | 0 | NA |
| Investors (other than shareholders) | Yes | | 0 | 0 | NA | 0 | 0 | NA |
| Shareholders | Yes | | 0 | 0 | NA | 0 | 0 | NA |
| Employees and workers | Yes | | 0 | 0 | NA | 0 | 0 | NA |
| Customers | Yes | | 0 | 0 | NA | 0 | 0 | NA |
| Value Chain Partners | Yes | | 0 | 0 | NA | 0 | 0 | NA |
| Other (please specify) | Yes | | 0 | 0 | NA | 0 | 0 | NA |

### 26 Overview of the entity's material responsible business conduct issues

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 1 | Supply Chain Management & Raw Material Price Volatility | Risk | Availability and prices of steel-making raw materials can be affected by commodity-price movements, transportation constraints, supplier issues and geopolitical developments, which may affect production costs and margins. | The Company follows a vertically integrated manufacturing model, maintains relationships with multiple suppliers and regularly monitors raw-material availability, prices and inventory levels. | Negative |
| 2 | Energy Management & Renewable Energy | Opportunity | Energy is an important cost component in steel manufacturing. Increasing the use of renewable energy and improving energy efficiency can reduce dependence on conventional power and improve operating efficiency. | Not Applicable | Positive |

# BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 3 | Climate Change & GHG Emissions | Risk | Steel manufacturing is energy-intensive and is exposed to increasing expectations relating to carbon emissions and climate action. At the same time, lower-carbon manufacturing practices can strengthen the Company's sustainability positioning. | The Company is increasing renewable-energy usage, focusing on recycled steel and adopting measures aimed at improving resource and energy efficiency. | Negative |
| 4 | Environmental Compliance & Pollution Control | Risk | Steel manufacturing is subject to environmental regulations covering air emissions, effluent, waste, water usage and statutory operating consents. Non-compliance may affect operational continuity. | The Company focuses on pollution-control systems, monitoring of environmental parameters, regulatory compliance and corrective actions wherever required. | Negative |
| 5 | Water & Effluent Management | Risk | Manufacturing operations require water for various processes. Availability of water, inefficient consumption or inadequate effluent management may affect operations and environmental compliance. | The Company focuses on responsible water usage, recycling and reuse of water and appropriate treatment and management of effluents at its manufacturing facilities. | Negative |
| 6 | Waste Management & Circular Economy | Opportunity | Efficient utilisation of scrap and manufacturing by-products reduces the requirement for virgin resources and supports circular use of materials. Steel is also inherently recyclable. | Not Applicable | Positive |
| 7 | Occupational Health & Safety | Risk | Operations involving furnaces, rolling mills, pipe mills, heavy machinery and material handling involve inherent occupational health and safety risks for employees and workers. | The Company focuses on safety procedures, use of PPE, safety training, supervision, awareness programmes and periodic monitoring of workplace safety practices. | Negative |
| 8 | Employee Retention, Training & Skill Development | Risk | Availability and retention of skilled manpower is important for quality, productivity, maintenance, safety and efficient operation of manufacturing facilities. | The Company focuses on employee engagement, training, skill development and providing opportunities for employees to develop their capabilities. | Negative |
| 9 | Product Quality, Safety & Innovation | Opportunity | Customers increasingly require consistent product quality, wider product offerings and products suited to evolving construction, infrastructure and industrial applications. | Not Applicable | Positive |
| 10 | Customer Relationships & Market Presence | Opportunity | A diversified dealer, institutional and B2B customer base helps the Company expand its geographical reach and reduce dependence on individual customers or markets. | Not Applicable | Positive |
| 11 | Business Ethics, Corporate Governance & Regulatory Compliance | Risk | Ethical conduct, transparent reporting and compliance with applicable laws are important for maintaining the confidence of investors, lenders, customers, regulators and other stakeholders. | The Company maintains governance and compliance mechanisms, internal controls, statutory reviews and oversight through the Board and its Committees. | Negative |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 12 | Community Development & CSR | Opportunity | The Company's manufacturing facilities operate within local communities. Positive engagement and development initiatives help maintain constructive relationships with surrounding communities. | Not Applicable | Positive |

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

| S. No. | Disclosure Question | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **Policy and management processes** | | | | | | | | |
| 1 | a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| | b. Has the policy been approved by the Board? (Yes/No) | Yes, Company policies are given approval by the Board, depending on the type of policy and the related regulatory needs | | | | | | | | |
| | c. Web Link of the Policies, if available | https://www.hariompipes.com/investor-relations-policies | | | | | | | | |
| 2 | Whether the entity has translated the policy into procedures. (Yes / No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3 | Do the enlisted policies extend to your value chain partners? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 4 | Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | *IS 4923: 2017 MS and GI Square and Rectangular Hollow Sections<br>* IS 18573: 2024 GP Square and Hollow Sections<br>* IS 3601: 2006 MS and GI Round Tubes<br>* IS 1239: Part1: 2004 MS and GI Round Tubes (Medium and Light Grade)<br>* IS 277: 2018 Galvanized Steel Coils<br>* IS 513: PART 1: 2016 Cold Reduced Carbon steel Sheet and Strip<br>* IS 2830: 2012 Billets<br>* IS 10748: 2004 HR Strips<br>* IS 1161: 2014 MS Round Pipe<br>* ISO 9001: 2015 Quality Management Systems<br>* ISO 14001: 2015 Environmental Management System<br>* ISO 45001: 2018 Occupational Health and Safety Management System | | | | | | | | |
| 5 | Specific commitments, goals and targets set by the entity with defined timelines, if any. | We are committed to environmentally responsible manufacturing through the efficient use of resources, reduction of energy consumption, control of emissions, responsible waste management and continuous improvement in production efficiency. We regularly monitor and evaluate our environmental performance to measure progress, strengthen accountability and drive continuous improvement in line with our sustainability commitments. | | | | | | | | |
| 6 | Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. | NA | | | | | | | | |

### Governance, leadership and oversight

**7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**

We remain committed to advancing sustainable growth through responsible environmental stewardship, strong governance and meaningful social impact. As our business continues to grow, we recognise the evolving ESG challenges associated with reducing emissions, strengthening climate resilience, optimising resource efficiency and adapting to an increasingly dynamic regulatory landscape.

Our ESG strategy is guided by clearly defined short-, medium- and long-term priorities. In the near term, we remain focused on improving energy and resource efficiency, reducing emissions, enhancing water and waste management practices and creating positive outcomes for the communities in which we operate. Over the medium to long term, we will continue investing in cleaner technologies, operational excellence and responsible business practices to create enduring value.

During the year, we made significant progress by implementing advanced pollution control technologies, strengthening resource efficiency initiatives and improving waste and water management practices, resulting in measurable environmental benefits and enhanced operational performance. While encouraged by these achievements, we recognise that the journey towards our long-term sustainability ambitions continues. We remain focused on accelerating decarbonisation, strengthening employee well-being and embedding sustainability across every aspect of our business as we build a resilient, responsible and future-ready organisation.

**8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**

Mr. Rupesh Kumar Gupta (DIN 00540787), Managing Director, bears the responsibility for both implementing and overseeing the Business Responsibility policies.

**9 Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details**

Our Board and senior management provide active oversight of our ESG agenda, ensuring that sustainability considerations are embedded into strategic decision-making and day-to-day operations. To further strengthen our governance framework, we are in the process of establishing a dedicated Sustainability Committee that will provide focused oversight of our environmental, social and governance priorities and reinforce our commitment to responsible and ethical business practices.

In parallel, our Corporate Social Responsibility Committee continues to guide our community investment initiatives and social impact programmes, providing strategic direction and valuable recommendations to the Board. Together, these governance mechanisms enhance accountability, strengthen ESG oversight and support the achievement of our long-term sustainability objectives.

**10 Details of Review of NGRBCs by the Company:**

| Subject for Review | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action | Review was undertaken by the Top Management as and when needed | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | Assessed when needed. | | | | | | | | |

**11 Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**

No

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

| Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|
| The entity does not consider the Principles material to its business (Yes/No) | All Principles are covered by the policies | | | | | | | | |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | | | | | | | | | |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No) | | | | | | | | | |
| It is planned to be done in the next financial year (Yes/No) | | | | | | | | | |
| Any other reason (please specify) | | | | | | | | | |

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

**Essential Indicators**

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

| Segment | Total number of training and awareness programmes held | Topics / principles covered under the training and its impact | %age of persons in respective category covered by the awareness programmes |
|---|---|---|---|
| Board of Directors | 7 | The Board was trained through periodic sessions focusing on evolving industry practices, business strategy, ESG (Environmental, Social & Governance) integration, risk oversight, and roles & responsibilities under the Companies Act and SEBI LODR. These sessions helped align board members with contemporary regulatory and stakeholder expectations, fostering better oversight and governance. | 100% |
| Key Managerial Personnel | 21 | Topics covered include corporate governance, integrity, strategic leadership, Companies Act 2013 updates, CSR, sustainability, ethics, regulatory developments, and disclosures. This has equipped KMPs with enhanced capabilities to drive responsible decision-making and align operations with stakeholder interests and corporate values. | 100% |
| Employees other than BoD and KMPs | 8 | Training and awareness covered Code of Conduct, POSH, ethical behaviour, statutory compliance, data privacy / cyber awareness, health and safety, grievance mechanisms and workplace wellbeing. These programmes helped strengthen responsible workplace conduct, employee awareness and compliance. | 100% |
| Workers | 12 | Training and awareness covered safety practices, PPE, safe operating procedures, equipment and process handling, emergency response, human rights and workplace dignity, POSH awareness, environmental practices and operational / vocational skills. These programmes supported safer operations, better work practices and improved safety awareness. | 100% |

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

**Monetary**

| | NGRBC Principle | Name of the regulatory / enforcement agencies/ judicial institutions | Amount (In ₹) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
|---|---|---|---|---|---|
| Penalty/ Fine | | | | | |
| Settlement | | NIL | | | |
| Compounding fee | | | | | |

**Non-Monetary**

| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Brief of the Case | Has an appeal been preferred? (Yes/No) |
|---|---|---|---|---|
| Imprisonment | | | | |
| Punishment | | NIL | | |

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

NA

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

Yes

https://www.hariompipes.com/investor-relations-policies.php

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

| | FY 2025-26 | FY 2024-25 |
|---|---|---|
| Directors | NIL | NIL |
| KMPs | NIL | NIL |
| Employees | NIL | NIL |
| Workers | NIL | NIL |

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

| | FY 2025-26 | | FY 2024-25 | |
|---|---|---|---|---|
| | Number | Remark | Number | Remark |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | 0 | NIL | 0 | NIL |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | 0 | NIL | 0 | NIL |

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

NA

**8 Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

| | FY 2025-26 | FY 2024-25 |
|---|---|---|
| Number of days of account payables | 27 | 56 |

**9 Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

| Parameter | Metrics | FY 2025-26 | FY 2024-25 |
|---|---|---|---|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases | 0 | 0 |
| | b. Number of trading houses where purchases are made from | 0 | 0 |
| | c. Purchases from top 10 trading houses as % of total purchases from trading houses | 0 | 0 |
| Concentration of Sales | a. Sales to dealers / distributors as % of total sales | 80% | 85% |
| | b. Number of dealers / distributors to whom sales are made | 708 | 850+ |
| | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors | 28.78% | 23.40% |
| Share of RPTs in | a. Purchases (Purchases with related parties / Total Purchases) | 0 | 4.68% |
| | b. Sales (Sales to related parties / Total Sales) | 0 | 3.09% |
| | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | 100% | 0 |
| | d. Investments (Investments in related parties / Total Investments made) | 100% | 100% |

## Leadership Indicators

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

| Total number of awareness programmes held | Topics / principles covered under the training | %age of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|---|---|---|
| 1 | 1. Ethical business conduct (GST compliance, documentation discipline)<br>2. Human rights and fair labour practices (no child labour, workplace dignity)<br>3. Environment, Health & Safety (EHS norms, PPE usage, safe material handling, transport safety) | 32% |

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

Yes.

The Company has established a robust framework to identify, prevent and manage actual or potential conflicts of interest involving members of the Board. In accordance with the Company's Code of Conduct and the Policy on Related Party Transactions, Directors are required to disclose any actual or potential conflicts and abstain from participating in discussions or decisions where such conflicts may arise.

As part of this governance framework, every Director submits an annual declaration disclosing their interests and relationships with entities that may give rise to a conflict of interest. These disclosures are reviewed to ensure that all related party transactions are identified, evaluated and approved in accordance with applicable laws, regulatory requirements and the Company's internal policies.

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

### Essential Indicators

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

| | FY 2025-26 | FY 2024-25 | Details of improvements in environmental and social impacts |
|---|---|---|---|
| R&D | 0% | 0% | Qualitative |
| Capex | 0.03% | 7.65% | During the last two financial years, the Company has made capital investments focused on enhancing environmental sustainability and social impact within its operations. These include the installation of a solar power plant of 1.4 MW at the Perundurai unit to reduce dependency on grid electricity and promote the use of renewable energy, deployment of pollution abatement technologies such as Effluent Treatment Plants (ETPs) to control air and water emissions, and the establishment of ARO (Air, Water, and Odor) treatment systems for water recycling. |

**2 Details on Sustainable Sourcing**

**a. Does the entity have procedures in place for sustainable sourcing?**

Yes. We follow sustainable sourcing practices as part of our procurement and supplier evaluation processes. Key raw-material and Tier-1 suppliers are reviewed, wherever applicable, based on their environmental, social and governance practices, statutory compliance, publicly available BRSR / sustainability disclosures, policies and recognised certifications.

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

87%

**3 Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for**

| | |
|---|---|
| (a) Plastics (including packaging) | Plastic sheets are reused internally wherever possible; remaining materials are disposed of through authorised recyclers in compliance with applicable norms. |
| (b) E-waste | Not Applicable |
| (c) Hazardous waste | Hazardous waste is managed and disposed of through authorised agencies as per applicable environmental regulations. |
| (d) other waste. | Our steel products are recyclable at the end of their useful life and can re-enter the steel value chain as scrap through remelting and recycling. We also reuse / recycle steel scrap generated from our manufacturing processes and procure scrap as an input for steelmaking, thereby supporting circular use of materials. |

**4 Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes or No

Although Extended Producer Responsibility (EPR) is not currently applicable to our industry under existing regulations, we have proactively adopted a comprehensive waste management plan as part of our commitment to environmental responsibility. Our approach includes effective recycling, responsible disposal, and continuous efforts to minimise environmental impact. In the absence of an EPR obligation, we remain firmly dedicated to sustainable and accountable waste management practices that align with our broader ESG objectives.

## Leadership Indicators

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

No. We have not conducted a formal Life Cycle Assessment (LCA) for our products. However, we monitor and manage environmental impacts associated with our manufacturing operations through energy and water consumption, emissions monitoring, waste management, use of recycled materials, resource efficiency and other environmental performance indicators. These measures support our efforts to improve the environmental performance of our products and manufacturing processes.

| NIC Code | Name of Product /Service | % of total Turnover contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/ No) If yes, provide the web-link. |
|---|---|---|---|---|---|
| 24106 | MS/GP/GI/CR Steel Pipes & Tubes | 79.30% | Not conducted | No | No |
| 24109 | Galvanised Steel Coils/Slits & Allied Products | 12.8% | Not conducted | No | No |
| 24105 | Cold Rolled Steel Products | 5.9% | Not conducted | No | No |
| 24103 | MS Billets/Semi-finished Steel | 1.1% | Not conducted | No | No |
| 25112 | Scaffolding & Metal Frameworks for Construction | 0.5% | Not conducted | No | No |
| 24102 | Sponge Iron | 0.5% | Not conducted | No | No |

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

The Company has not yet conducted a formal Life Cycle Assessment (LCA). However, key environmental and social concerns identified include energy use and carbon emissions, air and water pollution, solid waste generation, and worker safety. These are being mitigated through energy efficiency measures, use of renewable power, pollution control systems, water recycling, waste reutilisation, and strong occupational health and safety practices.

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

| Indicate input material | Recycled or re-used input material to total material | |
|---|---|---|
| | FY 2025-26 | FY 2024-25 |
| Recycled input materials | 18.00% | 17.00% |

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

| | FY 2025-26 | | | FY 2024-25 | | |
|---|---|---|---|---|---|---|
| | Re-Used | Recycled | Safely Disposed | Re-Used | Recycled | Safely Disposed |
| Plastics (including packaging) | 0 | 0 | 0 | 0 | 0 | 0 |
| E-waste | 0 | 0 | 0 | 0 | 0 | 0 |
| Hazardous waste | 0 | 0 | 0 | 0 | 0 | 0 |
| Other waste | 0 | 0 | 0 | 0 | 0 | 0 |

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

| Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---|---|
| The Company does not currently operate any product or packaging reclamation system, as its products (steel pipes, coils, billets, scaffolding) are long-life industrial goods consumed in infrastructure and manufacturing. However, steel products have a high inherent recyclability, and post-use scrap eventually re-enters the steel recycling chain | |

## PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

### Essential Indicators

**1 a. Details of measures for the well-being of employees:**

| Category | Total (A) | % of employees covered by | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Health Insurance | | Accident Insurance | | Maternity Benefits | | Paternity Benefits | | Day Care Facilities | |
| | | Number (B) | % (B / A) | Number (C) | % (C / A) | Number (D) | % (D / A) | Number (E) | % (E / A) | Number (F) | % (F / A) |
| **Permanent employees** | | | | | | | | | | | |
| Male | 133 | 8 | 6% | 133 | 100% | NA | 0% | 133 | 100% | - | - |
| Female | 15 | 3 | 20% | 15 | 100% | 15 | 100% | NA | 0% | - | - |
| **Total** | 148 | 11 | 7% | 148 | 100% | 15 | 10% | 133 | 90% | - | - |
| **Other than Permanent employees** | | | | | | | | | | | |
| Male | - | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - | - |
| **Total** | - | - | - | - | - | - | - | - | - | - | - |

**b. Details of measures for the well-being of workers:**

| Category | Total (A) | % of workers covered by | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Health Insurance | | Accident Insurance | | Maternity Benefits | | Paternity Benefits | | Day Care Facilities | |
| | | Number (B) | % (B / A) | Number (C) | % (C / A) | Number (D) | % (D / A) | Number (E) | % (E / A) | Number (F) | % (F / A) |
| **Permanent workers** | | | | | | | | | | | |
| Male | 640 | 248 | 39% | 640 | 100% | NA | 0% | 640 | 100% | - | - |
| Female | 4 | 2 | 50% | 4 | 100% | 4 | 100% | NA | 0% | - | - |
| **Total** | 644 | 250 | 39% | 644 | 100% | 4 | 1% | 640 | 99% | - | - |
| **Other than Permanent Workers** | | | | | | | | | | | |
| Male | 452 | 452 | 100% | 452 | 100% | NA | 0% | 452 | 100% | - | - |
| Female | 0 | 0 | 0% | 0 | 0% | 0 | 100% | NA | 0% | - | - |
| **Total** | 452 | 452 | 100% | 452 | 100% | 0 | 100% | 452 | 100% | - | - |

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

| Category | FY 2025-26 | FY 2024-25 |
|---|---|---|
| Cost incurred on well being measures as a % of total revenue of the company | 0.05% | 0.06% |

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

| Benefits | FY 2025-26 | | | FY 2024-25 | | |
|---|---|---|---|---|---|---|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF | 74% | 93% | Yes | 85% | 94% | Yes |
| Gratuity | 100% | 100% | Yes | 100% | 100% | Yes |
| ESI | 7% | 64% | Yes | 3% | 47% | Yes |
| Others – please specify | 0% | 0% | NA | 0% | 0% | NA |

**3 Accessibility of workplaces**

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

Yes. The Company has provided basic accessibility facilities across its offices and manufacturing locations, including barrier-free access, ramps, appropriate signage and accessible sanitation facilities, in line with the requirements of the Rights of Persons with Disabilities Act, 2016.

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

Yes. The Company is committed to providing equal opportunities and fair treatment to all applicants and employees without discrimination on the basis of disability, gender, marital status, race, colour, religion, age, sexual orientation, nationality or ethnic origin.

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

| Gender | Permanent employees | | Permanent workers | |
|---|---|---|---|---|
| | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | 100% | 100% | 100% | 100% |
| Female | 100% | 100% | 100% | 100% |
| **Total** | **100%** | **100%** | **100%** | **100%** |

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

| | Yes/No | (If Yes, then give details of the mechanism in brief) |
|---|---|---|
| Permanent Workers | Yes | Yes. Employees and workers may raise operational or workplace concerns with their immediate supervisor / reporting manager. HR provides a channel for employment, appraisal, conduct and workplace-related grievances. Concerns relating to unethical conduct or policy violations may also be raised under the Whistle Blower Mechanism, with confidentiality and protection against retaliation. |
| Other than Permanent Worker | Yes | |
| Permanent Employees | Yes | |
| Other than Permanent Employees | Yes | |

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

| Category | FY 2025-26 | | | FY 2024-25 | | |
|---|---|---|---|---|---|---|
| | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who are part of association(s) or Union (B) | % (B / A) | Total employees / workers in respective category (C) | No. of employees / workers in respective category, who are part of association(s) or Union (D) | % (D / C) |
| | | | Total Permanent Employees | | | |
| Male | 133 | 0 | 0% | 117 | 0 | 0% |
| Female | 15 | 0 | 0% | 11 | 0 | 0% |
| **Total** | **148** | **0** | **0%** | **128** | **0** | **0%** |
| | | | Total Permanent Workers | | | |
| Male | 640 | 0 | 0% | 618 | 0 | 0% |
| Female | 4 | 0 | 0% | 3 | 0 | 0% |
| **Total** | **644** | **0** | **0%** | **621** | **0** | **0%** |

## 8 Details of training given to employees and workers:

| Category | FY 2025-26 | | | | | FY 2024-25 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | On Health and safety measures | | On Skill upgradation | | Total (D) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | % (B / A) | No. (C) | % (C / A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| | | | | | Employees | | | | | |
| Male | 133 | 133 | 100% | 133 | 100% | 117 | 117 | 100% | 117 | 100% |
| Female | 15 | 15 | 100% | 15 | 100% | 11 | 11 | 100% | 11 | 100% |
| **Total** | **148** | **148** | **100%** | **148** | **100%** | **128** | **128** | **100%** | **128** | **100%** |
| | | | | | Workers | | | | | |
| Male | 1092 | 1,092 | 100% | 1,092 | 100% | 1,110 | 1,110 | 100% | 1,110 | 100% |
| Female | 4 | 4 | 100% | 4 | 100% | 3 | 3 | 100% | 3 | 100% |
| **Total** | **1096** | **1,096** | **100%** | **1,096** | **100%** | **1,113** | **1,113** | **100%** | **1,113** | **100%** |

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

| Category | FY 2025-26 | | | FY 2024-25 | | |
|---|---|---|---|---|---|---|
| | Total (A) | No. (B) | % (B / A) | Total (C) | No. (D) | % (D / C) |
| | | | Employees | | | |
| Male | 133 | 133 | 100% | 117 | 117 | 100% |
| Female | 15 | 15 | 100% | 11 | 11 | 100% |
| **Total** | **148** | **148** | **100%** | **128** | **128** | **100%** |
| | | | Workers | | | |
| Male | 1092 | 1,092 | 100% | 1,110 | 1,110 | 100% |
| Female | 4 | 4 | 100% | 3 | 3 | 100% |
| **Total** | **1096** | **1,096** | **100%** | **1,113** | **1,113** | **100%** |

## 10 Health and safety management system:

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

Yes

We have implemented a comprehensive Occupational Health and Safety Management System to ensure the well-being and protection of all employees and workers across the organisation. This year, the system continued to cover a wide range of measures and protocols, aligned with best practices and regulatory standards. It is regularly reviewed and updated to reflect evolving operational needs and risks, reinforcing our commitment to maintaining the highest standards of health and safety in every aspect of our operations.

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

Our strategy for identifying work-related hazards and assessing associated risks is grounded in a systematic and proactive approach, which includes the following procedures:1.Identifying hazards linked to each operational process and phase of work. 2.Conducting regular workplace safety inspections to detect potential risks. 3.Gathering and reviewing existing information related to known workplace hazards. 4.Considering applicable legal requirements concerning risk assessment and the implementation of appropriate control measures. 5.Evaluating the need for additional safeguards to eliminate or mitigate identified hazards.

This structured approach ensures a safe working environment, supports compliance with regulatory standards, and reinforces our commitment to employee health and safety.

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

Yes

We have established clear processes that empower workers to report work-related hazards and, when necessary, remove themselves from unsafe situations. Employees are actively encouraged and trained to promptly report any hazards they encounter during their duties. This proactive approach enables timely intervention and reinforces a strong culture of safety, accountability, and well-being across the organisation.

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

Yes

Our plant provides employees with access to non-occupational medical and healthcare services, including routine health check-ups, preventive care, mental health support, and emergency medical assistance. These services reflect our commitment to the overall well-being of our workforce beyond occupational health needs.

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

| Safety Incident/Number | Category | FY 2025-26 | FY 2024-25 |
|---|---|---|---|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | NIL | NIL |
| | Workers | 2.89 | NIL |
| Total recordable work-related injuries | Employees | NIL | NIL |
| | Workers | 4 | NIL |

| Safety Incident/Number | Category | FY 2025-26 | FY 2024-25 |
|---|---|---|---|
| No. of fatalities | Employees | NIL | NIL |
| | Workers | 2 | NIL |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | NIL | NIL |
| | Workers | NIL | NIL |

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

At Hariom Pipes, we are committed to maintaining a safe, healthy, and compliant work environment. The following measures are in place to uphold the highest standards of occupational health and safety:

1. Specialised Training: Employees receive targeted training to address industry-specific hazards and reinforce safe operational practices.
2. Adherence to Safety Protocols: Strict compliance with established safety guidelines helps mitigate workplace risks effectively.
3. Personal Protective Equipment (PPE): Appropriate protective gear such as helmets, gloves, and safety goggles is provided based on job roles.
4. Routine Safety Inspections: Regular workplace audits help identify, assess, and eliminate potential hazards.
5. Ergonomic Workstations: Workstations are designed with ergonomic considerations to reduce physical strain and enhance comfort.
6. Health Surveillance: Periodic medical check-ups and health assessments are conducted to monitor employee well-being.
7. Effective Communication: Safety protocols are clearly communicated to all employees to ensure understanding and compliance.
8. Continuous Improvement: Feedback is encouraged and integrated into our safety systems to drive ongoing improvement.

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

| FY 2025-26 | | | FY 2024-25 | | |
|---|---|---|---|---|---|
| Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| 0 | 0 | NA | 0 | 0 | NA |
| 0 | 0 | NA | 0 | 0 | NA |

## 14 Assessments for the year:

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

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

We actively address safety-related incidents through rigorous incident analysis and the implementation of targeted corrective actions. Our commitment to a culture of safety ensures that safety concerns are swiftly identified and resolved, creating a secure, safe working environment for all employees.

### Leadership Indicators

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

| | |
|---|---|
| Employees<br>Workers | We place the highest priority on the well-being of our employees. In the unfortunate event of an employee's passing, we are fully committed to supporting their family by facilitating the timely and compassionate settlement of all legally entitled dues, in accordance with our company policies. |

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

We have established robust mechanisms to ensure that our value chain partners adhere to all applicable statutory requirements:

1. Compliance Validation for PF and ESIC: Before processing payments to contractors and vendors, we request and verify proof of compliance with Provident Fund (PF) and Employees' State Insurance Corporation (ESIC) regulations.

2. GST Reconciliation: Monthly reconciliations of GSTR-2B are carried out to verify timely GST payments and return submissions by our vendors, ensuring accuracy and compliance with tax obligations.

3. GST Return Submissions: We maintain prompt submission of our GST returns to facilitate timely credit availability for customers and proactively address any GST credit-related concerns.

4. TDS Compliance: We liaise proactively with customers to obtain Form 16A certificates, ensuring accurate Tax Deducted at Source (TDS) documentation and compliance.

These measures collectively uphold financial transparency and reinforce our commitment to responsible business conduct throughout our supply chain.

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

| Particulars | Total no. of affected employees/ worker | | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment | |
|---|---|---|---|---|
| | FY 2025-26 | FY 2024-25 | FY 2025-26 | FY 2024-25 |
| Employees | Nil | Nil | 0 | Nil |
| Workers | 4 | Nil | 0 | Nil |

**4 Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**

Yes

**5 Details on assessment of value chain partners**

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

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

No significant risks were identified in health and safety practices of value chain partners. Minor gaps such as PPE usage were addressed through training, provision of safety gear, and stricter compliance monitoring

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

### Essential Indicators

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

The Company identifies key internal and external stakeholders such as investors, employees, customers, suppliers, regulators, and communities. These stakeholders are determined through historical relationships and ongoing engagement. It prioritizes transparent communication to understand and address their concerns. Strong, collaborative relationships help align business goals with stakeholder expectations. This approach enables informed decisions, innovation, and sustainable growth.

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

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/ No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other) | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|---|---|---|---|
| Employees & Workers | No | Meetings; HR communication; e-mail / phone; notice boards; training and safety sessions; grievance channels; Whistle Blower Mechanism | Ongoing | Workplace health and safety; policies and procedures; training and skill development; employee welfare; performance; grievance resolution; workplace conduct and compliance. |
| Shareholders, Investors & Lenders | No | Stock exchange disclosures; Company website; Annual Report; quarterly / annual financial results; earnings calls; AGM; investor interactions; e-mail / meetings with lenders | Periodically | Financial and operating performance; strategy; governance; capital allocation; material developments; business outlook; compliance; funding and credit-related matters. |
| Suppliers & Other Value-Chain Partners | No | Purchase orders; e-mail / phone; meetings; vendor interactions; quality / delivery reviews; plant / site interactions; compliance documentation | Ongoing | Raw-material and service availability; quality; delivery; pricing and payment terms; statutory compliance; safety requirements; continuity of supply; responsible business practices. |
| Customers and Value Chain Partners | No | Sales team interactions; e-mail; phone; meetings; website; customer feedback and complaint channels | Ongoing | Product quality and specifications; availability; delivery; service; pricing / commercial terms; complaint resolution; product requirements and improvement opportunities. |
| Government and Regulatory Bodies | No | Statutory filings and online portals; official correspondence; submissions; meetings; inspections / visits; compliance reports | Ongoing | Statutory and regulatory compliance; permits and approvals; environmental, labour and tax matters; disclosures; inspections; industry and policy developments. |
| Dealers | No | Dealer meetings and visits; sales team interactions; phone / e-mail; business reviews; website and product communication | Ongoing | Market demand; product availability; inventory; pricing and commercial matters; collections; service support; market feedback; strengthening long-term dealer relationships. |
| Local Communities / CSR Beneficiaries | No | CSR programmes; interactions with local institutions and beneficiaries; implementation / support organisations; community visits and need-based discussions | Ongoing | Community welfare and local needs, with emphasis on children's welfare, education, healthcare and support to underprivileged / marginalised sections. |

### Leadership Indicators

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

Stakeholder engagement is primarily undertaken by the relevant business and functional teams, including senior management, Human Resources, Sales & Marketing, Procurement, Finance, Secretarial / Compliance, EHS and CSR functions. Material feedback, significant stakeholder concerns and matters requiring strategic or governance oversight are escalated to senior management and, where relevant, placed before the Board or the appropriate Board Committee through periodic business reviews, regulatory / compliance updates, risk reviews, financial and operational reviews and CSR-related discussions. This enables the Board to consider relevant.

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

Yes. Stakeholder inputs are considered as one of the inputs for identifying and managing relevant environmental and social matters. Feedback and observations from employees and workers are considered in safety training, PPE requirements, workplace practices, grievance handling and employee-welfare initiatives. Customer and dealer interactions provide inputs on product quality, service, delivery and product requirements. Regulatory interactions and operational reviews support environmental compliance and pollution-control measures. Community interactions and identified social needs are considered while planning CSR activities. During FY 2025-26, the Company's CSR focus included children's welfare, healthcare and education, reflecting its emphasis on community well-being and inclusive development.

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

The Company engages with local communities and beneficiaries, directly and through relevant institutions / support organisations, to understand community needs and support suitable CSR interventions. During FY 2025-26, the Company undertook CSR initiatives in children's welfare, healthcare and education, with particular focus on needy and underprivileged sections. The initiatives included support for children's overall welfare and learning needs and healthcare / medical welfare support. The Company incurred total CSR expenditure of ₹151.35 lakh during FY 2025-26, of which ₹70.00 lakh related to children's welfare, ₹42.62 lakh to healthcare and ₹26.44 lakh to education. These interventions support access to basic welfare, health and learning opportunities for vulnerable and marginalised beneficiaries and strengthen the Company's engagement with communities around its operations.

## PRINCIPLE 5 BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

### Essential Indicators

**1 Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

| Category | FY 2025-26 | | | FY 2024-25 | | |
|---|---|---|---|---|---|---|
| | Total (A) | No. of employees / workers covered (B) | % (B / A) | Total (C) | No. of employees / workers covered (D) | % (D / C) |
| | | | Employees | | | |
| Permanent | 148 | 148 | 100% | 128 | 128 | 100% |
| Other than permanent | 0 | 0 | 0% | 0 | 0 | 0% |
| **Total Employees** | **148** | **148** | **100%** | **128** | **128** | **100%** |
| | | | Workers | | | |
| Permanent | 644 | 644 | 100% | 621 | 621 | 100% |
| Other than permanent | 452 | 452 | 100% | 492 | 492 | 100% |
| **Total Workers** | **1,096** | **1,096** | **100%** | **1,113** | **1,113** | **100%** |

**2 Details of minimum wages paid to employees and workers, in the following format:**

| Category | FY 2025-26 | | | | | FY 2024-25 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B / A) | No. (C) | % (C / A) | | No. (E) | % (E / D) | No. (F) | % (F / D) |
| | | | | | Employees | | | | | |
| Permanent | | | | | | | | | | |
| Male | 133 | 0 | 0% | 133 | 100% | 117 | 0 | 0% | 117 | 100% |
| Female | 15 | 0 | 0% | 15 | 100% | 11 | 0 | 0% | 11 | 100% |
| Other than Permanent | | | | | | | | | | |
| Male | 0 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |
| Female | 0 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |

| Category | FY 2025-26 | | | | | FY 2024-25 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B / A) | No. (C) | % (C / A) | | No. (E) | % (E / D) | No. (F) | % (F / D) |
| | | | | | Workers | | | | | |
| Permanent | | | | | | | | | | |
| Male | 640 | 0 | 0% | 640 | 100% | 618 | 0 | 0% | 618 | 100% |
| Female | 4 | 0 | 0% | 4 | 100% | 3 | 0 | 0% | 3 | 100% |
| Other than Permanent | | | | | | | | | | |
| Male | 452 | 0 | 0% | 452 | 100% | 492 | 0 | 0% | 492 | 100% |
| Female | 0 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |

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

### a. Median remuneration / wages:

| Particulars | Male | | Female | |
|---|---|---|---|---|
| | Number | Median remuneration / salary / wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| Board of Directors (BoD) | 6 | 36.27 Lakhs | 2 | 2.90 Lakhs |
| Key Managerial Personnel | 4 | 120.89 Lakhs | 1 | 20.78 Lakhs |
| Employees other than BoD and KMP | 132 | 6.22 Lakhs | 14 | 4.53 Lakhs |
| Workers | 640 | 2.23 Lakhs | 4 | 1.58 Lakhs |

### b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

| Category | FY 2025-26 | FY 2024-25 |
|---|---|---|
| Gross wages paid to females as % of total wages | 5% | 5% |

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

Yes. Our Human Resources function acts as the principal focal point for human rights-related matters arising from our operations. Depending on the nature of the concern, matters may also be addressed through the Internal Committee under POSH, the Whistle Blower Mechanism, EHS / plant management and other relevant functional heads. We seek to address concerns fairly, sensitively and in accordance with applicable law and internal policies.

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

We maintain grievance channels through supervisors / reporting managers, Human Resources and other designated functions. POSH-related complaints are handled through the Internal Committee in accordance with applicable law, while concerns involving unethical conduct or policy violations may be raised through the Whistle Blower Mechanism. We review complaints based on their nature, maintain appropriate confidentiality, provide an opportunity for fair hearing and take corrective action where required.

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

| Particulars | FY 2025-26 | | | FY 2024-25 | | |
|---|---|---|---|---|---|---|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment | Nil | Nil | Nil | Nil | Nil | Nil |
| Discrimination at workplace | Nil | Nil | Nil | Nil | Nil | Nil |
| Child Labour | Nil | Nil | Nil | Nil | Nil | Nil |
| Forced Labour/ Involuntary Labour | Nil | Nil | Nil | Nil | Nil | Nil |
| Wages | Nil | Nil | Nil | Nil | Nil | Nil |
| Other human rights related issues | Nil | Nil | Nil | Nil | Nil | Nil |

**7 Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

| Particulars | FY 2025-26 | FY 2024-25 |
|---|---|---|
| Total Complaints Data Needed under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 0 | 0 |
| Complaints on POSH as a % of female employees / workers | 0% | 0% |
| Complaints on POSH upheld | 0 | 0 |

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

We follow the principles of natural justice, confidentiality and non-retaliation while handling discrimination and harassment complaints. The identity of the complainant and details of the complaint are restricted to persons involved in the review / redressal process, subject to legal requirements. POSH matters are handled through the Internal Committee, and we do not tolerate retaliation against any person who raises a concern in good faith.

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

Yes. Human rights-related requirements form part of our business agreements, work orders and contractual arrangements, wherever applicable. We expect our suppliers, contractors and other business partners to comply with applicable labour and employment laws and maintain responsible workplace practices, including prohibition of child labour and forced/involuntary labour, non-discrimination, fair treatment, payment of applicable wages and statutory benefits, safe and healthy working conditions, and ethical business conduct. Relevant contractual and statutory compliance requirements are communicated to suppliers and contractors based on the nature of their engagement with us.

**10 Assessments for the year:**

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

**11 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

No significant risks identified. Company complies with laws; preventive measures like audits, training and grievance mechanisms are in place

## Leadership Indicators

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

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

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

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

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

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

## 4 Details on assessment of value chain partners:

| Particulars | % of value chain partners (by value of business done with such partners) that were assessed |
|---|---|
| Child labour | Key raw-material and Tier-1 suppliers representing approximately 68% of the value of business with in-scope value-chain partners were assessed/reviewed based on publicly available BRSR/sustainability disclosures, policies, certifications, responsible sourcing practices and other relevant compliance information, wherever available. The review covered human rights-related aspects including child and forced labour, non-discrimination, workplace dignity, fair labour practices and wages. |
| Forced/involuntary labour | |
| Sexual harassment | |
| Discrimination at workplace | |
| Wages | |
| Others – please specify | |

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

No significant human rights-related risks or concerns were identified during the assessment / review of the relevant value-chain partners. Accordingly, no specific corrective action was required. We will continue to monitor supplier and contractor compliance through periodic reviews, contractual requirements, statutory compliance checks and ongoing engagement.

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

### Essential Indicators

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

| Parameter | FY 2025-26 | FY 2024-25 |
|---|---|---|
| **From renewable sources** | | |
| Total electricity consumption (A) (TJ) | 14.69 | 10.31 |
| Total fuel consumption (B) | 0 | 0 |
| Energy consumption through other sources (C) | 0 | 0 |
| Total energy consumed from renewable sources (A+B+C) (TJ) | 14.69 | 10.31 |
| **From non-renewable sources** | | |
| Total electricity consumption (D) | 323.48 | 279.96 |
| Total fuel consumption (E) | 4.02 | 4.53 |
| Energy consumption through other sources (F) | 0 | 0 |
| Total energy consumed from renewable sources (D+E+F) | 327.49 | 284.49 |
| Total energy consumed (A+B+C+D+E+F) | 342.18 | 294.80 |
| Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) (TJ/rupee) | 0.00203 | 0.00217 |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) | 0.0413 | 0.0449 |
| Energy intensity in terms of physical output | 0.0007299646 | 0.0006288850 |
| Energy intensity (optional) – the relevant metric may be selected by the entity | 0 | 0 |
| Source of emission factor | - | - |
| PPP Conversion Factor used | 20.34 | 20.66 |
| **Source of the PPP Converstion Factor** | Source | PPP Conversion Factor (₹ per intl $) |
| | IMF* | 20.34 |
| Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency | No | |

**https://www.imf.org/external/datamapper/PPPEX%40WEO/IND*

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

| | |
|---|---|
| Yes or No | |
| (If Yes), Target alignment compliant or not. | NA |
| If not, Qualitative on remedial action taken. | |

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

| Parameter | FY 2025-26 | FY 2024-25 |
|---|---|---|
| **Water withdrawal by source (in kilolitres)** | | |
| (i) Surface water | 0.00 | 0.00 |
| (ii) Groundwater | 24606.00 | 45396.00 |
| (iii) Third party water | 118045.00 | 97105.00 |
| (iv) Seawater / desalinated water | 0.00 | 0.00 |
| (v) Others | 0.00 | 0.00 |
| **Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)** | 142651.00 | 142501.00 |
| **Total volume of water consumption (in kilolitres)** | 142651.00 | 142501.00 |
| Water intensity per rupee of turnover (Water consumed / Revenue from operations) | 1.1710 | 1.0478 |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) | 23.82 | 21.65 |
| Water intensity in terms of physical output | 0.30 | 0.29 |
| Water intensity (optional) – the relevant metric may be selected by the entity | 0.00 | 0.00 |
| Source of emission factor | - | - |
| PPP Conversion Factor used | - | - |
| Source of the PPP Converstion Factor | - | - |
| Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency | No | No |

## 4 Provide the following details related to water discharged:

| Parameter | FY 2025-26 | FY 2024-25 |
|---|---|---|
| **Water discharge by destination and level of treatment (in kilolitres)** | | |
| (i) To Surface water | | |
| No treatment | 0 | 0 |
| With treatment – please specify level of treatment | 0.00 | 0.00 |
| (ii) To Groundwater | 0 | 0 |
| No treatment | 0.00 | 0.00 |
| With treatment – please specify level of treatment | 0.00 | 0.00 |
| (iii) To Seawater | 0 | 0 |
| No treatment | 0.00 | 0.00 |
| With treatment – please specify level of treatment | 0 | 0 |
| (iv) Sent to third-parties | 0.00 | 0.00 |
| No treatment | 0 | 0 |
| With treatment – please specify level of treatment | 0.00 | 0.00 |
| (v) Others | 0 | 0 |
| No treatment | 0.00 | 0.00 |
| With treatment – please specify level of treatment | 0.00 | 0.00 |
| **Total water discharged (in kilolitres)** | **0.00** | **0.00** |
| Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency | No | No |

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

Yes, We have implemented a Zero Liquid Discharge (ZLD) system at our integrated steel plant, ensuring that water is continuously treated and reused within our operations, eliminating the discharge of liquid effluents into the environment and reinforcing our commitment to sustainable water management and responsible industrial practices.

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

| Parameter | Please specify unit | FY 2025-26 | FY 2024-25 |
|---|---|---|---|
| NOx | tonnes/year | 80.10 | 130.04 |
| SOx | tonnes/year | 71.43 | 55.72 |
| Particulate matter (PM) | tonnes/year | 59.25 | 51.47 |
| Persistent organic pollutants (POP) | - | 0 | 0 |
| Volatile organic compounds (VOC) | - | 0 | 0 |
| Hazardous air pollutants (HAP) | - | 0 | 0 |
| Others – please specify | - | 0 | 0 |
| Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. | | No | No |

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

| Parameter | Please specify unit | FY 2025-26 | FY 2024-25 |
|---|---|---|---|
| Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | 91786 | 68334 |
| Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | 63797 | 63768 |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations) | Units | 0.93 | 0.97 |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | Units | 18.98 | 20.07 |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output | Units | 0.33 | 0.27 |
| Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity | Units | 0 | 0 |
| Source of emission factor | - | - | - |
| PPP Conversion Factor used | - | - | - |
| Source of the PPP Converstion Factor | - | - | - |
| Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. | | No | No |

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

Yes, We have taken steps to reduce GHG emissions through hot charging of billets, higher scrap utilisation, and energy efficiency measures. In addition, a 4.0 MW rooftop solar plant is operational and a 60 MW solar project is under development.

## 9 Provide details related to waste management by the entity, in the following format:

| Parameter | FY 2025-26 | FY 2024-25 |
|---|---|---|
| **Total Waste generated (in metric tonnes)** | | |
| Plastic waste (A) | 0 | 0 |
| E-waste (B) | 0 | 0 |
| Bio-medical waste (C) | 0 | 0 |
| Construction and demolition waste (D) | 0 | 0 |
| Battery waste (E) | 0 | 0 |
| Radioactive waste (F) | 0 | 0 |
| Other Hazardous waste. Please specify, if any. (G) | 414 | 1331 |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | 15425 | 11688 |
| Total (A+B + C + D + E + F + G + H) | 15840 | 13019 |

| Parameter | FY 2025-26 | FY 2024-25 |
|---|---|---|
| Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) | 0.10 | 0.1 |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) | 1.93 | 1.98 |
| Waste intensity in terms of physical output | 0.03 | 0.03 |
| Waste intensity (optional) – the relevant metric may be selected by the entity | 0 | 0 |
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | 0 | 0 |
| **Category of waste** | | |
| (i) Recycled | 6461 | 3478 |
| (ii) Re-used | 9379 | 9541 |
| (iii) Other recovery operations | 0 | 0 |
| **Total** | 15840 | 13019 |
| For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes) | | |
| **Category of waste** | | |
| (i) Incineration | 0 | 0 |
| (ii) Landfilling | 0 | 0 |
| (iii) Other disposal operations | 0 | 0 |
| **Total** | 0 | 0 |
| Source of emission factor | - | - |
| PPP Conversion Factor used | - | - |
| Source of the PPP Converstion Factor | - | - |
| Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. | No | No |

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

As part of our comprehensive waste management strategy, we leverage advanced technologies to minimise environmental impact and uphold circular economy principles. We actively contribute to the circular economy by prioritizing the use of recycled materials, particularly scrap, in our steel production processes. This approach helps minimize our environmental footprint and reduces energy consumption across the value chain, enabling the production of steel in an environmentally responsible manner. While we generate minimal plastic and e-waste, all hazardous waste is managed responsibly and disposed of through authorized vendors in compliance with regulatory standards.

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

| S. No | Location of operations/offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any |
|---|---|---|---|
| NA – All Hariom Pipe Industries Limited units are situated in designated industrial zones and not within/adjacent to ecologically sensitive areas. | | | |

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

| Name and brief details of project | EIA Notification No. | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|---|---|---|---|---|
| NIL – No new project during FY 2025–26 requiring EIA under the EIA Notification, 2006 (as amended) | | | | |

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

Yes or No All the laws are complied

If No then

| S. No | Specify the law / regulation / guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|---|---|---|---|---|
| NA, as all the laws are complied | | | | |

## Leadership Indicators

**1 Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

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

**(i) Name of the area**

NIL

**(ii) Nature of operations**

NIL

**(iii) Water withdrawal, consumption and discharge in the following format:**

| Parameter | FY 2025-26 | FY 2024-25 |
|---|---|---|
| **Water withdrawal by source (in kilolitres)** | | |
| (i) Surface water | 0 | 0 |
| (ii) Groundwater | 0 | 0 |
| (iii) Third party water | 0 | 0 |
| (iv) Seawater / desalinated water | 0 | 0 |
| (v) Others | 0 | 0 |
| **Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)** | 0 | 0 |
| **Total volume of water consumption (in kilolitres)** | 0 | 0 |
| Water intensity per rupee of turnover (Water consumed / turnover) | 0 | 0 |
| Water intensity (optional) – the relevant metric may be selected by the entity | 0 | 0 |
| **Water discharge by destination and level of treatment (in kilolitres)** | | |
| (i) To Surface water | | |
| No treatment | 0 | 0 |
| With treatment – please specify level of treatment | 0 | 0 |
| (ii) To Groundwater | | |
| No treatment | 0 | 0 |
| With treatment – please specify level of treatment | 0 | 0 |
| (iii) To Seawater | | |
| No treatment | 0 | 0 |
| With treatment – please specify level of treatment | 0 | 0 |
| (iv) Sent to third-parties | | |
| No treatment | 0 | 0 |
| With treatment – please specify level of treatment | 0 | 0 |
| (v) Others | | |
| No treatment | 0 | 0 |
| With treatment – please specify level of treatment | 0 | 0 |
| **Total water discharged (in kilolitres)** | **0** | **0** |
| Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency | No | No |

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

| Parameter | Unit | FY 2025-26 | FY 2024-25 |
|---|---|---|---|
| Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | 611373 | 10702300 |
| Total Scope 3 emissions per rupee of turnover | Units | 0.04 | 0.79 |
| Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity | Units | 0 | 0 |
| Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency | | No | No |

## 3 With respect to the ecologically sensitive areas Data Needed at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

NA

## 4 If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

| S. No | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|---|---|---|---|
| 1 | Bag filters and multi-cyclone dust collectors | Bag filters and multi-cyclone dust collectors are installed across relevant manufacturing operations for controlling particulate emissions and recovering process dust. | Improved control of particulate matter emissions and recovery of process dust/ material, thereby reducing fugitive emissions and supporting better material utilisation. |
| 2 | Water Treatment Plants and Effluent Treatment Plants | Water treatment and effluent treatment facilities are installed at the manufacturing units, including Mahabubnagar, for treatment and reuse of process wastewater. | Facilitated recycling and reuse of process water. During FY2025-26, approximately 52,546 KL of water was internally recycled/ reused, thereby reducing incremental fresh-water requirement. |
| 3 | Integration of IoT and automation in galvanising operations | IoT-enabled sensors and automated control systems are used to monitor and optimise critical parameters of the galvanising process on a real-time basis. | Improved process control and product quality, optimised consumption of zinc and other process inputs, reduced process variations and minimised avoidable material wastage. |
| 4 | Energy management practices | Energy-monitoring and management practices are implemented across manufacturing operations to track and optimise energy consumption and improve operational efficiency. | Improved monitoring of energy consumption and operating efficiency. The Company also generated 40,80,701 kWh of rooftop solar power during FY2025-26, reducing dependence on conventional grid electricity. |
| 5 | Crusher and bundling machines for material recovery | Crusher and bundling machines have been installed at the Mahabubnagar unit to facilitate processing, segregation, handling and recovery of metallic/process residues. | Improved recovery and handling of reusable/ recyclable materials, reduced waste requiring disposal and strengthened circular-economy practices. |

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

We have established a robust Business Continuity and Disaster Management Plan to ensure uninterrupted operations during unforeseen disruptions, such as natural disasters, equipment failures, or supply chain interruptions. The plan outlines clearly defined roles for key personnel, communication protocols, and prioritises the safety of employees and stakeholders. Regular training sessions and mock drills are conducted to maintain a high level of readiness. Additionally, the plan includes measures for asset protection, data recovery, and compliance with applicable safety regulations. This structured approach helps minimise operational downtime, protect our workforce, and ensure the consistent production and delivery of steel products, even in adverse conditions.

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

No significant adverse environmental impacts were identified in the value chain; potential risks in raw material sourcing and logistics are mitigated through supplier compliance, efficient transport, recycling practices, and renewable energy adoption.

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

87% of procurement (iron ore via e-auction, HR coils, zinc & lead from ISO-certified suppliers) is from environmentally compliant partners; no separate ESG audits conducted in FY 2025–26.

**8 How many Green Credits have been generated or procured:**

**a. By the listed entity**

Nil – The Company has not generated or procured any Green Credits during FY 2025–26.

The Company has not generated or procured any Green Credits during FY2025-26 under the Green Credit Programme notified pursuant to the Green Credit Rules, 2023. The Company continues to undertake various environmental sustainability initiatives; however, such initiatives have not resulted in issuance or procurement of Green Credits under the Green Credit Programme during the year. The Company will evaluate participation in the Programme, including eligible tree-plantation and eco-restoration activities, based on business requirements and applicable regulatory framework.

**b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners**

Nil / Not Reported – The Company does not currently track Green Credit generation/procurement by its suppliers or customers.

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

### Essential Indicators

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

One

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

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

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

| Name of authority | Brief of the case | Corrective action taken |
|---|---|---|
| There have been no instances requiring corrective action related to anti-competitive conduct during the reporting period. No concerns have been raised, and no investigations or proceedings are currently underway in this regard. We remain committed to fair business practices and full compliance with applicable competition laws. | | |

## Leadership Indicators

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

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

The Company has not undertaken any direct advocacy of public policy positions during the reporting period. However, it participates in representations made by recognised industry associations from time to time.

## PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

## Essential Indicators

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

| Name and brief details of project | SIA Notification No | Date of notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|---|---|---|---|---|---|

No Social Impact Assessment (SIA) was mandated or undertaken by the Company during the current financial year, as none of its projects required SIA under applicable laws.

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

| Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (In ₹) |
|---|---|---|---|---|---|

The Company has not undertaken any projects requiring Rehabilitation and Resettlement (R&R) under applicable laws during the current financial year. Accordingly, no R&R is ongoing.

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

We provide multiple accessible channels—online, written, and in-person—for communities to raise grievances. Our Stakeholders' Relationship Committee reviews and investigates each concern in a transparent and structured manner, engaging directly with affected parties to identify fair and timely resolutions. Progress updates are shared regularly to ensure accountability and closure. This robust grievance redressal mechanism fosters trust, strengthens community relationships, and reinforces our commitment to responsible and inclusive operations.

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

| | FY 2025-26 | FY 2024-25 |
|---|---|---|
| Directly sourced from MSMEs/ small producers | 3% | 2% |
| Within India | 100% | 91% |

### 5 Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

| Location | FY 2025-26 | FY 2024-25 |
|---|---|---|
| Rural | 52% | 34% |
| Semi-urban | 28% | 16% |
| Urban | 0% | 13% |
| Metropolitan | 20% | 37% |

The classification of towns have been redefined as per SEBI guidelines for BRSR reporting.

# BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

## Leadership Indicators

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

| Details of negative social impact identified | Corrective action taken |
|---|---|
| No projects undertaken during the reporting period required a Social Impact Assessment (SIA) under applicable laws. However, we remain committed to assessing and mitigating any potential social impacts through proactive stakeholder engagement and responsible project planning wherever necessary. | |

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

| S. No | State | Aspirational District | Amount spent (In ₹) |
|---|---|---|---|
| The Company has not undertaken any CSR projects specifically in Government-designated aspirational districts during the current financial year. However, CSR projects have been implemented in the vicinity of its manufacturing units focusing on health, education, sanitation and community development. | | | |

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

No. The Company does not have a formal preferential procurement policy for marginalized/vulnerable groups.

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

NA. Since no formal policy exists, no specific procurement from marginalized/vulnerable groups has been identified.

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

NA

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

| S. No | Intellectual Property based on traditional knowledge | Owned/ Acquired (Yes/No) | Benefit shared (Yes / No) | Basis of calculating benefit share |
|---|---|---|---|---|
| 1 | None | No | No | NA |

Since Hariom Pipe Industries is a steel manufacturer, it does not create or use intellectual property based on traditional knowledge (this is generally relevant for pharma, Ayurveda, handicrafts, agriculture, etc.)

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

| Name of authority | Brief of the Case | Corrective action taken |
|---|---|---|
| None | No adverse orders in intellectual property related disputes involving traditional knowledge during the year | Not Applicable |

**6 Details of beneficiaries of CSR Projects:**

| S. No. | CSR Project | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalized group |
|---|---|---|---|
| 1 | Health – Subsidised Dialysis (BMJRFT) | 1,449 | 100% |
| 2 | Health – Direct Medical Assistance | 73 | 100% |
| 3 | Community Development – Direct assistance to local communities around our manufacturing locations | Multiple beneficiaries | Separately not quantified |

We spent ₹151.34 lakh towards CSR initiatives covering health care, education, community welfare and animal welfare. In addition to projects undertaken through implementing agencies, we extend direct assistance to individuals and families from local communities surrounding our manufacturing locations, including Balanagar in Mahabubnagar District, Perundurai in Tamil Nadu and D. Hirehal in Anantapur District. These initiatives are focused primarily on supporting economically vulnerable and marginalised sections of the community.

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

### Essential Indicators

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

We have established mechanisms to receive and address customer complaints and feedback through our toll-free number 1800 1230 360, website/online channels, e-mail, telephone and direct interactions with our Sales and Marketing / Customer Service teams. Complaints received are communicated to the relevant functional teams, including Sales, Quality and the concerned manufacturing unit, depending on the nature of the issue. Product or quality-related complaints are reviewed and investigated, including technical evaluation wherever required, and appropriate corrective and preventive actions are initiated. Customers are kept informed regarding the resolution, and unresolved or significant matters are escalated to the appropriate level of management. Feedback received from customers is also considered for improving product quality, delivery, service and overall customer experience.

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

| Particulars | As a percentage to total turnover | Remakrs |
|---|---|---|
| Environmental and social parameters relevant to the product | 100% | Relevant product information, including product specifications, applications, quality and safety considerations, environmental and social aspects, responsible usage and recyclability / end-of-life considerations, is made available through our website, product literature, technical documentation, quality-related disclosures and customer communication channels. Our steel products are durable and recyclable, and customers / channel partners are provided relevant information to support safe, responsible and sustainable use of the products. |
| Safe and responsible usage | 100% | |
| Recycling and/or safe disposal | 100% | |

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

| Particulars | FY 2025-26 | | Remarks | FY 2024-25 | | Remarks |
|---|---|---|---|---|---|---|
| | Received during the year | Pending resolution at end of year | | Received during the year | Pending resolution at end of year | |
| Data privacy | 0 | 0 | NA | 0 | 0 | NA |
| Advertising | 0 | 0 | NA | 0 | 0 | NA |
| Cyber-security | 0 | 0 | NA | 0 | 0 | NA |
| Delivery of essential services | 0 | 0 | NA | 0 | 0 | NA |
| Restrictive Trade Practices | 0 | 0 | NA | 0 | 0 | NA |
| Unfair Trade Practices | 0 | 0 | NA | 0 | 0 | NA |
| Other | 0 | 0 | NA | 0 | 0 | NA |

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

| | Number | Reasons for recall |
|---|---|---|
| Voluntary recalls | 0 | NA |
| Forced recalls | 0 | NA |

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

Yes

https://www.hariompipes.com/investor-relations-policies

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

During the reporting period, no issues were reported relating to advertising, delivery of essential services, cyber security, data privacy of customers, product recalls, or penalties from regulatory authorities on safety of products/services. The Company continues to comply with all applicable product and service safety requirements and has systems in place to monitor quality and ensure customer satisfaction.

**7 Provide the following information relating to data breaches:**

a. **Number of instances of data breaches**
Nil

b. **Percentage of data breaches involving personally identifiable information of Customer customer**
NA (no breaches reported)

c. **Impact, if any, of the data breaches**
NA (no breaches reported)

**Leadership Indicators**

**1 Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Comprehensive information about Hariom's products and services are available on the Company's official website and digital platforms https://www.hariompipes.com/

**2 Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Steel pipes, coils and scaffolding are industrial products used by qualified professionals. Hence, no separate consumer education mechanism is required. However, product specifications and safe handling guidelines are shared with dealers and bulk customers to ensure responsible usage.

**3 Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

We inform and educate our customers and channel partners on the safe and responsible usage of our products through product specifications, technical documentation, our website, sales and customer-service interactions, and dealer / distributor engagement. Relevant information relating to product applications, handling, usage and safety considerations is communicated wherever applicable. We also obtain customer feedback and address product-related queries and grievances, which further supports awareness regarding the appropriate and responsible use of our products.

**4 Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, we provide additional product information beyond statutory requirements, including detailed usage instructions, safety guidelines, and technical specifications. These disclosures aim to enhance consumer awareness, ensure safe and effective usage, and reflect our commitment to transparency and product responsibility. No formal consumer survey was conducted. Customer feedback is collected through dealer interactions, sales channels and direct engagement at major operating locations.

# INDEPENDENT AUDITOR'S REPORT

**TO,**
**The Members of Hariom Pipe Industries Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying Standalone financial statements of Hariom Pipe Industries Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financials statement, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026 and its profit including total comprehensive income, its changes in equity and cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report.

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

### Emphasis of Matters:

Your attention is drawn to note no 41 in respect of temporary closure notice issued to the company for its Perundurai plant by the Tamil Nadu Pollution Control Board authorities, impact of which is not ascertained.

Our opinion is not modified in this regards.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

| Sr. No. | Key Audit Matter | How our audit addressed the key audit matter |
|---|---|---|
| 1 | Revenue from Operation: Sale of Steel and Steel product of ₹ 1,66,695.39 lakhs (Note no 23)<br>Revenue from sale of steel and steel products represents a significant portion of the financial statement. Revenue is recognised when control of the goods is transferred to customers in accordance with the term of the underlying contracts and the requirements of **Ind AS 115- Revenue from Contracts with customers.** Considering the significance of the revenue to the company's financial performance, the high volume of sales transactions, and the risk of revenue being recognised in an incorrect accounting period, revenue recognition was considered to be a key audit matter. | Our Audit procedures included the following:<br>i. Evaluated the design and tested the operating effectiveness of key controls over the revenue recognition process.<br>ii. Verified selected sales transactions with supporting documents.<br>iii. Assessed whether revenue was recognized upon transfer of control to customers in accordance with the terms of sale and Ind AS 115.<br>iv. Performed cut-off testing for sales transactions recorded before and after the year-end to assess whether revenue was recognized in the appropriate accounting period.<br>v. Performed analytical procedures on revenue trends and gross profit margins to identify unusual fluctuations, if any.<br>vi. Evaluated the adequacy of disclosures relating to revenue in the financial statements. |

# INDEPENDENT AUDITOR'S REPORT

| Sr. No. | Key Audit Matter | How our audit addressed the key audit matter |
|---|---|---|
| 2 | Lease liabilities of ₹ 2255.01 lakhs (Note no 2C)<br>The company has recognized Right-to -use assets and corresponding lease liabilities in accordance with Ind **AS 116- Leases.** The accounting for lease involves significant judgements and estimates and error in the measurement of lease liabilities could have a material impact on the financial statements. Accordingly, the recognition and measurement of lease liabilities were considered a key audit matter. | Our Audit procedures included the following:<br>i. Obtained an understanding of the lease transaction and evaluated the design and operating effectiveness of key controls relating to lease accounting.<br>ii. Reviewed lease agreements to assess whether the arrangement met the definition of a lease under Ind AS 116.<br>iii. Evaluated lease terms, including consideration of renewal and termination options.<br>iv. Assessed the reasonableness of the discount rates used in measuring lease liability.<br>v. Tested the accuracy of key inputs used in the lease calculations and recalculated lease liabilities and corresponding ROU assets on a sample basis.<br>vi. Verified lease payments to supporting agreements and payment records.<br>vii. Assessed the completeness and accuracy of lease-related disclosures in the financials statements in accordance with the requirements of Ind AS 116. |

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements:

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance Report and Shareholder's Information, but does not include the standalone financial statements, and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibility of Management and those charged with Governance for the Standalone Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, cash flow and change in equity of the Company in accordance with the Ind AS, specified under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financials statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude, that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

(i) planning the scope of our audit work and in evaluating the results of our work; and

(ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the year ended March 31,2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matters:**
The liaison office of Hariom Pipe Industries Limited located in Thailand is not audited by us. The financial information pertaining to the said liaison office reflects total assets of ₹ 0.19 lakhs as at March 31, 2026 and total revenue of ₹ 0 for the year then ended. The financial information pertaining to the liaison office has been provided by the management and is unaudited.

Our opinion on the Statement in respect of above matter is not modified.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, and based on our audit, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, as applicable.

   e) On the basis of the written representations received from the directors as at March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as at March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

# INDEPENDENT AUDITOR'S REPORT

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

(i) The Company has disclosed the impact of pending litigations as on March 31, 2026 on its financial position in its financial statements. (Refer note no. 34)

(ii) The Company does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

h) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate),other than disclosed in notes to the standalone financial statements, have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

i) The final dividend proposed for the previous year, declared and paid by the Company during the year, is in accordance with section 123 of the Act, as applicable. As stated in Note 54 to the financial statements, the Board of Directors of the Company has proposed a final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such a dividend proposed is in accordance with 123 of the Act, as applicable.

j) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration has been paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

k) Based on our examination which included test checks, the company has used an accounting software (Bizsol ERP) for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the said software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

**For R Kabra & Co LLP**
Chartered Accountants
(Firm Registration No. 104502W/W100721)

Sd/-
**Deepa Rathi**
(Partner)
Membership No.: 104808
UDIN: 26104808PZJFHI5320
**Place:** Hyderabad
**Date:** May 22, 2026

# ANNEXURE "A"

## TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Hariom Pipe Industries Limited of even date for the year ended March 31, 2026)**

To the best of our information and according to the explanations given to us by the Company and based on the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a.

A. The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

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

b. The Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification and therefore no adjustments are required to be made in the books of account.

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

d. The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) nor intangible assets during the year. Therefore no comments are called for in respect of whether the revaluation is based on the valuation by a registered valuer and if any adjustment is required for more than 10% or more in the net carrying value of each class of the assets.

e. As per the information and explanations given to us, no proceedings have been initiated or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988, as amended) and rules made thereunder.

ii.

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

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

iii. The Company has not made any investments in firms and Limited Liabilities Partnerships, nor has it granted any unsecured loans to any parties, during the year. However the company has invested in subsidiaries as reported below in clause a) i) and performance guarantee for one company as reported below in clause a) ii).

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

A. i) The Company has made investments in a subsidiary company during the year. The balance of investments in the subsidiary company at the year-end is as under:

(₹ in lakhs)

| Sr no | To Whom | The aggregate amount invested during the year | Balance outstanding at the balance sheet date |
|---|---|---|---|
| 1 | Investments in equity shares of Hariom Power and Energy Private Limited | 918.92 | 918.92 |
| 2 | Investments in equity shares of Metal Mart Private Limited | 7.00 | 7.00 |

The above investment in the Hariom Power and Energy Private Limited Subsidiary Company, include equity share acquired through a fresh allotment of equity share during the year.

The above investments in the Metal Mart Private limited Subsidiary Company are based on equity shares, issued to and subscribed by the Company at the time of incorporation of the subsidiary, as a promoter shareholder.

ii) The company has provided a performance guarantee for its subsidiary during the year as under:

| Name | Amount of Performance Guarantee |
|---|---|
| Hariom Power and Energy Private Limited | ₹ 300 lakhs |

# ANNEXURE "A"
## TO THE INDEPENDENT AUDITOR'S REPORT

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

(₹ In lakhs)

| To Whom | The aggregate amount granted during the year | Balance Outstanding as at March 31, 2026 |
|---|---|---|
| Advances in the nature of Loans - Employee Advances | 7.00 | 7.00 |

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

b. According to the information and explanation given to us, the investment made in two subsidiaries and the performance guarantee given for subsidiary are not prejudicial to the company's interest. In respect of the advances in the nature of loans given to employees, in our opinion, the terms and conditions are not prejudicial to the company's interest.

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

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

e. As per the information and explanations given to us, and based on our audit of the records, the Company has not granted any loans during the year. No cases were observed where any advance in the nature of loan granted to employees has fallen due during the year, or which has been renewed or extended or fresh loans granted by the company to settle the over dues of existing advances to such parties. Therefore, clause 3(iii)(e) of the Order is not applicable.

f. The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv. According to the information and explanation given to us the company has complied with requirements of section 185 and 186 in respect of investments during the year under audit.

v. As per the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, clause 3(v) of the Order is not applicable.

vi. In our opinion and according to the information an explanation given to us, the Company has maintained cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. However, we have not carried out a detailed examination of the above records.

vii. In respect of statutory dues:

a. In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, duty of customs, cess and other material statutory dues applicable to it with the appropriate authorities. The company is not liable to sales tax, service tax, duty of excise, value added tax and cess. There are no arrears of outstanding statutory dues as at March 31, 2026 for a period of more than six months from the date they became payable except the following which is outstanding since February/ March 2020.

₹ In Lakhs

| Name of the statute | Name of the Dues | Outstanding statutory due amount (Undisputed) | Period to which the amount relates | Due Date | Date of Payment | Remarks if any |
|---|---|---|---|---|---|---|
| Employee's State Insurance Act, 1948 | Employee State Insurance dues. | 0.30 | February, 2020 & March, 2020 | May 15, 2020 | - | Due to technical problems at ESI Department, the payment outstanding is not being accepted by the department |

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

₹ In Lakhs

| Name of the Statute | Nature of due | Amount (Net of Payment) | Amount paid | Period for which the amount related | Forum where the dispute is pending |
|---|---|---|---|---|---|
| Income Tax Act, 1961 | Income Tax | *35.05 | 29.04 | A.Y 2009-10 | Income Tax Appellate Tribunal (ITAT) Hyderabad |
| | | 5.61 | Nil | A.Y 2021-22 | AO |
| | | 12.53 | Nil | A.Y 2024-25 | AO |
| Goods and service Tax Act, 2017 | Goods and Service Tax | 36.80 | 73.92 | A.Y 2019-20 | Appeal before GST Commissioner |
| Goods and service Tax Act, 2017 | Goods and Service Tax | 12.84 | 17.69 | A.Y. 2023-24 | Appeal before GST Commissioner |
| Goods and service Tax Act, 2017 | Goods and Service Tax | 160.93 | 68.99 | A.Y. 2024-25 | Appeal before GST Commissioner |
| Goods and service Tax Act, 2017 | Goods and Service Tax | 234.79 | 210.43 | A.Y. 2025-26 | Appeal before GST Commissioner |
| Goods and service Tax Act, 2017 | Goods and Service Tax | 221.02 | Nil | A.Y. 2026-27 | Appeal before GST Commissioner |

*The honourable ITAT has decided the appeal in company's favour by dropping the disputed demand of ₹ 35.05 Lakhs as per its order **I.T.A No. 1775/HYD/2014** dated October 5, 2016. However, appellate order effect is yet to be given by the income tax department.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b. The Company has not been declared wilful defaulter by any bank or financial institution or any other lender.

c. In our opinion, the term loans were applied for the purpose for which these were obtained.

d. Based on the examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been utilised for long-term purposes by the Company.

e. According to the information and explanation given to us, the company has not taken any funds from the entity or person on account of or to meet the obligations of its subsidiary. The company does not have any associates or joint ventures.

f. According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in the subsidiary or joint ventures or associate companies.

x. a. In our opinion and according to the information and explanations given to us, no moneys were raised by way of initial public offer or further public offer during the year. Therefore, clause 3(x)(a) of the order is not applicable.

b. The Company has not issued any shares on any preferential allotment basis nor issued any Convertible

# ANNEXURE "A"
## TO THE INDEPENDENT AUDITOR'S REPORT

debentures (fully, partially or optionally convertible) during the year and hence reporting under sub clause 3(x)(b) of the Order is not applicable.

xi. a. No fraud by the Company or any fraud on the Company has been noticed or reported during the year.

b. No report under sub-section (12) of section 143 of the Act has been filed by the Auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year upto the date of this report.

c. As per the information and explanations given to us, since there were no whistle blower complaints received by the Company during the year, reporting under clause 3(xii) of the order is not applicable to the Company.

xii. The Company is not a Nidhi Company. Therefore, clauses 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable.

xiii. In our opinion, the related party transaction are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of such transaction have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business. However, it requires to be strengthened further.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date. However, we have not reassessed or modified our audit procedures in determining the nature, timing and extent of our audit based on these internal audit reports.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, clauses 3(xvi)(a), 3(xvi)(b) and 3((xvi)(c) of the Order are not applicable.

(b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, the question of conducting the above activities without a valid Certificate of Registration does not arise.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the condition of fulfilling the criteria for CIC is not applicable. The Company is neither an exempted nor an unregistered CIC and therefore the continuing the criteria of a CIC, by the Company are not applicable.

(d) As per the information and explanations given to us, since the Company is not a Core Investment Company, the Group does not have any CIC investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year and the also during the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year. Therefore, the question of taking into consideration any of issues, objections or concerns raised by the outgoing auditors does not arise. Accordingly, clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) As per the information and explanations given to us, since the Company does not have any other than

ongoing projects, no unspent amount is required to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

(b) In our opinion, there is no amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, which is required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

xxi. There are no qualification or adverse remarks given by the auditor in the companies (Auditor's report) order CARO reports of the subsidiary company. As such provision of clause 3(xxi) of the order is not applicable.

**For R Kabra & Co LLP**
Chartered Accountants
(Firm Registration No. 104502W/W100721)

Sd/-
**Deepa Rathi**
(Partner)
Membership No.: 104808
UDIN: 26104808PZJFHI5320
**Place:** Hyderabad
**Date:** May 22, 2026

# ANNEXURE "B"

## TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF HARIOM PIPE INDUSTRIES LIMITED

**(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of HARIOM PIPE INDUSTRIES LIMITED ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to these standalone financial statements.

### Meaning of Internal Financial Controls Over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these standalone financial statements.

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

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

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For R Kabra & Co LLP**
Chartered Accountants
(Firm Registration No. 104502W/W100721)

Sd/-
**Deepa Rathi**
(Partner)
Membership No.: 104808
UDIN: 26104808PZJFHI5320
**Place:** Hyderabad
**Date:** May 22, 2026

# STANDALONE BALANCE SHEET

AS AT MARCH 31, 2026

(₹ in Lakhs)

| Particulars | Note No. | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| (a) Property, plant and equipment | 2(a) | 43,522.77 | 42,271.91 |
| (b) Capital work-in-progress | 2(b) | 1,488.15 | 1,164.60 |
| (c) Right of use assets | 2(c) | 4,306.45 | 102.01 |
| (d) Intangible Assets | 2(d) | 36.92 | 8.79 |
| (e) Financial Assets | | | |
| (i) Investments in Subsidiaries | 3 | 925.92 | 10.00 |
| (ii) Loans to Related Party | 4 | 33.16 | - |
| (iii) Other financial assets | 5 | 3,352.46 | 435.48 |
| (f) Other non-current assets | 6 | 339.11 | 437.73 |
| **Total Non Current Assets** | | **54,004.95** | **44,430.51** |
| Current assets | | | |
| (a) Inventories | 7 | 40,457.93 | 42,670.37 |
| (b) Financial assets | | | |
| (i) Trade receivables | 8 | 18,907.31 | 20,249.10 |
| (ii) Cash and cash equivalents | 9(a) | 45.14 | 2,601.28 |
| (iii) Bank balances other than (ii) above | 9(b) | - | 2,477.35 |
| (iv) Other financial assets | 10 | 878.25 | 74.95 |
| (c) Other current assets | 11 | 3,948.14 | 7,193.62 |
| **Total Current Assets** | | **64,236.77** | **75,266.68** |
| **Total Assets** | | **1,18,241.72** | **1,19,697.19** |
| **EQUITY AND LIABILITIES** | | | |
| Equity | | | |
| (a) Equity share capital | 12 | 3,096.73 | 3,096.73 |
| (b) Other equity | 13 | 61,567.52 | 54,170.69 |
| **Total Equity** | | **64,664.25** | **57,267.42** |
| **LIABILITIES** | | | |
| Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 14 | 11,475.74 | 9,329.56 |
| (ia) Lease liabilities | 2(c) | 2,134.56 | 111.20 |
| (b) Provisions | 15 | 126.56 | 71.67 |
| (c) Deferred tax liabilities (Net) | 16 | 1,357.44 | 1,022.16 |
| **Total Non Current Liabilities** | | **15,094.29** | **10,534.59** |
| Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 17 | 23,194.89 | 30,702.63 |
| (ia) Lease liabilities | 2(c) | 120.44 | 5.82 |
| (ii) Trade payables | 18 | | |
| (A) total outstanding dues of micro enterprises and small enterprises; and | | 115.18 | 74.50 |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises. | | 11,064.41 | 18,564.27 |
| (iii) Other financials liabilities | 19 | 1,740.16 | 1,105.51 |
| (b) Other current liabilities | 20 | 1,309.75 | 676.81 |
| (c) Provisions | 21 | 11.13 | 6.26 |
| (d) Current tax liabilities (Net) | 22 | 927.21 | 759.37 |
| **Total Current Liabilities** | | **38,483.18** | **51,895.18** |
| **Total Equity and Liabilities** | | **1,18,241.72** | **1,19,697.19** |
| Material accounting policies and notes to accounts | 1 to 56 | | |

As per our report of even date annexed hereto.

**FOR R KABRA & CO. LLP**
Chartered Accountants
Firm Registration No: 104502W/W100721

Sd/-
**Deepa Rathi**
(Partner)
Membership No: 104808
UDIN: 26104808PZJFHI5320

Place: Hyderabad
Date: May 22, 2026

On behalf of the Board
**HARIOM PIPE INDUSTRIES LIMITED**

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

Sd/-
**Shailesh Kumar Gupta**
(Whole Time Director)
DIN 00540862

Sd/-
**Amitabha Bhattacharya**
(Chief Financial Officer)

Sd/-
**Rekha Singh**
(Company Secretary)
Membership No: A33986

Place: Hyderabad
Date: May 22, 2026

# STATEMENT OF STANDALONE PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| | Particulars | Note No. | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|---|
| I | Revenue from operations | 23 | 1,66,695.39 | 1,35,704.88 |
| II | Other income | 24 | 1,319.26 | 289.47 |
| III | **Total Income (I+II)** | | **1,68,014.65** | **1,35,994.35** |
| IV | **EXPENSES** | | | |
| | Cost of materials consumed | 25 | 1,25,932.41 | 1,10,683.92 |
| | Purchase Stock in Trade | | 4,954.54 | 977.62 |
| | Changes in inventories of finished goods, stock-in-trade and work-in-progress | 26 | (679.99) | (6,900.08) |
| | Employee benefits expense | 27 | 5,743.04 | 5,039.95 |
| | Finance costs | 28 | 5,354.60 | 4,491.24 |
| | Depreciation and amortization expenses | 2 | 6,520.10 | 5,030.61 |
| | Power and fuel | | 7,158.45 | 6,477.24 |
| | Other expenses | 29 | 2,645.08 | 1,883.62 |
| | **Total expenses (IV)** | | **1,57,628.24** | **1,27,684.12** |
| V | Profit before tax (III-IV) | | 10,386.41 | 8,310.23 |
| VI | Tax expense: | 30 | | |
| | (1) Current tax | | 2,394.99 | 1,938.73 |
| | (2) Deferred tax | | 334.28 | 198.83 |
| | (3) Tax related to earlier tax period | | 74.37 | 0.06 |
| | **Total Tax Expense (VI)** | | **2,803.65** | **2,137.62** |
| VII | **Profit for the period from continuing operations (V-VI)** | | **7,582.77** | **6,172.60** |
| VIII | Profit/(loss) from discontinued operations | | - | - |
| IX | Tax expenses of discontinued operations | | - | - |
| X | **Profit from discontinued operations (after tax) (VIII-IX)** | | - | - |
| XI | **Profit for the period (VII+X)** | | **7,582.77** | **6,172.60** |
| XII | **Other Comprehensive Income** | | | |
| | A. (i) Items that will not be reclassified to profit or loss | | | |
| | Remeasurements of post employment benefit obligation | | (3.96) | 1.25 |
| | Income tax relating to items that will not be reclassified to profit or loss | | 1.00 | (0.32) |
| | B. (i) Items that will be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - |
| XIII | **Total Comprehensive Income for the Year (XI+XII)** | | **7,585.73** | **6,171.66** |
| XIV | **Earnings per equity share (Face Value of ₹ 10 Each) (for continuing operation):** | 31 | | |
| | (1) Basic | | 24.49 | 20.25 |
| | (2) Diluted | | 24.49 | 19.93 |
| Material accounting policies and notes to accounts | | 1 to 56 | | |

As per our report of even date annexed hereto.

**FOR R KABRA & CO. LLP**
Chartered Accountants
Firm Registration No: 104502W/W100721

Sd/-
**Deepa Rathi**
(Partner)
Membership No: 104808
UDIN: 26104808PZJFHI5320

Place: Hyderabad
Date: May 22, 2026

On behalf of the Board
**HARIOM PIPE INDUSTRIES LIMITED**

Sd/-
**Rupesh Kumar Gupta**
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DIN 00540787

Sd/-
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(Whole Time Director)
DIN 00540862

Sd/-
**Amitabha Bhattacharya**
(Chief Financial Officer)

Sd/-
**Rekha Singh**
(Company Secretary)
Membership No: A33986

Place: Hyderabad
Date: May 22, 2026

# STATEMENT OF STANDALONE CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **A. CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Net Profit/(Loss) before tax for the year | 10,386.41 | 8,310.23 |
| Adjustments for: | | |
| Interest income | (371.20) | (243.69) |
| Government Grant | (844.85) | - |
| Net unrealised foreign exchange (gain) / loss | (0.87) | - |
| Profit on sale of Property, Plant and Equipment | (102.32) | (24.89) |
| Depreciation and amortization expenses | 6,520.10 | 5,030.61 |
| Finance Charges other than interest on CFI | 5,344.62 | 4,481.95 |
| Interest on CFI | 9.99 | 9.29 |
| Provision for Expected Credit Loss | 76.96 | - |
| **Operating profit before working capital changes** | **21,018.83** | **17,563.50** |
| **Movement in working capital:** | | |
| (Increase)/Decrease Trade & other receivables | 4,485.14 | (12,413.65) |
| (Increase)/Decrease Inventories | 2,212.43 | (13,016.39) |
| Increase/(Decrease) Trade payables & other liabilities | (6,206.43) | 17,205.00 |
| **Cash Generated From Movement in working capital** | **491.14** | **(8,225.04)** |
| Less: Income taxes paid | (2,301.53) | (1,475.20) |
| **Net cash flow From Operating Activities (A)** | **19,208.44** | **7,863.26** |
| **B CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Purchase of Property, Plant & Equipment (Including Capital Advances) | (11,663.22) | (10,585.08) |
| Sale of Property, Plant & Equipment | 146.68 | 80.21 |
| (Increase)/ decrease in Capital-work-in progress | (323.55) | 149.71 |
| Purchase of Intangible Assets | (31.61) | (7.96) |
| (Increase) / decrease in deposits | 1,550.89 | 1,659.63 |
| Interest received | 229.04 | 131.84 |
| Investment in subsidiary companies | (925.92) | - |
| Loans to subsidiary companies | (29.71) | - |
| **Net cash flow used in Investing Activities - (B)** | **(11,047.42)** | **(8,571.64)** |
| **C CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Proceeds from issue of Share Warrants (Refer Note 13.2) | - | 5,439.35 |
| Issue Expenses amortised with securities premium | - | (569.59) |
| Dividend Paid | (188.90) | (185.75) |
| Long term borrowings - Term loans from banks and others | 5,971.00 | 21.50 |
| Repayment of long term borrowings - Term loans from banks and others | (2,798.36) | (2,869.69) |
| Proceed/(Repayment) in Other Borrowings | - | (33.83) |
| Proceed/(Repayment) in short term borrowings - working capital loans | (7,725.65) | 5,795.75 |
| Finance Charges other than interest on CFI | (5,976.12) | (4,466.03) |
| **Net cash flow from Financing Activities (C)** | **(10,718.04)** | **3,131.69** |
| Net increase/ (decrease) in Cash & cash equivalents (A+B+C) | (2,557.02) | 2,423.31 |
| Opening Balances of Cash and cash equivalents | 2,601.28 | 177.97 |
| Exchange difference on translation of foreign currency cash and cash equivalents | 0.87 | - |
| **Closing Balances of Cash and Cash Equivalents** | **45.14** | **2,601.29** |

# STATEMENT OF STANDALONE CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

**Notes:**

1 Statement of Cash Flows has been prepared under the indirect method as set out in the IND AS "Statement of Cash Flows" as prescribed in the Companies (Indian Accounting Standards), Rules 2015

2 Components of cash and cash equivalents

| | | |
|---|---|---|
| Balance with Banks: | | |
| On Current Accounts | 42.89 | 2,590.32 |
| Cash on Hand | 2.25 | 10.96 |
| **Total cash and cash equivalents (refer note 8(a))** | **45.14** | **2,601.28** |

3 Previous year figures have been regrouped/reclassified wherever considered necessary

As per our report of even date annexed hereto.

**FOR R KABRA & CO. LLP**
Chartered Accountants
Firm Registration No: 104502W/W100721

Sd/-
**Deepa Rathi**
(Partner)
Membership No: 104808
UDIN: 26104808PZJFHI5320

Place: Hyderabad
Date: May 22, 2026

On behalf of the Board
**HARIOM PIPE INDUSTRIES LIMITED**

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

Sd/-
**Shailesh Kumar Gupta**
(Whole Time Director)
DIN 00540862

Sd/-
**Amitabha Bhattacharya**
(Chief Financial Officer)

Sd/-
**Rekha Singh**
(Company Secretary)
Membership No: A33986

Place: Hyderabad
Date: May 22, 2026

# STATEMENT OF STANDALONE CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

## A. Equity Share Capital

### As at March 31, 2026

(₹ in Lakhs)

| Opening balance as at April 1, 2025 | | Changes in Equity Share Capital due to prior period errors | | Restated balance as at April 1, 2025 | | Changes in equity share capital during the current period | | Balance as at March 31, 2026 | |
|---|---|---|---|---|---|---|---|---|---|
| No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount |
| 3,09,67,289 | 3,096.73 | - | - | 3,09,67,289 | 3,096.73 | - | - | 3,09,67,289 | 3,096.73 |

### As at March 31, 2025

(₹ in Lakhs)

| Opening balance as at April 1, 2024 | | Changes in Equity Share Capital due to prior period errors | | Restated balance as at April 1, 2024 | | Changes in equity share capital during the current period | | Balance as at March 31, 2025 | |
|---|---|---|---|---|---|---|---|---|---|
| No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount |
| 2,88,65,126 | 2,886.51 | - | - | 2,88,65,126 | 2,886.51 | 21,02,163 | 210.22 | 3,09,67,289 | 3,096.73 |

## B. Other Equity

### (1) For the year ended March 31, 2026

(₹ in Lakhs)

| Particulars | Equity component of compound financial instruments | Capital Redemption Reserves | Reserves and surplus | | | Money received against Share Warrants | Total |
|---|---|---|---|---|---|---|---|
| | | | Capital Reserve | Securities premium | Retained Earnings | | |
| **Balance as at April 1, 2025** | 84.19 | 36.62 | - | 30,745.80 | 23,298.28 | 5.79 | 54,170.69 |
| Changes in accounting policy/prior period errors | - | - | - | - | - | - | - |
| **Restated balance at the beginning of the current reporting period** | **84.19** | **36.62** | | **30,745.80** | **23,298.28** | **5.79** | **54,170.69** |
| Additions during the year: | | | | | | | |
| (a) Total Comprehensive Income for the year | - | - | - | - | 7,585.73 | - | 7,585.73 |
| (b) Dividends | - | - | - | - | (188.90) | - | (188.90) |
| | **-** | **-** | **-** | **-** | **7,396.83** | **-** | **7,396.83** |
| **Balance as at March 31, 2026** | **84.19** | **36.62** | **-** | **30,745.80** | **30,695.11** | **5.79** | **61,567.52** |

### (2) For the year ended March 31, 2025

(₹ in Lakhs)

| Particulars | Equity component of compound financial instruments | Capital Redemption Reserves | Reserves and surplus | | | Money received against Share Warrants | Total |
|---|---|---|---|---|---|---|---|
| | | | Capital Reserve | Securities premium | Retained Earnings | | |
| **Balance as at April 1, 2024** | 84.19 | 36.62 | | 24,273.15 | 17,312.37 | 1,818.91 | 43,525.24 |
| Changes in accounting policy/prior period errors | - | - | | - | - | | - |
| **Restated balance at the beginning of the current reporting period** | **84.19** | **36.62** | | **24,273.15** | **17,312.37** | **1,818.91** | **43,525.24** |
| Additions during the year: | | | | | | | |
| (a) Total Comprehensive Income for the year | - | - | - | - | 6,171.66 | - | 6,171.66 |

# STATEMENT OF STANDALONE CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| Particulars | Equity component of compound financial instruments | Capital Redemption Reserves | Reserves and surplus | | | Money received against Share Warrants | Total |
|---|---|---|---|---|---|---|---|
| | | | Capital Reserve | Securities premium | Retained Earnings | | |
| (b) Dividends | - | - | - | - | (185.75) | - | (185.75) |
| (c) Premium on issue of equity shares | - | - | - | - | - | - | - |
| (d) Premium on Conversion of Warrants to equity shares | - | - | - | 7,042.25 | - | - | 7,042.25 |
| (e) Share issue expenses | - | - | - | (569.59) | - | - | -569.59 |
| (f) Share Application Money pending Allotment (Equities and Warrants) | - | - | - | - | - | - | - |
| (g) Money Received Against Share Warrants | - | - | - | - | - | 5,439.35 | 5,439.35 |
| (h) Share Warrants converted into equity Shares | - | - | - | - | - | (7,252.46) | -7,252.46 |
| (i) Transfer to Capital Reserve on forfeiture of Share Warrant Money | | | 5.79 | - | - | - | 5.79 |
| (j) Reduction from Share Warrant Money on forfeiture of conversion option | | | - | - | - | (5.79) | -5.79 |
| | **-** | **-** | **-** | **6,472.65** | **5,985.91** | **(1,813.12)** | **10,645.45** |
| **Balance as at March 31, 2025** | **84.19** | **36.62** | **-** | **30,745.80** | **23,298.28** | **5.79** | **54,170.69** |

Description of the purposes of each reserves within equity (Refer note no. 13.1 to 13.3)

As per our report of even date annexed hereto.

**FOR R KABRA & CO. LLP**
Chartered Accountants
Firm Registration No: 104502W/W100721

Sd/-
**Deepa Rathi**
(Partner)
Membership No: 104808
UDIN: 26104808PZJFHI5320

Place: Hyderabad
Date: May 22, 2026

On behalf of the Board
**HARIOM PIPE INDUSTRIES LIMITED**

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

Sd/-
**Shailesh Kumar Gupta**
(Whole Time Director)
DIN 00540862

Sd/-
**Amitabha Bhattacharya**
(Chief Financial Officer)

Sd/-
**Rekha Singh**
(Company Secretary)
Membership No: A33986

Place: Hyderabad
Date: May 22, 2026

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

## COMPANY BACKGROUND:

Hariom Pipe Industries Limited (CIN: L27100TG2007PLC054564), established in 2007, is a public limited company incorporated in India. The Company is a prominent manufacturer of high-quality steel products in India, including mild steel (MS) pipes, scaffolding, Galvanized Pipes/Coil and Cold Roll Pipes/Coil. Its integrated operations of the company from producing raw materials like sponge iron and billets to final products i.e. pipes, scaffolding, HR strips ensure stringent quality control and cost efficiency.

The state-of-the-art facilities and robust distribution network of the company across south India allow it to meet the diverse needs of construction and infrastructure sectors. Its customer centric approach with the priority to the customer satisfaction the dedication to innovation and excellence and continuously expanding the product range, enhancing production capabilities to support India's infrastructure development as a corporate citizen provides the company ample growth opportunities to be a leading manufacturing in its peer group.

The Company has five manufacturing facilities located at:

a) Works 3-45/1, Sy.No.62 & 63, Sheriguda Paddayapally (G.P.) Balanagar Mahbubnagar, Telangana (PIN: 509202)

b) Survey number 98, D Hirehal Village, Ananthapur, Andhra Pradesh. (PIN: 515872)

c) Plot No. B-15 to B-28, SIPCOT INDL, Growth Centre, Perundurai Erode, Tamil Nadu. (PIN: 638052)

d) Sy.No.39, Sheriguda Paddayapally (G.P.) Balanagar Mahbubnagar, Telangana (PIN: 509202)

e) Sy.No.60, Sheriguda Paddayapally (G.P.) Balanagar Mahbubnagar, Telangana (PIN: 509202) (Ultra Pipes)

The share of the Company is listed on Bombay Stock Exchange (BSE) (BSE scrip code-543517) and National Stock Exchange (NSE) (NSE symbol- HARIOMPIPE) since April 13, 2022.

## 1. MATERIAL ACCOUNTING POLICIES

**(a) Statement of compliance:**

These standalone financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 ("the Act") and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, issued by Ministry of Corporate Affairs under section 133 of the Companies Act 2013. In addition, the Guidance Notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) from time to time are also applied except where compliance with other statutory promulgations require a different treatment. These standalone financials statements have been approved for issue by the Board of Directors at their meeting held on May 22, 2026.

**(b) Basis of preparation:**

The Company maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with the requirement of Ind AS. The carrying value of all the items of property, plant and equipment and investment property as on date of transition is considered as the deemed cost. Fair value measurements under Ind AS are categorized as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

Level 1 - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at measurement date;

Level 2 - inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 - inputs are unobservable inputs for the valuation of assets/liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

**(c) Presentation of Financial Statements**

The standalone Balance Sheet, the standalone Statement of Profit and Loss and the standalone Statement of Changes in Equity are prepared and presented in the formats prescribed under Schedule III Division (ii) to the Act. The Statement of cash flows is prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the standalone Balance Sheet, standalone Statement of Profit and Loss and standalone Statement of Change in Equity as prescribed in the Schedule III Division (ii) to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified IND AS.

**(d) Use of estimates and critical accounting judgments:**

In preparation of these standalone financial statements, the Company makes judgments in the application of accounting policies, estimates and assumptions which affects the carrying values of assets and liabilities that are not readily available/apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and future periods affected.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

The following are the critical judgments, apart from those involving estimations that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the standalone financial statements.

**Deferred income tax assets and liabilities:**
Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The amount of total deferred tax assets/ (Liabilities) could change if estimates of projected future taxable income or if tax regulations undergo a change.

**Income Taxes:**
Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charges in the Statement of Profit or Loss.

Provision for tax liabilities require judgments on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty.

Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss."

**Useful lives of Property, plant and equipment ('PPE'):**
The Company reviews the estimated useful lives and residual value of PPE at the end of each reporting period. The factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

**Defined benefit plans:**
The cost of the defined benefit plans and the present value of the defined benefit obligation ('DBO') are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**Fair value measurement of Compound Financial Instruments:**
The Company recognizes separately the components of a financial instrument that (a) creates a financial liability of the entity and (b) grants an option to the holder of the instrument to convert it into an equity instrument of the entity. From the perspective of the Company, such an instrument comprises two components: a financial liability (a contractual arrangement to deliver cash or another financial asset) and an equity instrument (a call option granting the holder the right, for a specified period of time, to convert it into a fixed number of ordinary shares of the entity).

**(e) Current and non-current classification and operating cycle:**
All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

**Assets:**
An asset is classified as current when it satisfies any of the following criteria:

it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

it is held primarily for the purpose of being traded;

it is expected to be realised within twelve months after the reporting date; or

it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

**Liabilities:**
A liability is classified as current when it satisfies any of the following criteria:

it is expected to be settled in the Company's normal operating cycle;

it is held primarily for the purpose of being traded;

it is due to be settled within twelve months after the reporting date; or

the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets/ liabilities are classified as non-current.

**(f) Functional and presentation currency:**
The financial statements are presented in Indian rupee (INR) (rounded off to ₹ In lakhs), which is functional and presentation currency.

**(g) Revenue recognition:**
The revenue is recognized once the entity satisfied that the performance obligation & control are transferred to the customers.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (Net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of Variable consideration on account of.

**(i) Sale of goods:**

The Company derives revenue from Sale of Goods and revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods in accordance with IND AS 115 "Revenue from Contracts with Customers". To recognize revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

**(ii) Other income**

A. Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.

B. Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably

**(iii) Government Grants:**

Government grants are accounted for in accordance with Ind AS 20 – Accounting for Government Grants and Disclosure of Government Assistance. Government grants are recognised only when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Grants which are in the nature of reimbursement of expenses, costs already incurred, or incentives linked to operations are recognised in the Statement of Profit and Loss on a systematic basis in the period in which the related costs are recognised or when the eligible claim becomes receivable, as applicable. Such grants are presented under "Other Income" unless they are adjusted against the related expense based on the nature of the grant.

Government grants related to assets, if any, are presented as deferred income and recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the related asset.

During the year, the Company has recognised government grant income in respect of reimbursement of power cost, term loan interest subsidy and net SGST reimbursement under the applicable incentive schemes, based on the sanction / approval received from the Government authorities and management's assessment that there is reasonable assurance regarding compliance with the conditions attached to such grants and receipt of the eligible amount.

This is aligned with Ind AS 20, which requires recognition only when there is reasonable assurance that conditions will be complied with and the grant will be received, and recognition in profit or loss on a systematic basis over the periods in which related costs are recognised.

**(h) Foreign currency translation:**

(i) The standalone financial statements are presented in Indian rupee (INR), which is functional and presentation currency.

(ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in standalone Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the standalone Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the standalone Statement of Profit and Loss on a net basis within other gains/ (losses).

**(i) Segment reporting**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM').

The Company's Board has identified the CODM who is responsible for financial decision making and assessing performance. The Company has a single operating segment as the operating results of the Company are reviewed on an overall basis by the CODM.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

**(j) Exceptional items:**

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the company is treated as an exceptional item and the same is disclosed in the notes to accounts.

**(k) Property, plant and equipment and capital work-in-progress:**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost is inclusive of inward freight, net of tax/duty credits availed, if any, and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit or Loss during the reporting period in which they are incurred.

Where an item of property, plant and equipment comprises significant components having different useful lives, such components are accounted for separately and depreciated over their respective useful lives in accordance with the component accounting requirements under Schedule II to the Companies Act, 2013 and Ind AS 16 – Property, Plant and Equipment. The carrying amount of any component accounted for as a separate asset is derecognised when replaced or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset / component is recognised in the Statement of Profit and Loss.

Land acquired on lease for period exceeding 90 years is recognized as leasehold land at the cost, at the time of lease commencement. Any initial direct cost related to acquiring leasehold land (including expenses incurred to bring the land into use) are capitalized and included in the cost of asset. The policy is based on the understanding that leasehold land is generally considered to have an extended economic life and does not experience a significant decline in value over the lease terms. Leasehold land will not be subject to depreciation

Projects under which tangible property, plant and equipment are not yet ready for their intended use are carried at cost, comprising of direct cost, related incidental expenses and attributable interest in case of qualifying assets.

Any excess of net sale proceeds of items produced over the cost of testing, if any, is deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

Machinery spares which can be used only in connection with an item of property, plant and equipment and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets.

**Capital work-in-progress:**

Projects under which tangible Property, Plant & Equipment are not yet ready for their intended use are carried at cost, comprising direct cost, net of tax/duty credits availed, if any, related incidental expenses and attributable interest, in case of qualifying assets.

**Depreciation methods, estimated useful lives and residual value:**

Depreciation is systematically allocated over the useful life of the asset as specified in Schedule II of the Act on Written Down Method. Depreciation on property, plant and equipment added/disposed of during the year is provided on pro-rata basis with reference to the date of addition/ disposal. Freehold land is not depreciated.

**(l) Intangible assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

**Research and development expenditure on new products:**

Expenditure on research is expensed under respective heads of account in the period in which it is incurred.

Development expenditure on new products is capitalised as intangible asset, if all of the following can be demonstrated:

A. the technical feasibility of completing the intangible asset so that it will be available for use or sale;

B. the company has intention to complete the intangible asset and use or sell it;

C. the company has ability to use or sell the intangible asset;

D. the manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;

E. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

F. the company has ability to reliably measure the expenditure attributable to the intangible asset during its development.

Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "intangible assets under development". Intangible assets are amortized on straight line basis over the estimated useful life. The method of amortization and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis. Amortization on impaired assets is provided by adjusting the amortization charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

**(m) Impairment of assets:**

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the assets do not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the highest of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years.

**(n) Employee benefits:**

**(i) Short-term obligations:**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

**(ii) Other long-term employee benefit obligations:**

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

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

**(iii) Post-employment obligations:**

Defined contribution plans: The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans: For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Other Comprehensive Income in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by fair value of plan assets (being the funded portion).

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund managed by an insurance company.

**(o) Lease**

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease, and

(iii) the Company has the right to direct the use of the asset

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses

Right-of-use assets are depreciated on a straight-line basis over the lease term. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

**(p) Financial instruments – initial recognition, subsequent measurement and impairment:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**A. Investments and other financial assets**

**(i) Classification:**

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.
- those measured at cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit or loss or other comprehensive income.

The investment in subsidiary is measured at cost less impairment, if any

The classification criteria of the Company for debt instruments are provided as under:

**Debt instruments:**

Depending upon the business model of the Company, debt instruments can be classified under following categories:

- Debt instruments measured at amortised cost
- Debt instruments measured at fair value through other comprehensive income
- Debt instruments measured at fair value through profit or loss

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

**(ii) Measurement:**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the standalone statement of profit or loss.

**Debt instruments:**

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

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the standalone statement of profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through other comprehensive income:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised and presented net in the standalone statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

**(iii) Impairment of financial assets:**

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36 details how the Company determines whether there has been a significant increase in credit risk.

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

Expected credit losses are recognised through a loss allowance based on the credit risk associated with the financial asset.

For trade receivables, the Company applies the simplified approach permitted under Ind AS 109. Accordingly, the Company recognises lifetime expected credit losses at each reporting date, without separately tracking changes in credit risk.

The Company assesses impairment allowance on trade receivables based on ageing, historical collection pattern, customer payment behaviour, subsequent recoveries, disputes, materiality and management's assessment of recoverability. Where receivables are significant and slow moving, an appropriate allowance is recognised as per the Company's expected credit loss policy.

Receivables which are specifically identified as not recoverable are written off by reducing the carrying amount of trade receivables, and the loss is recognised in the Statement of Profit and Loss. Subsequent recoveries of amounts previously written off are recognised as other income.

**(iv) Derecognition of financial assets:**

A financial asset is derecognised only when:

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

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

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

**B. Financial Liabilities:**

**(a) Classification:**

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

- Financial liabilities measured at fair value through profit or loss
- Financial liabilities measured at amortized cost

**(b) Measurement:**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities measured at fair value through profit or loss:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. At initial recognition, such financial liabilities are recognised at fair value.

Financial liabilities at fair value through profit or loss are, at each reporting date, measured at fair value with all the changes recognized in the Statement of Profit and Loss.

**Financial liabilities measured at Amortized Cost:**

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

profit or loss is expensed in the statement of profit or loss.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss over the period of the financial liabilities using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

**(c) De-recognition of financial liability:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss as other income or finance costs.

**(d) Compound financial instruments:**

Compound financial instruments issued by the company which can be converted into fixed number of equity shares at the option of the holders irrespective of changes in the fair value of the instrument are accounted by separately recognising the liability and the equity components. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

**(q) Offsetting financial instruments:**

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

**(r) Inventories:**

Raw materials, consumable stores, stores and spares, and finished goods inventories are valued at the lower of cost (using weighted average method) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase, all charges in bringing the goods to the point of sale, including indirect levies, net of recoveries, if any, transit insurance and receiving charges. Finished goods include appropriate proportion of overheads and, where applicable. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition.

Raw materials and stores are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.

Assessment of net realisable value is made in each subsequent period and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

**(s) Cash and cash equivalents:**

Cash and bank balances include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short-term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

**(t) Securities premium account:**

Securities premium includes the difference between the face value of the shares and the consideration received in respect of shares issued.

The issue expenses of securities which qualify as equity instruments are written off against securities premium account, if and when such expenses are incurred, and as per the decision of the management.

**(u) Borrowing costs:**

General and specific borrowing costs (includes interest expense calculated using the effective interest method, other costs and expenses in relation to the borrowing) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which these are incurred.

**(v) Cash Flow Statement:**

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short- term, highly liquid investments with original

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Short term borrowings, repayments and advances having maturity of three months or less, are shown as net in cash flow statement.

**(w) Income tax:**

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each year adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Minimum Alternate Tax (MAT) is not recognized as a deferred tax asset as the company is not liable for MAT tax

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income. In such case, the tax is also recognised in Other Comprehensive Income.

**(x) Provisions:**

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

In case of onerous contracts, the company recognizes the impairment losses if any, occurred on assets used in fulfilling the contract.

**(y) Contingent liabilities:**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

**(z) Earnings per share:**

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been adjusted prospectively, if appropriate.

**(za) Borrowings:**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

for liquidity services and amortised over the period of the facility to which it relates.

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

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**(zb) Impact of new IND AS or amendments issued:**

The Ministry of Corporate Affairs has notified certain amendments to the Companies (Indian Accounting Standards) Rules, 2015. The recent amendments mainly relate to Ind AS 21 on lack of exchangeability of foreign currencies, Ind AS 1 on classification of liabilities as current or non-current, and Ind AS 7 / Ind AS 107 on additional disclosures for supplier finance arrangements. ICAI has also included the recent MCA-notified amendments in its Compendium of Indian Accounting Standards for the year 2025-2026.

The Company has evaluated the aforesaid amendments while preparing these standalone financial statements for the year ended March 31, 2026. Based on the evaluation, these amendments do not have any material impact on the recognition, measurement or presentation of amounts reported in these financial statements. However, wherever applicable, the Company has considered the additional disclosure requirements arising from these amendments.

Further, amendments which are applicable for future reporting periods will be evaluated by the Company in the period in which they become applicable.

## Note no. 2(a):

### Property, plant and equipment (PPE)

**As at March 31, 2026**

(₹ in Lakhs)

| Property, plant and equipment | Gross carrying amount | | | | Accumulated Depreciation | | | | Net carrying amount | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at April 1, 2025 | Additions | Disposals / Adjustment | As at March 31, 2026 | As at April 1, 2025 | Additions | Disposals / Adjustment | As at March 31, 2026 | As at March 31, 2026 | As at March 31, 2025 |
| (a) Land | 839.02 | 165.00 | - | 1,004.02 | - | - | - | - | 1,004.02 | 839.02 |
| (b) Leasehold Land | 690.20 | - | - | 690.20 | - | - | - | - | 690.20 | 690.20 |
| (c) Buildings | 8,421.33 | 2,393.16 | - | 10,814.49 | 1,931.22 | 751.99 | - | 2,683.21 | 8,131.29 | 6,490.11 |
| **(d) Plant and Equipment:** | | | | | | | | | | |
| Plant & machinery | 32,006.49 | 804.92 | 77.94 | 32,733.46 | 5,794.93 | 3,717.70 | 41.02 | 9,471.61 | 23,261.85 | 26,211.55 |
| Pollution equipment's | 1,072.42 | 2.18 | - | 1,074.60 | 290.44 | 108.51 | - | 398.95 | 675.66 | 781.99 |
| Tools components, spares and others | 5,310.66 | 1,274.26 | - | 6,584.92 | 2,332.51 | 474.31 | - | 2,806.82 | 3,778.09 | 2,978.15 |
| Rolls | 1,120.06 | 447.12 | 85.35 | 1,481.82 | 545.39 | 228.64 | 77.95 | 696.08 | 785.74 | 574.67 |
| Solar panels | 1,860.61 | - | - | 1,860.61 | 137.31 | 124.08 | - | 261.39 | 1,599.21 | 1,723.29 |
| (e) Furniture and Fixtures | 105.23 | 12.17 | - | 117.40 | 63.20 | 16.80 | - | 80.00 | 37.40 | 42.03 |
| (f) Vehicles | 690.21 | 195.15 | - | 885.36 | 392.63 | 141.25 | - | 533.88 | 351.48 | 297.58 |
| (g) Office equipment's | 93.86 | 16.11 | - | 109.97 | 57.79 | 18.86 | - | 76.65 | 33.32 | 36.07 |
| (h) Electrical equipment's | 3,443.68 | 2,189.85 | 0.18 | 5,633.35 | 1,870.69 | 625.51 | 0.15 | 2,496.04 | 3,137.30 | 1,572.99 |
| (i) Air conditioners | 33.80 | 6.70 | - | 40.50 | 12.70 | 10.49 | - | 23.19 | 17.31 | 21.10 |
| (j) Computers | 47.05 | 14.93 | - | 61.98 | 33.90 | 8.19 | - | 42.08 | 19.89 | 13.15 |
| **Total** | **55,734.61** | **7,521.54** | **163.47** | **63,092.68** | **13,462.70** | **6,226.33** | **119.12** | **19,569.90** | **43,522.77** | **42,271.91** |

**As at March 31, 2025**

(₹ in Lakhs)

| Property, plant and equipment | Gross carrying amount | | | | Accumulated Depreciation | | | | Net carrying amount | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at April 1, 2024 | Additions | Disposals / Adjustment | As at March 31, 2025 | As at April 1, 2024 | Additions | Disposals / Adjustment | As at March 31, 2025 | As at March 31, 2025 | As at March 31, 2024 |
| (a) Land | 828.87 | 10.16 | - | 839.02 | - | - | - | - | 839.02 | 828.87 |
| (b) Leasehold Land | 690.20 | - | - | 690.20 | - | - | - | - | 690.20 | 690.20 |
| (c) Buildings | 7,822.25 | 599.08 | - | 8,421.33 | 1,278.32 | 652.90 | - | 1,931.22 | 6,490.11 | 6,543.93 |
| **(d) Plant and Equipment:** | | | | | | | | | | |
| Plant & machinery | 23,750.36 | 8,256.13 | - | 32,006.49 | 2,730.23 | 3,064.70 | - | 5,794.93 | 26,211.55 | 21,020.12 |
| Pollution equipment's | 1,060.48 | 11.94 | - | 1,072.42 | 165.87 | 124.57 | - | 290.44 | 781.99 | 894.61 |
| Tools components, spares and others | 4,955.34 | 433.02 | 77.70 | 5,310.66 | 1,982.15 | 391.83 | 41.47 | 2,332.51 | 2,978.15 | 2,973.19 |
| Rolls | 988.86 | 229.31 | 98.11 | 1,120.06 | 449.98 | 174.44 | 79.02 | 545.39 | 574.67 | 538.88 |
| Solar panels | 1,056.75 | 803.85 | - | 1,860.61 | 59.46 | 77.85 | - | 137.31 | 1,723.29 | 997.29 |
| (e) Furniture and Fixtures | 90.33 | 14.90 | - | 105.23 | 40.03 | 23.17 | - | 63.20 | 42.03 | 50.30 |
| (f) Vehicles | 609.16 | 81.05 | - | 690.21 | 280.99 | 111.64 | - | 392.63 | 297.58 | 328.18 |
| (g) Office equipment's | 71.59 | 22.27 | - | 93.86 | 39.82 | 17.97 | - | 57.79 | 36.07 | 31.77 |
| (h) Electrical equipment's | 3,090.81 | 352.86 | - | 3,443.68 | 1,507.93 | 362.75 | - | 1,870.69 | 1,572.99 | 1,582.88 |
| (i) Air conditioners | 18.49 | 15.31 | - | 33.80 | 7.12 | 5.58 | - | 12.70 | 21.10 | 11.37 |
| (j) Computers | 38.52 | 8.53 | - | 47.05 | 24.69 | 9.20 | - | 33.90 | 13.15 | 13.82 |
| **Total** | **45,072.00** | **10,838.41** | **175.81** | **55,734.61** | **8,566.59** | **5,016.60** | **120.49** | **13,462.70** | **42,271.91** | **36,505.41** |

2(a)(i): All the Property, plant and equipment are secured as primary securities against secured loans and as collateral securities for working capital finance with the respective financers (Refer Note 14 and 17)

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

## 2(b): CAPITAL WORK-IN-PROGRESS

**As at March 31, 2026**

(₹ in Lakhs)

| Particulars | As at April 1, 2025 | Additions | Disposal/ Adjustments | As at March 31, 2026 |
|---|---|---|---|---|
| Buildings | 319.70 | 296.25 | 122.91 | 493.04 |
| Electrical equipments | 2.69 | 0.36 | - | 3.06 |
| Plant & machinery | 471.11 | 605.62 | 469.46 | 607.27 |
| Pollution equipments | 10.17 | 0.55 | - | 10.72 |
| Tools components, spares and others | 360.93 | 13.13 | - | 374.06 |
| **Total** | **1,164.60** | **915.92** | **592.37** | **1,488.15** |

**As at March 31, 2025**

(₹ in Lakhs)

| Particulars | As at April 1, 2024 | Additions | Disposal/ Adjustments | As at March 31, 2025 |
|---|---|---|---|---|
| Buildings | 106.38 | 244.78 | 31.47 | 319.70 |
| Electrical equipments | 47.16 | - | 44.47 | 2.69 |
| Plant & machinery | 762.54 | 439.71 | 731.14 | 471.11 |
| Pollution equipments | - | 10.17 | - | 10.17 |
| Tools components, spares and others | 398.23 | 16.56 | 53.87 | 360.93 |
| **Total** | **1,314.31** | **711.23** | **860.94** | **1,164.60** |

2(b)(i) : Capital work-in-progress includes borrowing cost capitalised during the year ₹ 0 Lakhs, (Previous year ₹ 0 Lakhs).

2(b)(ii): All the Capital work-in-progress are secured as primary securities against secured loans and as collateral securities for working capital finance with the respective financers (Refer Note 14 and 17)

## 2(b)(ii): CWIP aging schedule

**As at March 31, 2026**

(₹ in Lakhs)

| Capital Work in Progress | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Projects in progress | 915.92 | 118.86 | 453.37 | - | 1,488.15 |
| Projects temporarily suspended | - | - | - | - | - |

**As at March 31, 2025**

(₹ in Lakhs)

| Capital Work in Progress | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Projects in progress | 711.23 | 453.37 | - | - | 1,164.60 |
| Projects temporarily suspended | - | - | - | - | - |

**2(b)(iii):** There are no CWIP whose completion is overdue or has exceeded its cost compared to its original plan

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

## 2(c) Right of use assets and lease liabilities

**As at March 31, 2026**

(₹ in Lakhs)

| Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | Net Block |
|---|---|---|---|---|---|---|---|---|
| | As at April 1, 2025 | Additions | As at March 31, 2026 | As at April 1, 2025 | Additions | As at March 31, 2026 | As at March 31, 2026 | As at March 31, 2025 |
| Land | 73.69 | - | 73.69 | 14.84 | 6.14 | 20.98 | 52.71 | 58.85 |
| Building | 54.04 | 253.44 | 307.48 | 10.88 | 72.09 | 82.97 | 224.51 | 43.16 |
| Plant & Machinery | - | 4,241.30 | 4,241.30 | - | 212.06 | 212.06 | 4,029.23 | - |
| **Total** | **127.73** | **4,494.74** | **4,622.47** | **25.72** | **290.29** | **316.02** | **4,306.45** | **102.01** |

**As at March 31, 2025**

(₹ in Lakhs)

| Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | Net Block |
|---|---|---|---|---|---|---|---|---|
| | As at April 1, 2024 | Additions | As at March 31, 2025 | As at April 1, 2024 | Additions | As at March 31, 2025 | As at March 31, 2025 | As at March 31, 2024 |
| Land | 73.69 | - | 73.69 | 8.70 | 6.14 | 14.84 | 58.85 | 64.99 |
| Building | 54.04 | - | 54.04 | 6.38 | 4.50 | 10.88 | 43.16 | 47.66 |
| Plant & Machinery | - | - | - | - | - | - | - | - |
| **Total** | **127.73** | **-** | **127.73** | **15.08** | **10.64** | **25.72** | **102.01** | **112.65** |

(i) The Company has entered into lease arrangements for facilities to be used in its business operations. The lease arrangements are for fixed contractual periods with renewal / extension options and include fixed lease payments with escalation clauses in certain arrangements. The Company has accounted for these arrangements in accordance with Ind AS 116, "Leases", by recognising right-of-use assets and corresponding lease liabilities wherever applicable.

(ii) ROU assets are amortised from the commencement date on a straight-line basis over the lease term. The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

(iii) Above ROU assets have been pledged as security for term loans. (Refer Note 14 and 17)

(iv) The Break-up of current and non-current lease liabilities is as under:

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Current lease liability | 120.44 | 5.82 |
| Non-current lease liability | 2,134.56 | 111.20 |
| **Total** | **2,255.01** | **117.03** |

(v) The Break-up of amount recognised in the Statement of Profit and Loss:

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Depreciation and amortization expenses | 290.29 | 10.64 |
| Interest on Lease Liability | 187.03 | 10.89 |
| **Total** | **477.33** | **21.53** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(vi) The Movement in lease liabilities during the year is as follows:

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Opening Balance at the April, 01 | 117.03 | 121.74 |
| Additions | 2,239.51 | - |
| Finance cost accrued during the year | 187.03 | 10.89 |
| Payment of lease liabilities | (288.56) | (15.60) |
| **Closing Balance as at March, 31** | **2,255.01** | **117.03** |

(vii) The Details regarding the contractual maturities of lease liabilities on an undiscounted basis is as follows :

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Less than one year | 298.43 | 16.25 |
| One to five years | 1,234.67 | 89.95 |
| More than five years | 2,653.64 | 73.30 |
| **Total** | **4,186.74** | **179.50** |

(viii) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(ix) The Company has elected not to apply IND AS 116 to short term leases of 12 months or less and the basis of low value assets. Lease payments on such leases are recognised as expenses on a straight line basis over the lease term.

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| 1) Expenses relating to short term leases | 55.66 | 54.24 |
| **Total** | **55.66** | **54.24** |

## 2(d): Intangible Assets

**As at March 31, 2026**

(₹ in Lakhs)

| Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | Net Block |
|---|---|---|---|---|---|---|---|---|
| | As at April 1, 2025 | Additions | As at March 31, 2026 | As at April 1, 2025 | Additions | As at March 31, 2026 | As at March 31, 2026 | As at March 31, 2025 |
| Softwares | 17.93 | 31.61 | 49.55 | 9.15 | 3.48 | 12.62 | 36.92 | 8.79 |
| **Total** | **17.93** | **31.61** | **49.55** | **9.15** | **3.48** | **12.62** | **36.92** | **8.79** |

**As at March 31, 2025**

(₹ in Lakhs)

| Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | Net Block |
|---|---|---|---|---|---|---|---|---|
| | As at April 1, 2024 | Additions | As at March 31, 2025 | As at April 1, 2024 | Additions | As at March 31, 2025 | As at March 31, 2025 | As at March 31, 2024 |
| Softwares | 9.98 | 7.96 | 17.93 | 5.77 | 3.37 | 9.15 | 8.79 | 4.21 |
| **Total** | **9.98** | **7.96** | **17.93** | **5.77** | **3.37** | **9.15** | **8.79** | **4.21** |

## 2(e) Additional Notes:

i. Property, plant and equipment (including capital work-in-progress) and intangible assets were tested for impairment during the year and there has not been any impairment

ii. The Company has not revalued its Property, Plant and Equipment or intangible assets during the year

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

## 3 Investments

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Investment in equity instruments** | | |
| **Investments in subsidiary (At Cost, Unquoted)** | | |
| Hariom Power And Energy Private Limited (Refer Note 3.1) | | |
| (91,89,244 equity shares of face value of ₹ 10 each) (Previous Year 10,000 equity shares of Face value of ₹ 10 each) | 918.92 | 10.00 |
| Metal Mart Private Limited | | |
| (70,000 equity shares of face value of ₹ 10 each) (Previous Year NIL) | 7.00 | - |
| **Total** | **925.92** | **10.00** |
| (a) Aggregate amount of quoted investments | - | - |
| (b) Aggregate amount of market value of quoted investments | - | - |
| (c) Aggregate amount of unquoted investments | 925.92 | 10.00 |
| (d) Aggregate provision for dimunution in value of investments | - | - |

**3.1** Hariom Power and Energy Private Limited was a wholly owned subsidiary of the Company up to the date of change in shareholding, i.e., November 20, 2025, and thereafter continued as a subsidiary of the Company.

**3.2** Metal Mart Private Limited was incorporated on January 22, 2026 as a subsidiary of the Company.

**3.3** The above investments are carried at cost in accordance with the accounting policy adopted by the Company.

## 4 Loans

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Loans to related parties:** | | |
| a) Hariom Power & Energy Private Limited | 33.16 | - |
| **Total** | **33.16** | **-** |
| (a) Loans Receivables considered good – Secured | - | - |
| (b) Loans Receivables considered good – Unsecured | 33.16 | - |
| (c) Loans Receivables which have significant increase in Credit Risk | | |
| (d) Loans Receivables – credit impaired | - | - |
| **Total** | **33.16** | **-** |

**4.1** The Company has granted an unsecured loan to its subsidiary company, Hariom Power and Energy Private Limited, for development and implementation of its solar power project. The loan carries interest at 8.50% per annum and is in compliance with Section 186(7) of the Companies Act, 2013. The loan is repayable based on the cash flows of the subsidiary and as may be mutually agreed between the Company and the subsidiary, subject to restrictions, if any, imposed by the subsidiary's lender.

**4.2** Disclosure as per Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186(4) of the Companies Act, 2013.

**(a) Loans/advances in the nature of loan outstanding from subsidiaries as on March 31, 2026:**

(₹ in Lakhs)

| | Debts outstanding as at March 31, 2026 | Maximum balance outstanding during the year |
|---|---|---|
| a) Hariom Power & Energy Private Limited | 33.16 | 326.82 |

(i) The above loans have been given for business purpose and the terms and condition are given in note 4.2

**(b)** Details of investments made are given in note 3.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| | | Debts outstanding as at March 31, 2026 | Maximum balance outstanding during the year |
|---|---|---|---|
| **4.3** | Loans due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member should be separately stated. | - | - |

## 5 Other Financial Assets

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(Unsecured, considered good)** | | |
| **At Amortised Cost** | | |
| Security deposits | 1,981.79 | 13.83 |
| Fixed Deposits with banks for more than 12 months maturity | 1,370.67 | 421.65 |
| **Total** | **3,352.46** | **435.48** |
| **Note : Security deposits are primarily in relation towards assets taken on lease and deposits with supplier** | | |
| **5.1** Out of the above, fixed deposits are kept as: | | |
| Lien against bank guarantee issued by the bank in favour of Maharashtra State Electricity Distribution Limited | 30.00 | 30.00 |
| Collateral against loan with Canara Bank | - | 56.53 |
| Collateral against loan with State Bank of India | 789.25 | - |
| Collateral against loan with HDFC Bank | 550.34 | 333.12 |
| With other banks | 1.07 | 2.00 |
| | **1,370.67** | **421.65** |

## 6 Other non-current assets

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| a) Capital Advances | 237.43 | 338.21 |
| b) Advances to Employees | 1.76 | 6.31 |
| c) Hariom Employees Gratuity Trust | 79.21 | 31.91 |
| d) Deposit with Govt. Authorities | 20.71 | 61.31 |
| **Total** | **339.11** | **437.73** |
| **6.1** Advances due from officer of the company | 1.76 | 5.00 |

## 7 Inventories

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Raw materials | 11,029.39 | 14,537.70 |
| Finished goods | 23,685.62 | 22,923.13 |
| Stores, spares and consumables | 5,490.26 | 4,874.38 |
| Scrap & Wastage | 252.65 | 335.16 |
| **Total** | **40,457.93** | **42,670.37** |

**7.1** All the above inventories are secured as a primary security against working capital finance and as collateral securities against property, plant and equipment (except vehicle loans from other banks/financial institutions) with the respective financers.

**7.2** For mode of valuation of inventories, please refer note 1(r) of the Material accounting policies

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

**7.3 Details of stock-in-transit :**

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Raw materials | 2,698.83 | 6,238.52 |
| **Total** | **2,698.83** | **6,238.52** |

## 8 Trade receivables

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| a) Considered Good-Secured | - | - |
| b) Considered Good-Unsecured | 18,907.31 | 20,249.10 |
| c) Significant increase in Credit Risk | - | - |
| b) Credit Impaired | 71.48 | - |
| **Total** | **18,978.79** | **20,249.10** |
| Less: Allowance for expected credit loss | 71.48 | - |
| **Total** | **18,907.31** | **20,249.10** |

**8.1** The allowance for expected credit loss has been determined based on the Company's policy for assessment of trade receivables considering ageing, materiality, recoverability, customer payment history and management judgement. The creation of expected credit loss allowance does not automatically result in classification of such receivables as credit impaired unless specific evidence of doubtful recovery exists

**Movements in expected credit loss is as below :**

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | - | - |
| Provision in statement of profit and loss (net) (see note 29) | 71.48 | - |
| Utilised during the year | - | - |
| **Balance at the end of the year** | **71.48** | **-** |

**8.2** Trade receivable include the amounts due from a firm in which the directors are partners — **-** | **-**

**8.3** Trade receivables have been hypothecated / charged as primary security for working capital facilities availed by the Company from banks.

**8.4** There are no outstanding receivables due from directors or other officers of the Company

**8.5 Ageing of trade receivable are as follows:**

**As at March 31, 2026**

(₹ in Lakhs)

| Particulars | Not yet due | Less than 6 months | 6 months and 1 year | 1 year to 2 year | 2 years to 3 years | Total |
|---|---|---|---|---|---|---|
| (i) Undisputed Trade receivables – considered good | - | 17,814.53 | 1,092.78 | - | - | 18,907.31 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | | - | 71.48 | - | - | 71.48 |
| (iv) Disputed Trade Receivables–considered good | | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | | - | - | - | - | - |
| **Total** | **-** | **17,814.53** | **1,164.26** | **-** | **-** | **18,978.79** |
| Less : Allowance for expected credit loss | | | | | | 71.48 |
| **Net Trade Receivables** | | | | | | **18,907.31** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

**As at March 31, 2025**

(₹ in Lakhs)

| Particulars | Not yet due | Less than 6 months | 6 months and 1 year | 1 year to 2 year | 2 years to 3 years | Total |
|---|---|---|---|---|---|---|
| (i) Undisputed Trade receivables – considered good | - | 20,249.10 | - | - | - | 20,249.10 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | | | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | | | - | - | - | - |
| (iv) Disputed Trade Receivables–considered good | | | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | | | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | | | - | - | - | - |
| **Total** | **-** | **20,249.10** | **-** | **-** | **-** | **20,249.10** |
| Less : Allowance for expected credit loss | | | | | | - |
| **Net Trade Receivables** | | | | | | **20,249.10** |

## 9(a) Cash and cash equivalents

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Balance with banks** | | |
| On Current accounts | 42.89 | 2,590.32 |
| Cash on Hand | 2.25 | 10.96 |
| **Total** | **45.14** | **2,601.28** |

**9 (a) (i)** Cash and bank balances are in INR, except with Kasikorn Bank (Thailand), which is held in Thai Baht and presented in INR.

**9 (a) (ii)** Balance with banks on current accounts includes ₹ 0.34 lakhs as at March 31, 2026 and ₹ 0.12 lakhs as at March 31, 2025 held in earmarked bank account towards unpaid dividends. Such balances are not available for use by the Company.

## 9(b) Bank balances other than Cash and cash equivalents

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| In fixed deposits with maturity of more than 3 months but less than 12 months | - | 2,477.35 |
| **Total** | **-** | **2,477.35** |

**9(b) (i)** The above deposits is under lien as cash collateral security with the respective financers.

## 10 Other financial assets

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(Unsecured, considered good)** | | |
| Interest Accrued on Fixed Deposits | 33.39 | 74.95 |
| Government Grant Receivable | 844.85 | - |
| **Total** | **878.25** | **74.95** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

## 11 Other current assets

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| (Unsecured, considered good) | | |
| (a) Advances other than capital advances | | |
| (i) Security deposits with electricity board | 968.07 | 728.29 |
| (ii) Security deposits against Rent (Refer note 11.2) | - | 3,014.38 |
| (iii) Advances to Employees (Refer note 11.3) | 32.08 | 31.84 |
| (iv) Others: | | |
| Prepaid expenses | 59.95 | 88.70 |
| Balances with government authorities | | |
| (i) Goods and services tax (GST) credit receivable | 894.82 | 2,480.81 |
| (ii) Sales-tax receivable | - | 0.85 |
| (iii) Excise Duty | - | 0.07 |
| (iv) Income tax receivable | 31.88 | 115.20 |
| | **1,986.80** | **6,460.13** |
| (b) Advances to Suppliers | | |
| Considered good - Unsecured | 1,966.82 | 733.50 |
| Less: Provision for doubtful advances | 5.48 | - |
| | **1,961.35** | **733.50** |
| **Total** | **3,948.14** | **7,193.62** |

**11.1** No advances are due from directors of the company, firms in which a director is a partner or private companies in which director is a director or a member either severally or jointly with any other person

**11.2** During the previous year, the Company had paid ₹ 3,014.38 lakhs to Ultra Pipes, a related party, pursuant to the proposed asset acquisition arrangement. Since the said arrangement could not be registered due to legal issues relating to transfer of leasehold land, the arrangement was cancelled and replaced by a long-term lease arrangement of 99 years, as approved by the Board of Directors and Audit Committee. During the current year, the said arrangement has been given effect to and accounted for in accordance with Ind AS 116, "Leases".

| | | |
|---|---|---|
| **11.3** Advances due from officers of the company | 3.24 | 2.90 |

## 12 EQUITY SHARE CAPITAL

(₹ in Lakhs)

| Note no. | Particulars | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|---|
| | | No. of Shares | Amount | No. of Shares | Amount |
| **12.1** | **Authorised Equity Share capital** | | | | |
| | Equity Shares of ₹10/- each with voting rights | 4,66,83,800 | 4,668.38 | 4,66,83,800 | 4,668.38 |
| **12.2** | **Issued Subscribed & Paid Up Capital** | | | | |
| | Equity Shares of ₹10/- each with voting rights | 3,09,67,289 | 3,096.73 | 3,09,67,289 | 3,096.73 |

### 12.3 Reconciliation of no. of equity shares at the beginning and at the end of the year

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | No. of Shares | Amount | No. of Shares | Amount |
| At the beginning of the year | 3,09,67,289 | 3,096.73 | 2,88,65,126 | 2,886.51 |
| (a) Additions during the year | - | - | 21,02,163 | 210.22 |
| (b) Less Shares boughtback during the year | - | - | - | - |
| **At the year end Year** | **3,09,67,289** | **3,096.73** | **3,09,67,289** | **3,096.73** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

**12.4 Note: Allotment and Completion of Preferential Issue**

During the financial year ended March 31, 2025, the Company allotted 21,02,163 equity shares (out of 33,55,625 convertible warrants) upon conversion of warrants, pursuant to the preferential issue. Against these conversions, the Company received the balance 75% of the consideration amounting to ₹ 5,439.35 lakhs.

As of the final due date for conversion, i.e., September 30, 2024, a total of 6,715 warrants remained unexercised. The upfront amount of ₹ 5.79 lakhs received against these unexercised warrants was forfeited, as the balance consideration of ₹ 17.37 lakhs was not received within the stipulated timeframe

Accordingly, the entire preferential issue process, including allotment of equity shares, receipt of full consideration, conversion of warrants, and forfeiture of unexercised warrants, was duly completed and appropriately accounted for in the previous financial year.

**12.5** The above shareholding represents both legal and beneficial ownerships of shares, as per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest

**12.6 Terms/rights attached to equity shares:**

Each holder of equity share is entitled to (i) voting rights, (ii) dividends if any declared by the board subject to approval of the shareholders (except in case of interim dividends), and (iii) proportionate share in the distribution of surplus assets of the company after payment of all preferential payments, on the liquidation.

**12.7 Equity shareholders holding more than 5% equity shares:**

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | No. of Shares | Amount | No. of Shares | Amount |
| Rupesh Kumar Gupta | 14.45% | 44,73,847 | 14.45% | 44,73,847 |
| Shailesh Kumar Gupta | 10.39% | 32,16,222 | 10.39% | 32,16,222 |
| Malabar India Fund Limited | 9.42% | 29,15,838 | 9.17% | 28,40,000 |
| Rupesh Kumar./Shailesh Gupta./Rakesh Kumar Gupta | 7.53% | 23,33,338 | 7.53% | 23,33,338 |
| Rakesh Kumar Gupta | 6.43% | 19,90,000 | 6.43% | 19,90,000 |
| Ansh Commerce Private Limited | 6.40% | 19,81,665 | 6.40% | 19,81,665 |

(₹ in Lakhs)

| | Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| 12.8 | The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years, as at the year end | - | - |
| 12.9 | The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding five years ended | - | - |
| 12.10 | The aggregate number of equity shares brought back in immediately preceding five years ended | - | - |

**12.11 Shareholding by Promoters :**

**Equity Shares:**

**As at March 31, 2026**

| Promoter Name | Shares held by promoters at the period end | | % Change during the year |
|---|---|---|---|
| | No. of Shares | (*) %of total shares | |
| Rupesh Kumar Gupta | 44,73,847 | 14.45% | 0.00% |
| Shailesh Kumar Gupta | 32,16,222 | 10.39% | 0.00% |

**As at March 31, 2025**

| Promoter Name | Shares held by promoters at the period end | | % Change during the year |
|---|---|---|---|
| | No. of Shares | (*) %of total shares | |
| Rupesh Kumar Gupta | 44,73,847 | 14.45% | -0.66% |
| Shailesh Kumar Gupta | 32,16,222 | 10.39% | -0.46% |

* The change in promoters' shareholding is due to allotment of equity shares on conversion of preferential warrants. Although the number of shares held by promoters increased, their percentage holding remained largely unchanged due to a proportionate increase in total share capital. There has been no sale or transfer of shares by the promoters during the year.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

### 12.12 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

## 13 Other Equity

(₹ in Lakhs)

| Particulars | Equity component of compound financial instruments | Capital Redemption Reserves | Reserves and surplus | | | Money received against Share Warrants | Total |
|---|---|---|---|---|---|---|---|
| | | | Capital Reserve | Securities premium | Retained Earnings | | |
| Balance as at April 1, 2025 | 84.19 | 36.62 | 5.79 | 30,745.80 | 23,298.29 | - | 54,170.69 |
| Additions during the year: | | | | | | | |
| (a) Total Comprehensive Income for the year | - | - | - | - | 7,585.73 | - | 7,585.73 |
| (b) Dividends | - | - | - | - | (188.90) | | (188.90) |
| | - | - | - | - | 7,396.83 | - | 7,396.83 |
| **Balance as at March 31, 2026** | **84.19** | **36.62** | **5.79** | **30,745.80** | **30,695.11** | **-** | **61,567.52** |
| Balance as at April 1, 2024 | 84.19 | 36.62 | - | 24,273.15 | 17,312.37 | 1,818.91 | 43,525.24 |
| Additions during the year: | | | | | | | |
| (a) Total Comprehensive Income for the year | - | - | - | - | 6,171.66 | - | 6,171.66 |
| (b) Dividends | - | - | - | - | (185.75) | | (185.75) |
| (c) Premium on issue of equity shares | - | - | - | - | - | - | - |
| (d) Premium on Conversion of Warrants to equity shares | | - | - | 7,042.25 | - | - | 7,042.25 |
| (e) Share issue expenses | - | - | - | (569.59) | - | - | (569.59) |
| (f) Share Application Money pending Allotment (Equities and Warrants) | - | - | - | - | - | - | - |
| (g) Money Received Against Share Warrants (refer note 13.2) | - | - | - | - | - | 5,439.35 | 5,439.35 |
| (h) Share Warrants converted into equity Shares (refer note 13.2) | - | - | - | - | - | (7,252.46) | (7,252.46) |
| (i) Transfer to Capital Reserve on forfeiture of Share Warrant Money | - | - | 5.79 | - | - | - | 5.79 |
| (i) Forfeiture of Share Warrant Money on Non-Exercise of Conversion Option (refer note 13.2) | - | - | - | - | - | (5.79) | (5.79) |
| | - | - | 5.79 | 6,472.65 | 5,985.91 | (1,818.91) | 10,645.45 |
| **Balance as at March 31, 2025** | **84.19** | **36.62** | **5.79** | **30,745.80** | **23,298.29** | **-** | **54,170.69** |

### 13.1 Term and conditions of compound financial instruments - Preference Shares

0 % Series A Redeemable Non Cumulative Preference Shares

33,16,200.0% Series A Redeemable Non Cumulative Preference Shares of ₹ 10 each

Terms and conditions

i) The 0% Series A Redeemable Preference Shares of ₹ 10/- be redeemed at par, without any premium, and shall be redeemed by the Company at any time within 20 years from the date of issue.

ii) The 0% Series A Redeemable Preference Shares of ₹ 10/- shareholders are vested with right of put option for redemption of share at any time, before the company calls for redemption.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

iii) These preference shareholders have voting rights only in respect of certain matters as per the provisions of Section 47(2) of the Act.

iv) The RNCPS are non-participating shares in the surplus funds;

v) The RNCPS carry a preferential right vis-a-vis Equity Shares of the Company with respect to repayment in case of winding up or repayment of capital.

**13.2 Issue of Shares on conversion of Share warrants:**

The Company had issued 33,55,625 share warrants, each convertible into one equity share of face value of ₹ 10 each at a premium of ₹ 335 per share. Out of the said warrants, 12,46,747 equity shares were allotted during FY 2023-24 and 21,02,163 equity shares were allotted during FY 2024-25 upon receipt of the balance consideration. The remaining 6,715 share warrants were not exercised within the stipulated period and the upfront amount received against such warrants was forfeited in line with the terms of issue. During the current financial year ended March 31, 2026, there has been no further movement in respect of the said preferential issue, and no share warrants remain outstanding as at the reporting date.

**13.3 Nature and purpose of creation and utilisation of reserves**

**13.3.1 Capital Reserve:** Capital reserve is created out of capital profits which are not earned through the normal course of business operations. These include profits from forfeiture of shares, gain on sale of fixed assets, government grants treated as promoter contribution, or other capital nature transactions. The reserve is not available for distribution as dividend but may be utilised for specific purposes such as issue of fully paid bonus shares, in accordance with applicable laws.

**13.3.2 Securities Premium:** Securities premium is created on excess amount received over and above the face value on issue of the shares and securities. The securities premium can be utilised in accordance with the provisions of Section 52 of the Companies Act 2013. These include issue of bonus shares and writing of expenses incurred such as commission etc. on issue of shares/securities.

**13.3.3 Capital Redemption Reserve(CRR) :** The Companies Act, 2013 requires that when a Company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve. The reserve is utilised in accordance with the provisions of Section 69 of the Companies Act, 2013.

**13.3.4 Retained Earnings:** Retained earnings are the profits (including Other Comprehensive income) that the company has earned till date, less any transfer to general reserve, dividends or other distribution or the distributions paid to the shareholders.

## 14 Borrowings - Non Current

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Secured:** | | |
| **(a) Term Loans :** | | |
| (i) From Banks - | | |
| (a) From Canara Bank /State Bank of India (Other than Vehicle loans) (Refer Note No. 14.1.1) | 5,307.85 | 7,985.08 |
| (b) From HDFC Bank | | |
| Other than Vehicle loans (Refer Note No. 14.1.2) | 8,689.92 | 3,749.86 |
| Vehicle Loans (Refer Note No. 14.1.3) | 267.70 | 176.43 |
| **Gross term loans from banks** | **14,265.47** | **11,911.37** |
| Less: Current maturities of long-term borrowings | 2,932.87 | 2,714.96 |
| **Non-current portion of long-term borrowings** | **11,332.60** | **9,196.41** |
| **Unsecured:** | | |
| **(b) Compound financial instruments - Preference shares (Refer note:- 14.2 & 14.3)** | 143.13 | 133.15 |
| **Total** | **11,475.74** | **9,329.56** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

**14.1 Note (i) Term and conditions for repayment of loan**

(₹ in Lakhs)

| | | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|---|
| | | Non Current | Current | Non Current | Current |
| **14.1.1** | Term Loan is Secured by Primary Charge on Equitable Mortgage of all Land & Building, existing Plant & Machinery and Other Fixed Assets, Present & future except for the Fixed assets located at Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052 and except leasehold rights mortgaged / offered as security to HDFC Bank Further the said term loan is secured by pari pasu charge with HDFC bank on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members. The loan was originally availed from Canara Bank and has been taken over by State Bank of India during the current financial year and is repayable in 48 monthly instalments starting from Jan'2024 till Dec' 2027. Applicable Rate of Interest for the FY 2025-26 is 8.75% (Applicable Rate of Interest for FY 2024-25 is 9.35%) | 191.37 | 238.29 | 493.94 | 281.91 |
| | Term Loan is Secured by Primary Charge on Equitable Mortgage of all Land & Building, existing Plant & Machinery and Other Fixed Assets, Present & future except for the Fixed assets located at Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052 and except leasehold rights mortgaged / offered as security to HDFC Bank Further the said term loan is secured by pari pasu charge with HDFC bank on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members. The loan was originally availed from Canara Bank and has been taken over by State Bank of India during the current financial year and is repayable in 84 monthly instalments. Applicable Rate of Interest for the FY 2025-26 is 8.95% (Applicable Rate of Interest for FY 2024-25 is 11.03%) | 3,844.72 | 1,033.47 | 5,642.00 | 1,325.28 |
| | Term Loan is Secured by Primary Charge on Equitable Mortgage of all Land & Building, existing Plant & Machinery and Other Fixed Assets, Present & future except for the Fixed assets located at Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052 and except leasehold rights mortgaged / offered as security to HDFC Bank Further the said term loan is secured by pari pasu charge with HDFC bank on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members. The loan is taken from Canara Bank and is repayable in 48 monthly instalments starting from Apr'2022 till Mar' 2026. Applicable Rate of Interest for the FY 2025-26 is 8.60% (Applicable Rate of Interest for FY 2024-25 is 9.28%) | - | - | 0.00 | 241.96 |
| | **Total (a)** | **4,036.09** | **1,271.76** | **6,135.94** | **1,849.15** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| | | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|---|
| | | Non Current | Current | Non Current | Current |
| **14.1.2** | Term Loan is Secured by Primary Charge on Equitable Mortgage of Factory Land and Building, Plant & Machinery and Other Fixed Assets, Present and Future located at - Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052.Further the said term loan is secured by pari pasu charge with state bank of India on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members.<br>Loan is taken from HDFC Bank and is repayable in 72 monthly instalments. Applicable Rate of Interest for the FY 2025-26 is 7.29%. (Applicable Rate of Interest for FY 2024-25 is 8.52%) | 2,156.73 | 801.54 | 2,940.06 | 809.80 |
| | Term Loan is Secured by Primary Charge on Equitable Mortgage of Factory Land and Building, Plant & Machinery and Other Fixed Assets, Present and Future located at - Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052. Further, the said term loan is also secured by mortgage of leasehold rights under the lease agreement executed between M/s Ultra Pipe and Hariom Pipe Industries Limited in respect of industrial property situated at Survey No. 60, Sheriguda Village, Balanagar Mandal, Mahabubnagar District, Telangana. Further the said term loan is secured by pari pasu charge with state bank of India on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members. Loan is taken from HDFC Bank and is repayable till October 2033. Applicable Rate of Interest for the FY 2025-26 is 8.23%. (Applicable Rate of Interest for FY 2024-25 is Nil) | 2,378.07 | 371.46 | - | - |
| | Term Loan is Secured by Primary Charge on Equitable Mortgage of Factory Land and Building, Plant & Machinery and Other Fixed Assets, Present and Future located at - Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052.Further the said term loan is secured by pari pasu charge with state bank of India on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members.<br>Loan is taken from HDFC Bank and is repayable till October 2033. Applicable Rate of Interest for the FY 2025-26 is 8.58%. (Applicable Rate of Interest for FY 2024-25 is Nil) | 2,576.78 | 405.35 | - | - |
| | **Total (b)** | **7,111.58** | **1,578.34** | **2,940.06** | **809.80** |
| **14.1.3** | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 48 monthly instalments till May' 2026. Applicable Rate of Interest is 7.35% | - | 0.59 | 0.59 | 3.38 |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| | | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|---|
| | | Non Current | Current | Non Current | Current |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 48 monthly instalments till June' 2026. Applicable Rate of Interest is 7.60% | - | 1.15 | 1.15 | 4.39 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 48 monthly instalments till September' 2026. Applicable Rate of Interest is 8.15% | - | 2.17 | 2.17 | 4.08 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till February' 2028. Applicable Rate of Interest is 8.50% | 7.68 | 7.72 | 15.40 | 7.10 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till April' 2028. Applicable Rate of Interest is 8.40% | 17.54 | 14.84 | 32.38 | 13.65 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till June' 2028. Applicable Rate of Interest is 8.60% | 16.54 | 12.02 | 28.56 | 11.03 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till July' 2028. Applicable Rate of Interest is 8.60% | 7.79 | 5.29 | 13.08 | 4.85 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till July' 2028. Applicable Rate of Interest is 8.70% | 6.21 | 4.21 | 10.42 | 3.86 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till Nov' 2029. Applicable Rate of Interest is 8.60% | 12.64 | 4.02 | 16.66 | 3.68 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till May' 2030. Applicable Rate of Interest is 8.52% | 116.52 | 30.76 | - | - |
| | **Total (d)** | **184.93** | **82.77** | **120.42** | **56.01** |
| | **Total Secured Borrowings (a+b+c+d)** | **11,332.60** | **2,932.87** | **9,196.41** | **2,714.96** |

**14.2** The Company had issued 0% Redeemable Non-Cumulative Preference Shares (NCPS) during FY 2015–16, which are classified as compound financial instruments in accordance with Ind AS 32. These shares were originally redeemable at the discretion of the Company at varying premium rates depending on the period of redemption. During FY 2021–22, the terms of redemption were modified with shareholder consent to remove the redemption premium and extend the maturity period to 20 years from the date of issue. The modification was duly approved and filed with the Ministry of Corporate Affairs. There has been no redemption or change in terms during the current financial year. The outstanding NCPS continue to be classified as compound financial instruments and measured accordingly in the financial statements.

**14.3** For terms and conditions for Compound financial instruments, Refer note no. 13.1

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

## 15 Provisions

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| - for Employee Gratuity | 102.48 | 71.67 |
| - for Compensated Absences | 24.07 | - |
| **Total** | **126.56** | **71.67** |

## 16 Deferred tax liabilities (Net)

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balance in the beginning (Net) | 1,022.16 | 823.64 |
| Add: Deferred tax recognised in Profit and Loss account | 335.28 | 198.52 |
| **Balance at the year end (Net)** | **1,357.44** | **1,022.16** |

**16.1** For Components of deferred tax (assets) and liabilities please refer note no.30

## 17 Borrowings - Current

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Secured:** | | |
| **(a) Loans repayable on demand** | | |
| From banks: - | | |
| (i) Cash Credit facilities | 20,262.02 | 27,762.67 |
| (ii) Bills discounted | - | 225.00 |
| | **20,262.02** | **27,987.67** |
| **(b) Current maturities of long term borrowings towards:** | | |
| (i) Banks | 2,932.87 | 2,714.96 |
| **Total Current Maturities for Long term Borrowing** | **2,932.87** | **2,714.96** |
| **Total** | **23,194.89** | **30,702.63** |

**17.1** The above loans are secured by way of hypothecation of inventories and receivables and by secondary charge on other property, plant and equipment's. These are also guaranteed by the personal guarantees of the two directors and their relatives

**17.2** The quarterly returns/ statements read with subsequent revisions filed by the Company with the banks are in agreement with the books of accounts.

## 18 Trade payable

**As at March 31, 2026**

(₹ in Lakhs)

| Undisputed: | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| MSE | 115.18 | - | - | - | 115.18 |
| Others | 11,064.41 | - | - | - | 11,064.41 |
| Disputed dues - MSE | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - |
| Unbilled Dues | - | - | - | - | - |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

**As at March 31, 2026**

(₹ in Lakhs)

| Undisputed: | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| MSE | 74.50 | - | - | - | 74.50 |
| Others | 18,564.27 | - | - | - | 18,564.27 |
| Disputed dues - MSE | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - |
| Unbilled Dues | - | - | - | - | - |

**18.1** The amount due to Micro and small enterprises as defined in The Micro, Small and Medium Enterprises Development act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as below:

(₹ in Lakhs)

| 18.2 | Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| | (i) The principal amount remaining unpaid to supplier as at the end of the year | 115.18 | 74.50 |
| | (ii) The interest due thereon remaining unpaid to supplier as at the end of the year | - | - |
| | (iii) The amount of interest-due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under this Act | - | - |
| | (iv) The amount of interest accrued during the year and remaining unpaid at the end of the year | - | - |
| | (v) The amount of interest remaining due and payable to suppliers disallowable as deductible expenditure under Income Tax Act, 1961 | - | - |
| | **Total** | **115.18** | **74.50** |

## 19 Other financial liabilities

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Payable to Capital Goods Suppliers | | |
| Dues to micro and small enterprises | 97.24 | 119.32 |
| Dues to other than micro enterprises and small enterprises | 674.72 | 708.95 |
| Other Liabilities for Outstanding Expenses | 967.86 | 267.12 |
| Payable to Wholly Owned Subsidiary towards Share Subscription | - | 10.00 |
| Unclaimed dividends | 0.34 | 0.12 |
| **Total** | **1,740.16** | **1,105.51** |

**19.1** The amount due to Micro and small enterprises as defined in The Micro, Small and Medium Enterprises Development act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as below:

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| 19.2 | Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| | (i) The principal amount remaining unpaid to supplier as at the end of the year | 98.53 | 119.32 |
| | (ii) The interest due thereon remaining unpaid to supplier as at the end of the year | - | - |
| | (iii) The amount of interest-due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under this Act | - | - |
| | (iv) The amount of interest accrued during the year and remaining unpaid at the end of the year | - | - |
| | (v) The amount of interest remaining due and payable to suppliers disallowable as deductible expenditure under Income Tax Act, 1961 | - | - |
| | **Total** | **98.53** | **119.32** |

## 20 Other current liabilities

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| (a) Statutory dues payable | 856.82 | 168.32 |
| (c) Advance from customers | 452.93 | 508.49 |
| **Total** | **1,309.75** | **676.81** |

**20.1** Statutory dues primarily relate to GST, tax deducted at source, Tax collected at source, ESI, Provident fund and Professional tax

## 21 Provisions

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| - for Employee Gratuity | 9.47 | 6.26 |
| - for Compensated Absences | 1.66 | - |
| **Total** | **11.13** | **6.26** |

## 22 Current tax liabilities (Net)

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Provision for tax (net of taxes paid)** | **927.21** | **759.37** |

## 23 Revenue from operations

(₹ in Lakhs)

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Sale of Steel and Steel products | | |
| MS Tubes | 45,929.27 | 49,850.86 |
| Scaffolding | 766.29 | 1,945.36 |
| GP/CR Pipe & Coil | 1,15,992.54 | 80,426.84 |
| Other Steel Products | 4,007.30 | 3,481.83 |
| **Total** | **1,66,695.39** | **1,35,704.88** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

**Reconciliation of revenue recognised with contract price :**

(₹ in Lakhs)

| 23.1 | Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| | Contract price | 1,67,695.19 | 1,36,248.96 |
| | Adjustments for: | | |
| | Discount & incentives | 999.80 | 544.08 |
| | **Revenue from operations** | **1,66,695.39** | **1,35,704.88** |

## 24 Other income

(₹ in Lakhs)

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Interest income (at amortised cost) | 371.20 | 243.69 |
| (b) Government Grant (See Note 23.1) | 844.85 | - |
| (d) Gain on foreign currency transactions (net) - Realised | 0.01 | 20.89 |
| (d) Gain on foreign currency transactions (net) - Unrealised | 0.87 | - |
| (e) Gain on Sale of PPE | 102.32 | 24.89 |
| **Total** | **1,319.26** | **289.47** |

**24.1** The Company had received approval dated March 06, 2023 under the Telangana Industrial Development and Entrepreneur Advancement (T-IDEA) Scheme / customised incentive framework from the Government of Telangana, Industries & Commerce Department, for its proposed GP - Galvanized Steel Pipes / CR - Cold Rolled Pipe Unit at Telangana. Under the said approval, the Company was granted customised incentives comprising

i. 75% net SGST reimbursement for 7 years limited to ₹ 80.61 crore,

ii. Power cost reimbursement at ₹2.00 per unit for a period of 5 years limited to ₹ 34.76 crore,

iii. Interest subsidy at 3% for 5 years limited to ₹ 5.32 crore, and other incentives as per T-IDEA.

Pursuant to the above approval, the Company has received sanction letters dated March 31, 2026 from the Commissionerate of Industries, Government of Telangana, towards reimbursement of power cost, term loan interest subsidy and GST reimbursement. During the year, the Company has recognised government grant receivable amounting to ₹ 844.85 lakhs in the Statement of Profit and Loss in accordance with Ind AS 20 – Accounting for Government Grants and Disclosure of Government Assistance:

(₹ in Lakhs)

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Reimbursement of power cost under T-IDEA Scheme | 260.25 | - |
| Reimbursement of term loan interest under T-IDEA / Pavala Vaddi Scheme | 504.59 | - |
| Reimbursement of net SGST under T-IDEA Scheme | 80.02 | - |
| **Total Government Grant recognised in Statement of Profit and Loss** | **844.86** | **-** |

## 25 Cost of material Consumed

(₹ in Lakhs)

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Raw materials consumed: | | |
| Opening stock | 14,537.70 | 8,281.79 |
| Add: Purchases during the year | 1,17,295.23 | 1,11,761.00 |
| | **1,31,832.93** | **1,20,042.79** |
| Less: Closing Stock | 11,029.39 | 14,537.70 |
| | **11,029.39** | **14,537.70** |
| **Raw materials consumed (a)** | **1,20,803.54** | **1,05,505.09** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (b) Stores & Spares consumed: | | |
| Opening stock | 4,874.38 | 5,013.98 |
| Add: Purchases during the year | 5,744.76 | 5,039.23 |
| | **10,619.14** | **10,053.21** |
| Less: Closing Stock | 5,490.26 | 4,874.38 |
| **Stores and spares consumed (b)** | **5,128.88** | **5,178.83** |
| **Total cost of materials consumed (a)+(b)** | **1,25,932.41** | **1,10,683.92** |

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

(₹ in Lakhs)

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Finished goods: | | |
| Opening stock | 23,258.29 | 16,358.21 |
| Less: Closing Stock | 23,938.28 | 23,258.29 |
| **(Increase)/decrease in inventories** | **(679.99)** | **(6,900.08)** |

## 27 Employee benefits expense

(₹ in Lakhs)

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Salaries and wages | | |
| -Salaries and Wages | 5,007.87 | 4,405.24 |
| -Remuneration to Directors | 425.33 | 324.00 |
| | **5,433.20** | **4,729.24** |
| (b) Contribution To Provident And Other Funds | 234.94 | 238.33 |
| (c) Staff welfare expenses | 74.90 | 72.37 |
| **Total** | **5,743.04** | **5,039.95** |

**Note:** In alignment with the Company's interests, the management has voluntarily forgone the commission for the year; hence, no provision has been made.

## 28 Finance costs

(₹ in Lakhs)

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **(a) Interest expense :** | | |
| (i) Term Loans | 1,341.40 | 1,274.43 |
| (ii) Vehicle Loans | 24.45 | 16.23 |
| (iii) Cash Credit Facilities | 2,431.05 | 2,254.40 |
| (iv) LC Commission / Bill Discounted Charges | 1,281.99 | 758.06 |
| (v) Lease Liabilities | 187.03 | 10.89 |
| (vi) Finance Cost on Compound Financial Instruments | 9.99 | 9.29 |
| | **5,275.92** | **4,323.29** |
| **(b) Other financial costs** | 78.68 | 167.95 |
| **Total** | **5,354.60** | **4,491.24** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

## 29 Other expenses

(₹ in Lakhs)

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Communication Expenses | 15.82 | 10.79 |
| (b) Director Sitting Fees | 13.75 | 9.50 |
| (c) Commission Expenses | 19.23 | 20.72 |
| (d) Office Maintenance | 21.20 | 19.78 |
| (e) Printing & Stationary | 29.59 | 25.57 |
| (f) Security Services | 88.38 | 81.07 |
| (g) Advertisement and sales promotion | 258.88 | 238.62 |
| (h) Rent | 55.66 | 54.24 |
| (i) Travelling and conveyance | 340.43 | 232.70 |
| (j) Payment to auditors (refer note 29.1 below) | 28.00 | 19.90 |
| (k) Payment to tax auditor | 0.60 | 0.60 |
| (l) Payment to cost auditor | 0.55 | 0.55 |
| (m) Legal and professional charges | 232.35 | 161.55 |
| (n) Job Work Charges | 0.10 | 6.71 |
| (o) Production Factory Maintenance | 771.31 | 484.78 |
| (p) Repairs and Maintenance | | |
| (i) Building | 7.43 | 5.12 |
| (ii) Plant and machinery | 256.27 | 190.52 |
| (iii) Vehicles | 31.32 | 18.41 |
| (iv) Others | 19.91 | 12.43 |
| (q) Rates and taxes | 22.81 | 8.53 |
| (r) Filing and registration fee | 91.07 | 60.21 |
| (s) Corporate social responsibility (refer note 52) | 151.35 | 121.00 |
| (t) Insurance | 72.82 | 75.00 |
| (u) Allowance for expected credit loss | 76.96 | - |
| (v) Miscellaneous Expenses | 39.27 | 25.32 |
| **Total** | **2,645.08** | **1,883.62** |

### 29.1 Payment to auditors

(₹ in Lakhs)

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| For Statutory audit | 16.50 | 15.00 |
| For Taxation Matter | 11.50 | 3.00 |
| For Certification fee | - | 1.90 |
| | **28.00** | **19.90** |

## 30 Disclosure pursuant to Ind AS 12 "Income Taxes"

(₹ in Lakhs)

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Current tax | 2,394.99 | 1,938.73 |
| Deferred tax | 334.28 | 198.83 |
| Tax for earlier periods | 74.37 | 0.06 |
| **Total** | **2,803.65** | **2,137.62** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

## (a) Income tax expenses - current and deferred tax

(₹ in Lakhs)

| 1. Profit or Loss | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **(i) Current Income tax :** | | |
| Current income tax expense | 2,394.99 | 1,938.73 |
| Tax expense of earlier years | 74.37 | 0.06 |
| **Total (i)** | **2,469.37** | **1,938.79** |
| **(ii) Deferred Tax:** | | |
| Tax expense on origination and reversal of temporary differences | 334.28 | 198.83 |
| **Total (ii)** | **334.28** | **198.83** |
| **Income tax expense reported in Profit or Loss [(i)+(ii)]** | **2,803.65** | **2,137.62** |

(₹ in Lakhs)

| 2. Other comprehensive income (OCI) Section: | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **(i) Items not to be reclassified to Profit or Loss in subsequent periods:** | | |
| Current tax expense/(income): | | |
| On measurement of defined benefit plans | 1.00 | (0.32) |
| **Income tax expense reported in the OCI section** | **1.00** | **(0.32)** |

## (b) Reconciliation of tax expense and the accounting profit:

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **(1) Profit before tax as per the Statement of Profit and loss** | 10,386.41 | 8,310.23 |
| **(2) Corporate tax rate as applicable** | 25.17% | 25.17% |
| **(3) Tax on Accounting profit (3) = (1) * (2)** | 2,614.05 | 2,091.52 |
| (i) Tax on expenses not tax deductible: | | |
| (A) CSR expenses | 38.09 | 30.45 |
| (B) Other disallowances | 11.63 | 8.74 |
| (C) Effect of Depreciation | 0.10 | (200.99) |
| (ii) Tax effect on various other items | 65.40 | 207.85 |
| | **2,729.28** | **2,137.57** |
| (iii) Effect of current tax related to earlier years | 74.37 | 0.06 |
| **(4) Tax expense recognised during the year (5)=(3)+(4)** | **2,803.65** | **2,137.63** |
| **(5) Effective tax rate (6)=(5)/(1)** | **26.99%** | **25.72%** |

## (c) Components of deferred tax (assets) and liabilities recognised in the Balance Sheet and Statement of Profit and Loss

(₹ in Lakhs)

| Particulars | Balance Sheet | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| 1. Items disallowed u/s 43B of Income Tax Act, 1961 | 220.10 | 17.29 |
| 2. Difference in book depreciation and income tax depreciation | 1,107.28 | 1,008.65 |
| 3. Others | 30.06 | (3.78) |
| **Net deferred tax (assets)/liabilities** | **1,357.44** | **1,022.16** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| Particulars | Statement of Profit or Loss | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| 1. Items disallowed u/s 43B of Income Tax Act, 1961 | 201.81 | (9.70) |
| 2. Difference in book depreciation and income tax depreciation | 98.63 | 210.03 |
| 3. Others | 33.84 | (1.49) |
| **Deferred tax expense/(income)** | **334.28** | **198.83** |

**(d) Reconciliation of deferred tax (assets)/liabilities**

(₹ in Lakhs)

| Particulars | Balance Sheet | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| Balance as at beginning | 1,022.16 | 823.64 |
| Tax (income)/expense during the period recognised in: | | |
| (i) Statement of Profit and Loss in Profit or Loss section | 334.28 | 198.83 |
| (ii) Statement of Profit and Loss under OCI section | 1.00 | (0.32) |
| **Balance as at the year ended** | **1,357.44** | **1,022.16** |

## 31 Earning per Share

(₹ in Lakhs)

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Profit for the year attributable to the owners of the Company used in calculating basic and diluted earnings per share | 7,582.77 | 6,172.60 |
| (b) Weighted average number of equity shares used as the denominator in calculating basic earnings per share: | 3,09,67,289 | 3,04,75,505 |
| (c) djustments for calculation of diluted earnings per share (Issue of Warrants) (Number) | - | 4,91,784 |
| (d) Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share | 3,09,67,289 | 3,09,67,289 |
| **Basic earnings per share (a/b)** | **24.49** | **20.25** |
| **Diluted earnings per share (a/d)** | **24.49** | **19.93** |

## 32 Disclosure pursuant to Ind AS 19 "Employee Benefits

**(a) Defined contribution plans:**

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the schemes,the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The company recognised ₹ 149.46 Lakhs (Year ended March 31, 2025 ₹ 145.87 Lakhs) for Provident Fund contributions in the statement of profit and loss. The contributions payable to these plans by the company are at rates specified in the rules of the schemes. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

**(b) Defined benefit plans: :**

**Employee benefit Obligation :**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds established as trusts or insurance companies. The Company accounts for the liability for gratuity benefits payable in the future based on a year end actuarial valuation.

**Movement of defined benefit obligation:** The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| Changes in the Present Value of Obligation | Balance Sheet | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| | refer para 140(a)(ii) and 141 of Ind AS19 | |
| **PV Obligation as at the start:** | **77.93** | **49.33** |
| Acquisition adjustment - | | |
| Interest Cost | 5.28 | 3.50 |
| Past Service Cost | - | - |
| Current Service Cost | 33.37 | 23.18 |
| Curtailment Cost / (Credit) | - | - |
| Settlement Cost / (Credit) | - | - |
| Benefits paid/Due to be Paid | - | - |
| Actuarial (gain)/ loss on obligation. | (4.63) | 1.93 |
| **PV of Obligation as at the end:** | **111.96** | **77.93** |
| **Bifurcation of Accrued Liability** | | |
| Current Liability (Short term) | 9.47 | 6.26 |
| Non-Current Liability (Long term) | 102.48 | 71.67 |
| **Total Accrued Liability** | 111.96 | 77.93 |
| **Changes in the Fair Value of Plan Assets** | **refer para 140(a)(ii) and 141 of Ind AS19** | |
| FV of Plan Assets at the start: | **31.91** | **18.89** |
| Acquisition Adjustments | - | 14.27 |
| Exp. Return on Plan Assets | 3.66 | 1.23 |
| Contributions (net) | 44.31 | - |
| Benefits Paid | - | (3.16) |
| Actuarial Gain /(loss) on Assets | (0.67) | 0.67 |
| **FV of Plan Assets at the end:** | **79.21** | **31.91** |
| **Change in the Effect of Asset Ceiling** | **refer para 140(a)(iii) and 141 of Ind AS19** | |
| Effect of Asset Ceiling at the beginning | | |
| Interest Expense or Cost (to the extent not recognised in net interest expense) | | |
| Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling | | |
| Effect of Asset Ceiling at the end | | |
| **Expenses Recognised in the Income Statement** | **refer para 57(c) of Ind AS19** | |
| Current Service Cost | 33.37 | 23.18 |
| Past Service Cost | | |
| Expected Return on Plan Assets | (3.66) | (1.23) |
| Interest cost | 5.28 | 3.50 |
| **Expenses Recognised in the Income Statement** | **34.99** | **25.45** |
| **Other Comprehensive Income** | **refer para 57(c) of Ind AS19** | |
| Actuarial (gain)/ loss on obligations - change in financial assumptions | - | - |
| Actuarial (gain)/ loss on obligations - change in demographic assumptions | - | - |
| Actuarial (gain)/ loss on obligations - experience variance (i.e. Actual experience vs. assumptions) | (4.63) | 1.93 |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| Changes in the Present Value of Obligation | Balance Sheet | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| **Total Actuarial (gain)/ loss on obligations** | **(4.63)** | **1.93** |
| Actuarial Gain /(loss) on Plan Assets | (0.67) | 0.67 |
| **Total OCI** | **(3.96)** | **1.25** |
| Return on plan assets, excluding amount recognised in net interest expense | | |
| Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling | | |
| Components of defined benefit costs recognised in other comprehensive income | | |
| **Major categories of Plan Assets (as percentage of Total Plan Assets)** | | |
| Government of India securities | Nil | Nil |
| State Government securities | Nil | Nil |
| High quality corporate bonds | Nil | Nil |
| Equity shares of listed companies | Nil | Nil |
| Property | Nil | Nil |
| Special Deposit Scheme | Nil | Nil |
| Funds managed by Insurer | 100% | 100% |
| Bank balance | Nil | Nil |
| Other Investments--LIC | Nil | Nil |
| **Total** | | |
| **Financial Assumptions** | | |
| Discount rate (per annum) | 7.69% | 6.78% |
| Salary growth rate (per annum) | 4.00% | 4.00% |

**Sensitivity analysis:**

Significant actuarial assumptions for determination of the defined benefit obligation are discount rate, salary escalation rate, attrition rate and mortality rate. The sensitivity analysis below has been determined based on reasonably possible changes in the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in Lakhs)

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Discount rate (Increase by 1%) | (6.57) | (6.96) |
| Salary escalation rate (Decrease by 1%) | (18.50) | (12.31) |

**Risk exposure:** Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit which are as follows:

**Interest Rate Risk:** The plan exposes the Company to the rise or fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability as shown in financial statements.

**Liquidity Risk:** This is the risk that the Company is not able to meet the short-term benefit payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

**Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**Regulatory Risk**: Benefit is paid in accordance with the provisions of the Payment of Gratuity Act, 1972, as may be amended from time to time. There is a risk of change in provisions of the Payment of Gratuity Act, 1972 requiring higher plan benefit payouts, e.g. change in benefit formula.

**Asset Liability Mismatching or Market Risk:** The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities / fall in interest rate.

**Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

## 33 Related party transactions and disclosures:

**33.1 (a) Related parties where control exists and with whom transactions have taken place during the year:**

| Name | Relationship | Whether transactions carried out during the year |
|---|---|---|
| Hariom Power and Energy Private Limited (Wholly owned subsidiary up to November 20, 2025 and thereafter continued as subsidiary of the Company) | Subsidiary | Yes |
| Metal Mart Private Limited (Incorporated on January 22, 2026 as a subsidiary of the Company) | Subsidiary | Yes |

**(b) Key Managerial persons**

| Name | Relationship | Designation |
|---|---|---|
| Rupesh Kumar Gupta | Key Managerial Person | Managing Director |
| Shailesh Kumar Gupta | Key Managerial Person | Whole Time Director |
| Sunita Gupta | Key Managerial Person | Non-Executive Director |
| Rajender Reddy Gankidi | Key Managerial Person | Independent Director |
| Soumen Bose | Key Managerial Person | Non-Executive Director |
| Sneha Sankla | Key Managerial Person | Independent Director |
| Pramod Kumar Kapoor | Key Managerial Person | Independent Director |
| Amitabha Bhattacharya | Key Managerial Person | Chief Financial Officer |
| Rekha Singh | Key Managerial Person | Company Secretary & Compliance Officer |
| Rakesh Kumar Gupta | Director's Relative | Executive |
| Parul Gupta | Director's Relative | Executive |
| Isha Gupta | Director's Relative | Executive |
| Ansh Golas | Key Managerial Person | Whole Time Director |

**(c) Enterprises owned or significantly influenced by key managerial personnel:**

Reo Solutions Pvt. Ltd.

Ansh Commerce Pvt. Ltd.

Shapprire Capital (formerly known as Lakshit Trade Link)

Ultra Pipes

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

**(d) The following transactions were carried out with related parties in ordinary course of business**

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **(a) Employee benefits expense** | | |
| **(i) Short term employee benefits** | | |
| Salaries | | |
| Rupesh Kumar Gupta | 210.00 | 180.00 |
| Shailesh Kumar Gupta | 182.00 | 144.00 |
| Soumen Bose | 22.93 | 24.69 |
| Parul Gupta | 36.00 | 36.00 |
| Isha Gupta | 36.00 | 36.00 |
| Rakesh Kumar Gupta | 48.00 | 48.00 |
| Ansh Golas | 49.60 | 35.78 |
| Amitabha Bhattacharya | 59.78 | 42.98 |
| Rekha Singh | 20.78 | 14.18 |
| **Total** | **665.09** | **561.64** |
| **(ii) Keymen insurance premium paid for** | | |
| Rupesh Kumar Gupta | - | 20.00 |
| Shailesh Kumar Gupta | - | 20.00 |
| **Total** | **-** | **40.00** |
| **(b) Director's sitting fees:** | | |
| Sunita Gupta | 1.95 | 1.50 |
| Pramod Kumar Kapoor | 3.95 | 2.65 |
| Rajender Reddy Gankidi | 4.00 | 2.70 |
| Sneha Sankla | 3.85 | 2.65 |
| **Total** | **13.75** | **9.50** |
| **(c) Rent Paid :** | | |
| Rupesh Kumar Gupta | 88.56 | 15.60 |
| Shailesh Kumar Gupta | 6.00 | 6.00 |
| Ultra Pipes | 200.00 | - |
| **Total** | **294.56** | **21.60** |
| **(d) Sales of Goods** | | |
| Ultra Pipes | - | 4,191.70 |
| **(e) Purchase of Goods** | | |
| Ultra Pipes | - | 5,464.29 |
| **Total** | **-** | **5,464.29** |
| **(f) Interest Income on Loans To Related Party** | | |
| Hariom Power and Energy Private Limited | 3.44 | - |
| **Total** | **3.44** | **-** |
| **(g) Money Received on Issue of Share Warrants** | | |
| Rupesh Kumar Gupta | - | 679.22 |
| Shailesh Kumar Gupta | - | 679.22 |
| Rakesh Kumar Gupta | - | 905.63 |
| **Total** | **-** | **2,264.06** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **(h) Issue of Equity Shares (incl. Premium) on Conversion of Share Warrants** | | |
| Rupesh Kumar Gupta | - | 905.63 |
| Shailesh Kumar Gupta | - | 905.63 |
| Rakesh Kumar Gupta | - | 1,207.50 |
| **Total** | **-** | **3,018.75** |
| **(i) Advance Recovery From Employees** | | |
| Ansh Golas | 4.20 | 4.20 |
| Amitabha Bhattacharya | 3.44 | 3.44 |
| **Total** | **7.64** | **7.64** |
| **(j) Investment in Subsidiary** | | |
| Hariom Power and Energy Private Limited | 908.92 | 10.00 |
| Metal Mart Private Limited | 7.00 | |
| **Total** | **915.92** | **10.00** |
| (k) Loans to Related Party (Net) | | |
| Hariom Power and Energy Private Limited | 29.71 | - |
| **Total** | **29.71** | **-** |
| **(l) Unsecured Loans repaid** | | |
| Rupesh Kumar Gupta | - | 29.12 |
| **Total** | **-** | **29.12** |
| **(m) Security deposit against Rent** | | |
| Ultra Pipes | 465.00 | 3,014.38 |
| **Total** | **465.00** | **3014.38** |
| **(n) Balances Outstanding at the end of the year** | | |
| **i. Expenses payable:** | | |
| Rupesh Kumar Gupta (Rent and Remuneration Payable) | 91.38 | 11.47 |
| Shailesh Kumar Gupta (Rent and Remuneration Payable) | 43.75 | 8.63 |
| Parul Gupta (Remuneration Payble) | 9.34 | 2.34 |
| Isha Gupta (Remuneration Payable) | 9.34 | 2.34 |
| Rakesh Kumar Gupta (Remuneration Payable) | 11.10 | 3.02 |
| Ultra Pipes (Rent Payable) | 9.26 | - |
| **Total** | **174.17** | **27.80** |
| **ii. Rent Deposit Payable** | | |
| Ultra Pipes | 520.62 | |
| **Total** | **520.62** | **-** |
| **iii. Advance to Employees**** | | |
| Ansh Golas | 1.31 | 5.32 |
| Amitabha Bhattacharya | 5.00 | 8.07 |
| **Total** | **6.31** | **13.38** |
| ** Note: Balances are after giving effect of Effective Interest Rate (EIR) as per provisions of IND AS 109 | | |
| **iv. Payable to Wholly Owned Subsidiary towards Share Subscription** | | |
| Hariom Power and Energy Private Limited | - | 10.00 |
| **Total** | **-** | **10.00** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **v. Security deposit against Rent** | | |
| Rupesh Kumar Gupta | 20.32 | - |
| Ultra Pipes | 1,944.96 | 3,014.38 |
| **Total** | **1,965.27** | **3,014.38** |
| ** Note: Balances are after giving effect of Effective Interest Rate (EIR) as per provisions of IND AS 109 | | |
| **vi. Loans to Related Party** | | |
| Hariom Power and Energy Private Limited | 33.16 | - |
| **Total** | **33.16** | **-** |
| **vii. Performance guarnatees given on behalf of the subsidairy company (Contingent liability and commitment)** | | |
| Hariom Power and Energy Private Limited | 300.00 | - |
| **Total** | **300.00** | **-** |

**33.2** The transactions with the related parties are made on an arms length transaction. Outstanding balances at the year end are unsecured and settlement occurs in cash.

**33.3** The treasury and finance operations of the Company and its subsidiaries are managed centrally. Based on the funding requirements, the Company may provide loans to its subsidiaries from time to time, which are repaid as and when funds are available with the respective subsidiary. Interest is charged for the period during which such loans remain outstanding to ensure that the transactions are carried out on an arm's length basis. The above transactions are undertaken with the approval of the Board of Directors and the Audit Committee, wherever applicable. The maximum amount outstanding during the year in respect of loans / advances in the nature of loan given by the Company to its subsidiary is provided under note 4"

**33.4** The Company has not recorded any impairment of receivables relating to amount owed by related parties nor made any provision for bad debts. This assessment is undertaken at the year end through examining the financial position of the related parties and the market in which the related parties operate.

## 34 Contingent Liabilities And Commitments

(₹ in Lakhs)

| | | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| **34.1** | **Contingent liabilities not provided for in respect of:** | | |
| a. | Claims against the company not acknowledged as debts: | | |
| | Disputed tax demands* | 719.07 | 703.08 |
| | Civil Cases | - | 61.12 |
| b. | Bank Guarantees | 300.00 | 300.00 |
| | | **1,019.07** | **1,064.20** |
| **34.2** | **Capital & Other Commitments** | 359.86 | 12.62 |

**34.3** *ITAT has decided the appeal in company's favour by allowing the company's claim against the disputed demand of ₹ 35.05 Lakhs(previous year ₹ 35.05 Lakhs) included in the above amount as per its order dated October 5, 2016, pending appellate order effect as at the year end.

**34.4** The Company has provided counter indemnity / support to the bank in respect of a performance bank guarantee issued by HDFC Bank Limited in favour of Maharashtra State Electricity Distribution Company Limited (MSEDCL) on behalf of its subsidiary, Hariom Power and Energy Private Limited, for implementation of the 60 MW solar power project under the Mukhyamantri Saur Krushi Vahini Yojana 2.0 / PM-KUSUM Scheme. The outstanding amount of such performance bank guarantee as at March 31, 2026 is ₹ 300.00 lakhs.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| 34.5 | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Uncalled liability on Shares of subsidiary | - | 10.00 |

**34.6** The Company does not expect any reimbursements in respect of the above contingent liabilities.

**34.7** It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at 34.1(a) above pending resolution of the legal proceedings. Further, the liability mentioned in 34.1(a) above excludes interest and penalty in cases where the company has determined that the possibility of such levy is remote.

## 35 Segment Reporting

Based on the management approach as defined in IND AS 108 – Operating Segments, the Chief Operating Decision Maker ("CODM") evaluates the company's performance and allocates resources based on an analysis of various indicators of business segment/s in which the company operates. The Company is primarily engaged in the business of Manufacturing & selling of Steel Products, which the management and CODM recognise as the sole business segment. Hence disclosure of segment-wise information is not required and accordingly not provided.

The other applicable information applicable where there is only one segment as required in accordance with IND AS 108 – Operating Segments, are as under:

**(a)** The company does not have the information in respect of the revenues from external customers for each product and service, or each group of similar products and services, and the cost to develop such system will be highly excessive. Accordingly such information is not disclosed as allowed by para 32 of IND AS 108.

**(b) Revenues**

(₹ in Lakhs)

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Domestic | 1,66,695.39 | 1,35,704.88 |
| Export | - | - |
| **Total** | **1,66,695.39** | **1,35,704.88** |

**(c)** The company boasts a diverse customer base with no single major customer or external group representing more than 10% of its revenue.

**(d)** The entire revenue is generated from customers located within India. There are no foreign revenues during the reporting periods.

**(e)** The carrying amount of segment assets located outside India as at March 31, 2026 consists of foreign bank account balances amounting to ₹ 0.19 lakhs (March 31, 2025: ₹ 3.85 lakhs). All other segment assets are located within India. This disclosure is made in accordance with Paragraph 33(b) of Ind AS 108.

## Note No. 36: Financial Instruments classification by category

**(a) The carrying value and fair value of financial instruments at the end is as under:**

**As at March 31, 2026**

(₹ in Lakhs)

| 36.1 | Particulars | (Refer Note No. To The Financial Statements) | At Cost | At Amortised Cost | At Fair Value Through Profit Or Loss | At Fair Value Through Other Comprehensive Income (OCI) | Total Carrying Value 31 March 2026 | Total Fair Value |
|---|---|---|---|---|---|---|---|---|
| | **(1) Assets** | | | | | | | |
| | **Non-Current Financial Assets** | | | | | | | |
| | (I) Other Financial Assets | 5 | 3,352.46 | 3,352.46 | - | - | 3,352.46 | 3,352.46 |
| | **Current Financial Assets** | | | | | | | |
| | (I) Trade Receivables | 8 | 18,907.31 | 18,907.31 | - | - | 18,907.31 | 18,907.31 |
| | (Ii) Cash And Cash Equivalents | 9(a) | 45.14 | 45.14 | - | - | 45.14 | 45.14 |
| | (Iii) Bank Balances Other Than (Ii) Above | 9(b) | - | - | - | - | - | - |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| 36.1 | Particulars | (Refer Note No. To The Financial Statements) | At Cost | At Amortised Cost | At Fair Value Through Profit Or Loss | At Fair Value Through Other Comprehensive Income (OCI) | Total Carrying Value 31 March 2026 | Total Fair Value |
|---|---|---|---|---|---|---|---|---|
| | (Iv) Other Financial Assets | 10 | 878.25 | 878.25 | - | - | 878.25 | 878.25 |
| | **Total Financial Assets** | | **23,183.16** | **23,183.16** | **-** | **-** | **23,183.16** | **23,183.16** |
| | **(2) Liabilities** | | | | | | | |
| | **Non-Current Financial Liabilities** | | | | | | | |
| | (I) Borrowings other than lease obligations | 14 | 11,475.74 | 11,475.74 | - | - | 11,475.74 | 11,475.74 |
| | **Current Financial Liabilities** | | | | | | | |
| | (I) Borrowings other than lease obligations | 17 | 23,194.89 | 23,194.89 | - | - | 23,194.89 | 23,194.89 |
| | (Ii) Trade Payables | 16 | 11,179.59 | 11,179.59 | - | - | 11,179.59 | 11,179.59 |
| | (Iii) Other Financial Liabilities | 19 | 1,740.16 | 1,740.16 | - | - | 1,740.16 | 1,740.16 |
| | **Total Financial Liabilities** | | **47,590.38** | **47,590.38** | **-** | **-** | **47,590.38** | **47,590.38** |

**As at March 31, 2025**

(₹ in Lakhs)

| | Particulars | (Refer Note No. To The Financial Statements) | At Cost | At Amortised Cost | At Fair Value Through Profit Or Loss | At Fair Value Through Other Comprehensive Income (OCI) | Total Carrying Value 31 March 2026 | Total Fair Value |
|---|---|---|---|---|---|---|---|---|
| | **(1) Assets** | | | | | | | |
| | **Non-Current Financial Assets** | | | | | | | |
| | (I) Other Financial Assets | 5 | 435.48 | 435.48 | - | - | 435.48 | 435.48 |
| | **Current Financial Assets** | | | | | | | |
| | (I) Trade Receivables | 8 | 20,249.10 | 20,249.10 | - | - | 20,249.10 | 20,249.10 |
| | (Ii) Cash And Cash Equivalents | 9(a) | 2,601.28 | 2,601.28 | - | - | 2,601.28 | 2,601.28 |
| | (Iii) Bank Balances Other Than (Ii) Above | 9(b) | 2,477.35 | 2,477.35 | - | - | 2,477.35 | 2,477.35 |
| | (Iv) Other Financial Assets | 10 | 74.95 | 74.95 | - | - | 74.95 | 74.95 |
| | **Total Financial Assets** | | **25,838.17** | **25,838.17** | **-** | **-** | **25,838.17** | **25,838.17** |
| | **(2) Liabilities** | | | | | | | |
| | **Non-Current Financial Liabilities** | | | | | | | |
| | (I) Borrowings other than lease obligations | 14 | 9,329.56 | 9,329.56 | - | - | 9,329.56 | 9,329.56 |
| | **Current Financial Liabilities** | | | | | | | |
| | (I) Borrowings other than lease obligations | 17 | 30,702.63 | 30,702.63 | - | - | 30,702.63 | 30,702.63 |
| | (Ii) Trade Payables | 16 | 18,638.77 | 18,638.77 | - | - | 18,638.77 | 18,638.77 |
| | (Iii) Other Financial Liabilities | 19 | 1,105.51 | 1,105.51 | - | - | 1,105.51 | 1,105.51 |
| | **Total Financial Liabilities** | | **59,776.47** | **59,776.47** | **-** | **-** | **59,776.47** | **59,776.47** |

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

### 36.2 Fair Value Measurement

**(i) Fair Value hierarchy**

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

## Note 37 Financial risk management

The Company's activities expose it to a variety of financial risks namely

- Market risk,
- Credit risk and
- Liquidity risk.

The Board of Directors has established a Risk Management Committee to oversee the company's Risk Management Framework. This committee is responsible for developing and monitoring the company's risk management policy. These policy aim to ensure timely identification and evaluation of risks, establish acceptable risk thresholds, map controls against these risks, monitor risks and their limits, enhance risk awareness and transparency. Regular reviews of risk management policy and systems are conducted to reflect changes in market conditions and company activities, providing reliable information to management and the board for evaluating the adequacy of the risk management framework in relation to the risks faced by the company.

**i. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is primarily exposed to credit risk from trade receivables, financial assets and other current assets. The maximum exposure to credit risk is generally equal to the carrying amount of the respective financial assets.

The Company manages credit risk through credit evaluation, approval processes, monitoring of customer outstanding balances and regular review of recoverability of receivables. The assessment is carried out considering ageing of receivables, customer payment history, segment and market conditions, demand outlook and the financial strength of customers. The Company recognises loss allowance for expected credit losses on trade receivables based on ageing analysis, historical credit loss experience, specific customer circumstances and forward-looking information, wherever applicable. During the year, the Company has recognised expected credit loss allowance of ₹76.96 lakhs in respect of trade receivables.

The ageing of trade receivables and movement in expected credit loss allowance are disclosed in Note 8 – Trade Receivables.

**ii. Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected future cash flows. This is generally carried out at unit level and monitored through corporate office of the Company in accordance with practice and limits set by the Company. These limits vary by location to take into account requirement, future cash flow and the liquidity in which the entity operates. In addition, the Company's liquidity management strategy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

**(a) Maturities of financial liabilities**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and the impact of netting agreements.

(₹ in Lakhs)

| PARTICULARS | Carrying Amounts March 31, 2026 | Contractual cash flows | | | |
|---|---|---|---|---|---|
| | | Less than 1 year | 1–5 years | More than 5 years | Total |
| **Non-derivative financial liabilities** | | | | | |
| Borrowings (Current and Non Current) | 34,670.62 | 23,194.89 | 9,411.15 | 2,064.58 | 34,670.62 |
| Trade payables | 11,179.59 | 11,179.59 | | | 11,179.59 |
| Other current financial liabilities | 1,740.16 | 1,740.16 | | | 1,740.16 |
| **Total non-derivative liabilities** | **47,590.38** | **36,114.64** | **9,411.15** | **2,064.58** | **47,590.38** |

(₹ in Lakhs)

| PARTICULARS | Carrying Amounts March 31, 2026 | Contractual cash flows | | | |
|---|---|---|---|---|---|
| | | Less than 1 year | 1–5 years | More than 5 years | Total |
| **Non-derivative financial liabilities** | | | | | |
| Borrowings (Current and Non Current) | 40,032.19 | 30,702.63 | 8,864.56 | 465.00 | 40,032.19 |
| Trade payables | 18,638.77 | 18,638.77 | | | 18,638.77 |
| Other current financial liabilities | 1,105.51 | 1,105.51 | | | 1,105.51 |
| **Total non-derivative liabilities** | **59,776.47** | **50,446.91** | **8,864.56** | **465.00** | **59,776.47** |

**iii. Market risk**

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as result of changes in interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements can not be normally predicted with reasonable accuracy.

**iv. Foreign currency risk**

The functional currency of the company is Indian Rupees (INR), but it engages in transactions denominated in foreign currencies, thereby exposing it to exchange rate fluctuations. These fluctuations impact the company's costs of imports, particularly concerning raw materials. Adverse movements in the exchange rate between the Rupee and foreign currencies increase the company's overall debt position in Rupee terms without the company incurring additional debt. There has been no significant impact in Company's financial position with change in exchange rates.

**v. Interest rate risk**

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

Currently the Company's borrowings are within acceptable risk levels, as determined by the management, hence the Company has not taken any swaps to hedge the interest rate risk.

**The following table provides a break-up of the Company's fixed and floating rate borrowings:**

(Figures in Lakhs)

| Particulars | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Fixed rate borrowings | 410.83 | 336.33 |
| Floating rate borrowings | 34,259.79 | 39,695.86 |
| **Total borrowings** | **34,670.62** | **40,032.19** |
| **% of Floating rate borrowing to total loans** | **98.8%** | **99.2%** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

**Cash flow sensitivity analysis for variable-rate instruments**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

| PARTICULARS | Profit or loss | | Equity, net of tax | |
|---|---|---|---|---|
| | 50 bp increase | 50 bp decrease | 50 bp increase | 50 bp decrease |
| **As at March 31, 2026** | | | | |
| Variable-rate instruments | 10.14% | 10.14% | | |
| Cash flow sensitivity | -186.07 | 186.07 | | |
| **As at March 31, 2025** | | | | |
| Variable-rate instruments | 8.89% | 8.89% | | |
| Cash flow sensitivity | -198.48 | 198.48 | | |

**Fair value sensitivity analysis for fixed-rate instruments**

There is no foreign currency exposure

## Note no 38 - Disclosure pursuant to Ind AS 1 "Presentation of financial statements":

**(a) Current assets expected to be recovered within twelve months and after twelve months from the reporting date:**

(₹ in Lakhs)

| Sr. No. | Particulars | Note | As at March 31, 2026 | | | As at March 31, 2025 | | |
|---|---|---|---|---|---|---|---|---|
| | | | Within twelve months | After twelve months | Total | Within twelve months | After twelve months | Total |
| 1 | Inventories | 7 | 40,457.93 | - | 40,457.93 | 42,670.37 | - | 42,670.37 |
| 2 | Trade receivables | 8 | 18,907.31 | - | 18,907.31 | 20,249.10 | - | 20,249.10 |
| 3 | Other financial assets | 10 | 878.25 | - | 878.25 | 74.95 | - | 74.95 |
| 4 | Other current assets | 11 | 3,948.14 | - | 3,948.14 | 7,193.62 | - | 7,193.62 |

**(b) Current liabilities expected to be settled within twelve months and after twelve months from the reporting date:**

(₹ in Lakhs)

| Sr. No. | Particulars | Note | As at March 31, 2026 | | | As at March 31, 2025 | | |
|---|---|---|---|---|---|---|---|---|
| | | | Within twelve months | After twelve months | Total | Within twelve months | After twelve months | Total |
| 1 | Trade payables: | 18 | | | | | | |
| | Due to micro enterprises and small enterprises | | 115.18 | - | 115.18 | 74.50 | - | 74.50 |
| | Due to others | | 11,064.41 | - | 11,064.41 | 18,564.27 | - | 18,564.27 |
| 3 | Other financial liabilities | 19 | 1,740.16 | - | 1,740.16 | 1,105.51 | - | 1,105.51 |
| 4 | Other current liabilities | 20 | 1,309.75 | - | 1,309.75 | 676.81 | - | 676.81 |
| 5 | Provisions | 21 | 11.13 | - | 11.13 | 6.26 | | 6.26 |

## 39 Value of financial assets and inventories hypothecated as collateral for liabilities and/or commitments and/or contingent liabilities:

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Current: | | |
| Inventories and trade receivables | 59,365.24 | 62,919.46 |
| Cash and cash equivalents | 45.14 | 2,601.28 |
| Other current and financial assets | 4,826.39 | 7,268.57 |
| **Total inventories and current financial assets hypothecated as collateral** | **64,236.77** | **72,789.32** |
| Non-current: | | |
| Fixed Deposits | 1,370.67 | 421.65 |
| **Total non-current financial assets hypothecated as collateral** | **1,370.67** | **421.65** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

40 Effective November 21, 2025, the Central Government has introduced the Labour Codes comprising four laws. The Group has evaluated the impact of the said Labour Codes based on the information presently available and has accounted for the incremental liability, wherever applicable. Based on the present assessment, the Group does not expect any significant impact on its consolidated financial results. The Group will continue to evaluate the impact based on further notifications, rules and clarifications issued by the Central and State Governments.

41 The Company received directions dated April 01, 2026 from the Tamil Nadu Pollution Control Board under Section 33A of the Water (Prevention and Control of Pollution) Act, 1974, for temporary closure of operations and disconnection of power supply at its unit located at SIPCOT Industrial Growth Centre, Perundurai, Erode District, Tamil Nadu. The Company has initiated necessary corrective measures and is taking appropriate steps for restoration of operations at the earliest. Further, the Company is mitigating the impact through alternate operations at its Telangana unit and, based on the present assessment, the impact is expected to be temporary in nature.

**Additional Regulatory Information:**

42 **Title deeds of Immovable Property not held in name of the Company:**

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 2(a) on Property, plant and equipment to the financial statements, are held in the name of the Company

43 There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

44 **Wilful Defaulter:**

i. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender

ii. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority

45 The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

46 The Registration of charge in respect of secured loans filed to ROC beyond the statutory period is NIL

47 The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act, read with Companies (Restriction on number of Layers) Rules 2017.

48 **Ratios analysis and its Element**

**i) Current Ratio**

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Current Assets | 64,236.77 | 75,266.68 |
| Current Liabilities | 38,483.18 | 51,895.18 |
| **Ratio** | **1.67** | **1.45** |
| % Change from previous period/year | **15.09%** | |

**ii) Debt-Equity Ratio**

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) Total Debts** | | |
| Borrowings - Non - Current Financial Liability (Secured - Term loan) | 11,332.60 | 9,196.41 |
| Borrowings - Current Financial Liability (Current maturities of Terms loan) | 2,932.87 | 2,714.96 |
| Borrowings - Current Financial Liability (Other Loan) | 20,262.02 | 27,987.67 |
| **Total Borrowings** | **34,527.49** | **39,899.04** |
| **(b) Total Equity** | **64,664.25** | **57,267.42** |
| **Debt-Equity Ratio = (a/b)** | **0.53** | **0.70** |
| **% Change from previous period/year** | **-23.36%** | |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

### iii) Debt Service Coverage Ratio

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) Earnings available for debt services** | | |
| Profit After Tax | 7,582.77 | 6,172.60 |
| Finance costs | 5,354.60 | 4,491.24 |
| Depreciation and amortisation expenses | 6,520.10 | 5,030.61 |
| **Total earnings available for debt services** | **19,457.47** | **15,694.46** |
| **(b) Interest and principal repayments** | | |
| Finance Costs | 5,354.60 | 4,491.24 |
| Repayment of Long term Debt for the current year | 2,798.36 | 2,869.69 |
| **Total interest and principal repayments** | **8,152.97** | **7,360.94** |
| **Debt Service Coverage Ratio = (a/b)** | **2.39** | **2.13** |
| **% Change from previous period/year** | **11.93%** | |

### iv) Inventory turnover ratio

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) Cost of goods sold** | | |
| Cost of materials consumed | 1,25,932.41 | 1,10,683.92 |
| Changes in inventories of finished goods | (679.99) | (6,900.08) |
| **Total cost of goods sold** | **1,25,252.43** | **1,03,783.85** |
| **(b) Average inventories** | | |
| Opening inventories | 42,670.37 | 29,653.98 |
| Closing inventories | 40,457.93 | 42,670.37 |
| **Average inventories** | **41,564.15** | **36,162.17** |
| **Inventory turnover ratio = (a/b)** | **3.01** | **2.87** |
| **% Change from previous period/year** | **5.00%** | |

### v) Trade payables turnover ratio

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) Credit purchases** | | |
| Purchases raw material | 1,17,295.23 | 1,11,761.00 |
| Purchase store and spares | 5,744.76 | 5,039.23 |
| **Total credit purchases** | **1,23,039.99** | **1,16,800.23** |
| **(b) Average trade payables** | | |
| Opening trade payables | 18,638.77 | 1,890.80 |
| Closing trade payables | 11,179.59 | 18,638.77 |
| **Average trade payables** | **14,909.18** | **10,264.79** |
| **Trade payables turnover ratio = (a/b)** | **8.25** | **11.38** |
| **% Change from previous period/year** | **-27.47%** | |

**Reason for change more than 25%**

The change reflects better utilization of supplier credit and efficient working capital management, with the Company availing normal credit terms from suppliers while maintaining procurement levels. This helped conserve operating cash flows during the year.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

### vi) Trade Receivables turnover ratio

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) Credit sales** | 1,66,695.39 | 1,35,704.88 |
| **(b) Average trade receivables** | | |
| Opening trade receivables | 20,249.10 | 12,207.31 |
| Closing trade receivables | 18,907.31 | 20,249.10 |
| **Average trade receivables** | **19,578.20** | **16,228.20** |
| **Trade receivable turnover ratio = (a/b)** | **8.51** | **8.36** |
| **% Change from previous period/year** | **1.82%** | |

### vii) Net capital turnover ratio

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) Sales** | 1,66,695.39 | 1,35,704.88 |
| **(b) Net working capital** | | |
| Current assets (A) | 64,236.77 | 75,266.68 |
| Current liabilities (B) | 38,483.18 | 51,895.18 |
| **Net working capital (C)= (A-B)** | **25,753.59** | **23,371.50** |
| **Net capital turnover ratio = (a/b)** | **6.47** | **5.81** |
| **% Change from previous period/year** | **11.47%** | |

### viii) Net profit ratio

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| (a) Net profit after tax | 7,582.77 | 6,172.60 |
| (b) Sales | 1,66,695.39 | 1,35,704.88 |
| **Net profit ratio = (a/b)** | **4.55%** | **4.55%** |
| **% Change from previous period/year** | **0.01%** | |

### ix) Return on Equity Ratio

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| (a) Net profit after tax | 7,582.77 | 6,172.60 |
| (b) Total equity | 64,664.25 | 57,267.42 |
| **Return on equity ratio = (a/b)** | **11.73%** | **10.78%** |
| **% Change from previous period/year** | **8.79%** | |

### x) Return on capital employed

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) EBIT** | | |
| Net profit after tax | 7,582.77 | 6,172.60 |
| Finance costs | 5,354.60 | 4,491.24 |
| Total tax expense | 2,803.65 | 2,137.62 |
| **Total EBIT** | **15,741.02** | **12,801.47** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(b) Capital Employed** | | |
| Total equity | 64,664.25 | 57,267.42 |
| Borrowings - Financial liability(Secured - Term loan) | 11,332.60 | 9,196.41 |
| **Total borrowings** | **11,332.60** | **9,196.41** |
| **Total capital employed** | **75,996.85** | **66,463.83** |
| **Return on Capital employed =(a/b)** | **20.71%** | **19.26%** |
| **% Change from previous period/year** | **7.54%** | |

**xi) Return on investment**

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) Total income** | | |
| Profit before tax (1 - tax rate) (A) | 7,772.36 | 6,218.71 |
| Finance costs (1 - tax rate) (B) | 4,006.96 | 3,360.89 |
| **Total income (a) = (A)+(B)** | **11,779.32** | **9,579.60** |
| **(b) Total assets** | **1,18,241.72** | **1,19,697.19** |
| **Return on investment = (a/b)** | **9.96%** | **8.00%** |
| **% Change from previous period/year** | **24.48%** | |

49 There is no scheme of arrangements approved by the competent authority in terms of section 230 to 237 of the companies Act, 2013 during the year.

50 The Company has not advanced or loaned or invested funds to any other person or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall (I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

51 The Company has not received any fund from any person or entities, including foreign entities (Funding Party) with the understanding that the company shall (I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

52 As per section 135 of the Companies Act, 2013 and rules made thereunder, the Company is required to spend at least 2% of average net profit of its past three years towards Corporate Social Responsibility (CSR). Details of CSR Expenditure are as under:

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Amount required to be spent by the Company for the year | 148.86 | 121.82 |
| (b) Amount spent during the year: | | |
| (i) on purposes other than construction / acquisition of any asset) | 151.35 | 121.00 |
| (ii) for the purpose of acquisition / construction of assets | - | - |
| | **151.35** | **121.00** |
| (c) Shortfall at the year end (of CSR expenditure incurred) | - | 0.83 |
| (d) Total of previous year/period short fall | - | - |
| (e) Out of the above, expenses recognised in Statement of Profit and Loss | - | - |
| (i) Expenses actually incurred i.e. paid (cash) | 151.35 | 121.00 |
| (ii) Expenses incurred but not paid, i.e. provided for (Provision) | - | - |
| | **151.35** | **121.00** |

# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| The shortfall of ₹ 0.83 lakhs in CSR expenditure for the financial year 2024-25 has been adjusted against the excess CSR expenditure of ₹ 2.83 lakhs carried forward from the financial year 2023-24, in accordance with Rule 7(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014. | | |
| (f) Nature of CSR activities | | |
| (i) Education | 26.44 | 13.19 |
| (ii) Animal Welfare | 12.29 | 14.53 |
| (iii) Children Welfare | 70.00 | 63.11 |
| (v) Health Care | 42.62 | 30.17 |
| | **151.35** | **121.00** |

53 The Company has not surrendered or disclosed as income or the previously unrecorded income and related assets during the year in the tax assessments which are not recorded in the books of accounts of the company

54 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year

55 Disclosures under Rule 11(f) of the Company (Audit & Auditors) Rule, 2014 - Dividends

(a) Dividend is recognised as a liability in the books of account in the period in which it is approved by the shareholders. The Company declares and pays dividends in Indian Rupees.

(b) For the year ended March 31, 2025, the Company declared and paid a dividend of ₹ 188.90 Lakhs (₹ 0.61 per equity share), pursuant to the approval of shareholders at the Annual General Meeting held on September 30, 2025. The Company has complied with the provisions of Section 123 of the Companies Act, 2013 in this regard.

(c) The Board of Directors, at its meeting held on May 22, 2026, recommended a final dividend of ₹ 0.75 per equity share (subject to applicable tax deduction at source) for the financial year ended March 31, 2026. The proposed dividend is subject to approval of the shareholders at the ensuing Annual General Meeting. Upon approval, the total cash outflow on account of dividend would amount to approximately ₹ 232.25 Lakhs.

56 Previous year figures have been recasted/restated wherever necessary including those as required in keeping with revised Schedule III amendments.

As per our report of even date annexed hereto.

**FOR R KABRA & CO. LLP**
Chartered Accountants
Firm Registration No: 104502W/W100721

Sd/-
**Deepa Rathi**
(Partner)
Membership No: 104808
UDIN: 26104808PZJFHI5320

Place: Hyderabad
Date: May 22, 2026

On behalf of the Board
**HARIOM PIPE INDUSTRIES LIMITED**

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

Sd/-
**Shailesh Kumar Gupta**
(Whole Time Director)
DIN 00540862

Sd/-
**Amitabha Bhattacharya**
(Chief Financial Officer)

Sd/-
**Rekha Singh**
(Company Secretary)
Membership No: A33986

Place: Hyderabad
Date: May 22, 2026

# INDEPENDENT AUDITOR'S REPORT

TO,

**The Members of Hariom Pipe Industries Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Hariom Pipe Industries Limited (hereinafter referred to as the "Holding Company" or "the Company" or the "Parent Company"), and its subsidiary (Holding Company and its subsidiary together referred as "the Group") which comprise the Consolidated Balance Sheet as at March 31st, 2026, Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026 and its consolidated profit including total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

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

### Emphasis of Matters:

Your attention is drawn to note no 39 in respect of temporary closure notice issued to the company for its Perundurai plant by the Tamil Nadu Pollution Control Board authorities, impact of which is not ascertained. Our opinion is not modified in this regards.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

| Sr. No. | Key Audit Matter | How our audit addressed the key audit matter |
|---|---|---|
| 1 | **Revenue from Operation: Sale of Steel and Steel product of ₹ 1,66,695.39 lakhs (Note no 23)**<br>Revenue from sale of steel and steel products represents a significant portion of the financial statement. Revenue is recognised when control of the goods is transferred to customers in accordance with the term of the underlying contracts and the requirements of **Ind AS 115- Revenue from Contracts with customers.** Considering the significance of the revenue to the company's financial performance, the high volume of sales transactions, and the risk of revenue being recognised in an incorrect accounting period, revenue recognition was considered to be a key audit matter. | Our Audit procedures included the following:<br>i. Evaluated the design and tested the operating effectiveness of key controls over the revenue recognition process.<br>ii. Verified selected sales transactions with supporting documents.<br>iii. Assessed whether revenue was recognized upon transfer of control to customers in accordance with the terms of sale and Ind AS 115.<br>iv. Performed cut-off testing for sales transactions recorded before and after the year-end to assess whether revenue was recognized in the appropriate accounting period.<br>v. Performed analytical procedures on revenue trends and gross profit margins to identify unusual fluctuations, if any.<br>vi. Evaluated the adequacy of disclosures relating to revenue in the financial statements. |

# INDEPENDENT AUDITOR'S REPORT

| Sr. No. | Key Audit Matter | How our audit addressed the key audit matter |
|---|---|---|
| 2 | **Lease liabilities (Note no 2c)**<br>The company has recognized Right-to -use assets and corresponding lease liabilities in accordance with Ind AS 116- Leases. The accounting for lease involves significant judgements and estimates, and error in the measurement of lease liabilities and could have a material impact on the financial statements. Accordingly, the recognition and measurement of lease liabilities were considered a key audit matter. | Our Audit procedures included the following:<br>i. Obtained an understanding of the lease transaction and evaluated the design and operating effectiveness of key controls relating to lease accounting.<br>ii. Reviewed lease agreements to assess whether the arrangement met the definition of a lease under Ind AS 116.<br>iii. Evaluated lease term, including consideration of renewal and termination options.<br>iv. Assessed the reasonableness of the discount rates used in measuring lease liability.<br>v. Tested the accuracy of key inputs used in the lease calculations and recalculated lease liabilities and corresponding ROU assets on a sample basis.<br>vi. Verified lease payments to supporting agreements and payment records.<br>vii. Assessed the completeness and accuracy of lease-related disclosures in the financials statements in accordance with the requirements of Ind AS 116. |

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements:

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

The Holding Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Management Discussion and Analysis, Board's Report including annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance Report and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financials statements of the subsidiary, to the extend it relates to these entities and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## Responsibility of Management and those charged with Governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, including other comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity of the Group in accordance with the Ind AS, specified under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the Companies included in the Group are responsible for assessing the ability of each of the companies, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Companies or to cease operations, or has no realistic alternative but to do so. The respective Management and Board of Directors of the Companies included in the Group are also responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude, that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of the companies within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of those companies for which we are the independent auditors. We are responsible for our audit opinion.

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

(i) planning the scope of our audit work and in evaluating the results of our work; and

(ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of Parent and other company included in the consolidated financial statements for which we are the auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other matters:

a) The liaison office of Hariom Pipe Industries Limited located in Thailand is not audited by us. The financial information pertaining to the said liaison office reflects total assets of ₹ 0.19 lakhs as at March 31, 2026 and total revenue of ₹ 0 for the year then ended. The financial information pertaining to the liaison office has been provided by the management and is unaudited.

b) The consolidated financial statements include the audited financial statements and other financial information, in respect of the subsidiary " Hariom Power and Energy Private Limited" whose audited financial statements include (before consolidation) total assets of ₹ 4699.63 lakhs as at March 31, 2026, total revenue of ₹ 0, comprehensive (loss) of ₹ 8.22 lakh for the year ended on that date respectively and net cash outflow of ₹ 234.22 lakhs for the year ended March 31, 2026 as considered in these consolidated financial statements.

# INDEPENDENT AUDITOR'S REPORT

c) The consolidated financial statements include the audited financial statements and other financial information, in respect of the subsidiary " Metal Mart Private Limited" whose audited financial statements include (before consolidation) total assets of ₹ 10 lakhs as at March 31, 2026, total revenue of ₹ 0, comprehensive (loss) of ₹ 0.32 lakh for the year ended on that date respectively and net cash outflow of ₹ 10 lakhs for the year ended March 31, 2026 as considered in these consolidated financial statements.

Our opinion on the Statement in respect of above matters is not modified.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, and based on our audit, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit relating to preparation of the consolidated financial statement.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, as applicable.

e) On the basis of the written representations received from the directors of the Holding and subsidiary Companies as at March 31, 2026 taken on record by the Board of Directors of the Holding and subsidiary companies, none of the directors is disqualified as at March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Group with reference to these consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to consolidated financial statement of those companies.

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

(i) The Consolidated Financial Statements disclosed the impact of pending litigations as on March 31, 2026 on its Consolidated financial position of the Group in its Consolidated financial statements. (Refer note no. 34)

(ii) The Group does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

h) i) The respective Management of the Parent and its subsidiary which is incorporated in India have represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate),other than disclosed in notes to the consolidated financial statements, have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its Subsidiary company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its Subsidiary Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The respective Management of the Parent and its subsidiary which is incorporated in India have represented, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or its Subsidiary Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its Subsidiary Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

i) The Dividend paid by the Holding Company during the year is in compliance with the provision of Section 123 of the Act, as applicable.

j) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

k) Based on our examination which included test checks, the holding company has used an accounting software (Bizsol ERP) for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the said software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

l) With respect to the matters specified in paragraphs 3(xxi) of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report and according to the information and explanations given to us, and based on the CARO report of the Subsidiary Company, included in the Consolidated Financial Statements to which reporting under CARO is applicable. We report that there are no qualification or adverse remarks given in the CARO report of the Subsidiary Company.

**For R Kabra & Co LLP**
Chartered Accountants
(Firm Registration No. 104502W/W100721)

Sd/-
**Deepa Rathi**
(Partner)
**Membership No.:** 104808
**UDIN:** 26104808RDPQVG9568
**Place:** Hyderabad
**Date:** May 22, 2026

# ANNEXURE "A"

**TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HARIOM PIPE INDUSTRIES LIMITED**

**(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to consolidated financial statement of HARIOM PIPE INDUSTRIES LIMITED (herein after called as "Holding Company") and its subsidiary company as of 31st March, 2026 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

In our opinion, the Holding Company and its Subsidiary has, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31st March 2025, based on the internal financial controls with reference to Consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

## Management's Responsibility for Internal Financial Controls

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

## Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding company and subsidiary company, with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to these Consolidated Financial Statements.

## Meaning of Internal Financial Controls Over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements.

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting were operating effectively as at 31st March, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For R Kabra & Co LLP**
Chartered Accountants
(Firm Registration No. 104502W/W100721)

Sd/-
**Deepa Rathi**
(Partner)
**Membership No.:** 104808
**UDIN:** 26104808RDPQVG9568
**Place:** Hyderabad
**Date:** May 22, 2026

# CONSOLIDATED BALANCE SHEET

As at March 31, 2026

(₹ in Lakhs)

| Particulars | Note No. | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| (a) Property, plant and equipment | 2(a) | 43,522.77 | 42,271.91 |
| (b) Capital work-in-progress | 2(b) | 1,573.42 | 1,164.60 |
| (c) Right of use assets | 2(c) | 4,796.99 | 102.01 |
| (d) Intangible Assets | 2(d) | 36.92 | 8.79 |
| (e) Financial Assets | | | |
| Other financial assets | 3 | 3,353.46 | 435.48 |
| (f) Other non-current assets | 4 | 4,224.26 | 437.73 |
| **Total Non Current Assets** | | **57,507.83** | **44,420.51** |
| **Current assets** | | | |
| (a) Inventories | 5 | 40,457.93 | 42,670.37 |
| (b) Financial assets | | | |
| (i) Trade receivables | 6 | 18,907.31 | 20,249.10 |
| (ii) Cash and cash equivalents | 7(a) | 289.35 | 2,601.28 |
| (iii) Bank balances other than (ii) above | 7(b) | - | 2,477.35 |
| (iv) Other financial assets | 8 | 878.25 | 74.95 |
| (c) Other current assets | 9 | 3,948.14 | 7,193.62 |
| **Total Current Assets** | | **64,480.99** | **75,266.68** |
| **Total Assets** | | **1,21,988.82** | **1,19,687.19** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (a) Equity share capital | 10 | 3,096.73 | 3,096.73 |
| (b) Other equity | 11 | 61,556.29 | 54,170.69 |
| **Equity attributable to owners of the Company** | | **64,653.02** | **57,267.42** |
| Non-controlling interest | | 270.24 | - |
| **Total Equity** | | **64,923.26** | **57,267.42** |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 12 | 14,456.31 | 9,329.56 |
| (ia) Lease liabilities | 2(c) | 2,637.46 | 111.20 |
| (b) Provisions | 13 | 126.56 | 71.67 |
| (c) Deferred tax liabilities (Net) | 14 | 1,357.44 | 1,022.16 |
| **Total Non Current Liabilities** | | **18,577.76** | **10,534.59** |
| **Current liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 15 | 23,194.89 | 30,702.63 |
| (ia) Lease liabilities | 2(c) | 120.44 | 5.82 |
| (ii) Trade payables | 16 | | |
| (A) total outstanding dues of micro enterprises and small enterprises; and | | 115.18 | 74.50 |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises. | | 11,064.41 | 18,564.27 |
| (iii) Other financials liabilities | 17 | 1,740.78 | 1,095.51 |
| (b) Other current liabilities | 18 | 1,313.75 | 676.81 |
| (c) Provisions | 19 | 11.13 | 6.26 |
| (d) Current tax liabilities (Net) | 20 | 927.21 | 759.37 |
| **Total Current Liabilities** | | **38,487.81** | **51,885.18** |
| **Total Equity and Liabilities** | | **1,21,988.82** | **1,19,687.19** |

Material accounting policies and notes to accounts 1 to 56

As per our report of even date annexed hereto.

**FOR R KABRA & CO. LLP**
Chartered Accountants
Firm Registration No: 104502W/W100721

Sd/-
**Deepa Rathi**
(Partner)
Membership No: 104808
UDIN: 26104808RDPQVG9568

Place: Hyderabad
Date: May 22, 2026

On behalf of the Board
**HARIOM PIPE INDUSTRIES LIMITED**

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

Sd/-
**Shailesh Kumar Gupta**
(Whole Time Director)
DIN 00540862

Sd/-
**Amitabha Bhattacharya**
(Chief Financial Officer)

Sd/-
**Rekha Singh**
(Company Secretary)
Membership No: A33986

Place: Hyderabad
Date: May 22, 2026

# STATEMENT OF CONSOLIDATED PROFIT AND LOSS

For the year ended March 31, 2026

(₹ in Lakhs)

| | Particulars | Note No. | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|---|
| I | Revenue from operations | 21 | 1,66,695.39 | 1,35,704.88 |
| II | Other income | 22 | 1,315.82 | 289.47 |
| III | **Total Income (I+II)** | | **1,68,011.21** | **1,35,994.35** |
| IV | **EXPENSES** | | | |
| | Cost of materials consumed | 23 | 1,25,932.41 | 1,10,683.92 |
| | Purchase Stock in Trade | | 4,954.54 | 977.62 |
| | Changes in inventories of finished goods, stock-in-trade and work-in-progress | 24 | (679.99) | (6,900.08) |
| | Employee benefits expense | 25 | 5,743.04 | 5,039.95 |
| | Finance costs | 26 | 5,354.60 | 4,491.24 |
| | Depreciation and amortization expenses | 2 | 6,526.18 | 5,030.61 |
| | Power and fuel | | 7,158.45 | 6,477.24 |
| | Other expenses | 27 | 2,647.54 | 1,883.62 |
| | **Total expenses (IV)** | | **1,57,636.78** | **1,27,684.12** |
| V | **Profit before tax (III-IV)** | | **10,374.43** | **8,310.23** |
| VI | **Tax expense:** | 28 | | |
| | (1) Current tax | | 2,394.99 | 1,938.73 |
| | (2) Deferred tax | | 334.28 | 198.83 |
| | (3) Tax related to earlier tax period | | 74.37 | 0.06 |
| | **Total Tax Expense (VI)** | | **2,803.65** | **2,137.62** |
| VII | **Profit for the period from continuing operations (V-VI)** | | **7,570.78** | **6,172.60** |
| VIII | Profit/(loss) from discontinued operations | | - | - |
| IX | Tax expenses of discontinued operations | | - | - |
| X | **Profit from discontinued operations (after tax) (VIII-IX)** | | - | - |
| XI | **Profit for the period (VII+X)** | | **7,570.78** | **6,172.60** |
| XII | **Other Comprehensive Income** | | | |
| | A. (i) Items that will not be reclassified to (profit) or loss | | | |
| | Remeasurements of post employment benefit obligation | | (3.96) | 1.25 |
| | Income tax relating to items that will not be reclassified to profit or loss | | 1.00 | (0.32) |
| | B. (i) Items that will be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - |
| XIII | **Total Comprehensive Income for the Year (XI-XII)** | | **7,573.74** | **6,171.66** |
| XIV | **Profit/(loss) for the year attributable to:** | | | |
| | Non-controlling interest | | (0.76) | - |
| | Owners of the Holding Company | | 7,571.54 | 6,172.60 |
| | **Other comprehensive income for the year attributable to:** | | | |
| | Non-controlling interest | | - | - |
| | Owners of the Holding Company | | (2.96) | 0.94 |
| | **Total comprehensive income for the year attributable to:** | | | |
| | Non-controlling interest | | (0.76) | - |
| | Owners of the Holding Company | | 7,574.50 | 6,171.66 |
| XV | **Earnings per equity share (Face Value of ₹ 10 Each) (for continuing operation):** | 29 | | |
| | (1) Basic | | 24.45 | 20.25 |
| | (2) Diluted | | 24.45 | 19.93 |

Material accounting policies and notes to accounts 1 to 56

As per our report of even date annexed hereto.

**FOR R KABRA & CO. LLP**
Chartered Accountants
Firm Registration No: 104502W/W100721

Sd/-
**Deepa Rathi**
(Partner)
Membership No: 104808
UDIN: 26104808RDPQVG9568

Place: Hyderabad
Date: May 22, 2026

On behalf of the Board
**HARIOM PIPE INDUSTRIES LIMITED**

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

Sd/-
**Shailesh Kumar Gupta**
(Whole Time Director)
DIN 00540862

Sd/-
**Amitabha Bhattacharya**
(Chief Financial Officer)

Sd/-
**Rekha Singh**
(Company Secretary)
Membership No: A33986

Place: Hyderabad
Date: May 22, 2026

# STATEMENT OF CONSOLIDATED CASH FLOWS

For the year ended March 31, 2026

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **A. CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Net Profit/(Loss) before tax for the year | 10,374.43 | 8,310.23 |
| Adjustments for: | | |
| Interest income | (371.20) | (243.69) |
| Government Grant | (844.85) | - |
| Net unrealised foreign exchange (gain) / loss | (0.87) | - |
| Profit on sale of Property, Plant and Equipment | (102.32) | (24.89) |
| Depreciation and amortization expenses | 6,526.18 | 5,030.61 |
| Finance Charges other than interest on CFI | 5,344.62 | 4,481.95 |
| Interest on CFI | 9.99 | 9.29 |
| Provision for Expected Credit Loss | 76.96 | - |
| **Operating profit before working capital changes** | **21,012.92** | **17,563.50** |
| **Movement in working capital:** | | |
| (Increase)/Decrease Trade & other receivables | 4,484.13 | (12,413.65) |
| (Increase)/Decrease Inventories | 2,212.43 | (13,016.39) |
| Increase/(Decrease) Trade payables & other liabilities | (6,201.81) | 17,205.00 |
| Cash Generated From Movement in working capital | **494.76** | **(8,225.04)** |
| Less: Income taxes paid | (2,301.53) | (1,475.20) |
| **Net cash flow From Operating Activities (A)** | **19,206.14** | **7,863.26** |
| **B CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Purchase of Property, Plant & Equipment (Including Capital Advances) | (15,544.93) | (10,585.08) |
| Sale of Property, Plant & Equipment | 146.68 | 80.21 |
| (Increase)/ decrease in Capital-work-in progress | (402.54) | 149.71 |
| Purchase of Intangible Assets | (31.61) | (7.96) |
| (Increase) / decrease in deposits | 1,550.89 | 1,659.63 |
| Interest received | 229.04 | 131.84 |
| **Net cash flow used in Investing Activities - (B)** | **(14,052.48)** | **(8,571.64)** |
| **C CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Proceeds from issue of share capital by subsidiary to non-controlling shareholders | 271.00 | - |
| Proceeds from issue of Share Warrants (Refer Note 13.2) | - | 5,439.35 |
| Issue Expenses amortised with securities premium | - | (569.59) |
| Dividend Paid | (188.90) | (185.75) |
| Long term borrowings - Term loans from banks and others | 8,951.57 | 21.50 |
| Repayment of long term borrowings - Term loans from banks and others | (2,798.36) | (2,869.69) |
| Proceed/(Repayment) in Other Borrowings | - | (33.83) |
| Proceed/(Repayment) in short term borrowings - working capital loans | (7,725.65) | 5,795.75 |
| Finance Charges other than interest on CFI | (5,976.12) | (4,466.03) |
| **Net cash flow from Financing Activities (C)** | **(7,466.46)** | **3,131.69** |
| **Net increase/ (decrease) in Cash & cash equivalents (A+B+C)** | **(2,312.80)** | **2,423.31** |
| Opening Balances of Cash and cash equivalents | 2,601.28 | 177.97 |
| Exchange difference on translation of foreign currency cash and cash equivalents | 0.87 | - |
| **Closing Balances of Cash and Cash Equivalents** | **289.35** | **2,601.29** |

# STATEMENT OF CONSOLIDATED CASH FLOWS

For the year ended March 31, 2026

Notes:

1 Statement of Cash Flows has been prepared under the indirect method as set out in the IND AS "Statement of Cash Flows" as prescribed in the Companies (Indian Accounting Standards), Rules 2015

2 Components of cash and cash equivalents

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Cash on Hand | 2.25 | 10.96 |
| Balance with Banks: | | |
| On Current Accounts | 287.10 | 2,590.32 |
| **Total cash and cash equivalents (refer note 8(a))** | **289.35** | **2,601.28** |

3 Previous year figures have been regrouped/reclassified wherever considered necessary

As per our report of even date annexed hereto.

**FOR R KABRA & CO. LLP**
Chartered Accountants
Firm Registration No: 104502W/W100721

Sd/-
**Deepa Rathi**
(Partner)
Membership No: 104808
UDIN: 26104808RDPQVG9568

Place: Hyderabad
Date: May 22, 2026

On behalf of the Board
**HARIOM PIPE INDUSTRIES LIMITED**

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

Sd/-
**Shailesh Kumar Gupta**
(Whole Time Director)
DIN 00540862

Sd/-
**Amitabha Bhattacharya**
(Chief Financial Officer)

Sd/-
**Rekha Singh**
(Company Secretary)
Membership No: A33986

Place: Hyderabad
Date: May 22, 2026

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2026

## A. Equity Share Capital

### As at March 31, 2026

(₹ in Lakhs)

| Opening balance as at April 1, 2025 | | Changes in Equity Share Capital due to prior period errors | | Restated balance as at April 1, 2025 | | Changes in equity share capital during the current period | | Balance as at March 31, 2026 | |
|---|---|---|---|---|---|---|---|---|---|
| No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount |
| 3,09,67,289 | 3,096.73 | - | - | 3,09,67,289 | 3,096.73 | - | - | 3,09,67,289 | 3,096.73 |

### As at March 31, 2025

(₹ in Lakhs)

| Opening balance as at April 1, 2024 | | Changes in Equity Share Capital due to prior period errors | | Restated balance as at April 1, 2024 | | Changes in equity share capital during the current period | | Balance as at March 31, 2025 | |
|---|---|---|---|---|---|---|---|---|---|
| No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount |
| 2,88,65,126 | 2,886.51 | - | - | 2,88,65,126 | 2,886.51 | 21,02,163 | 210.22 | 3,09,67,289 | 3,096.73 |

## B. Other Equity

### (1) For the year ended March 31, 2026

(₹ in Lakhs)

| Particulars | Equity component of compound financial instruments | Capital Redemption Reserves | Reserves and surplus | | | Money received against Share Warrants | Total |
|---|---|---|---|---|---|---|---|
| | | | Capital Reserve | Securities premium | Retained Earnings | | |
| **Balance as at April 1, 2025** | 84.19 | 36.62 | 5.79 | 30,745.80 | 23,298.28 | - | 54,170.69 |
| Changes in accounting policy/prior period errors | - | - | - | - | - | - | - |
| **Restated balance at the beginning of the current reporting period** | **84.19** | **36.62** | | **30,745.80** | **23,298.28** | **-** | **54,164.89** |
| Additions during the year: | | | | | | | |
| (a) Total Comprehensive Income for the year | - | - | - | - | 7,574.50 | - | 7,574.50 |
| (b) Dividend | - | - | - | - | (188.90) | - | (188.90) |
| | **-** | **-** | **-** | **-** | **7,385.60** | **-** | **7,385.60** |
| **Balance as at March 31, 2026** | **84.19** | **36.62** | **5.79** | **30,745.80** | **30,683.88** | **-** | **61,556.29** |

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2026

## (2) For the year ended March 31, 2025

(₹ in Lakhs)

| Particulars | Equity component of compound financial instruments | Capital Redemption Reserves | Reserves and surplus | | | Money received against Share Warrants | Total |
|---|---|---|---|---|---|---|---|
| | | | Capital Reserve | Securities premium | Retained Earnings | | |
| **Balance as at April 1, 2024** | 84.19 | 36.62 | | 24,273.15 | 17,312.37 | 1,818.91 | 43,525.24 |
| Changes in accounting policy/prior period errors | - | - | | - | - | | - |
| Restated balance at the beginning of the current reporting period | 84.19 | 36.62 | | 24,273.15 | 17,312.37 | 1,818.91 | 43,525.24 |
| Additions during the year: | | | | | | | |
| (a) Total Comprehensive Income for the year | - | - | - | - | 6,171.66 | - | 6,171.66 |
| (b) Dividend | - | - | - | - | (185.75) | - | (185.75) |
| (c) Premium on issue of equity shares | - | - | - | - | - | - | - |
| (d) Premium on Conversion of Warrants to equity shares | - | - | - | 7,042.25 | - | - | 7,042.25 |
| (e) Share issue expenses | - | - | - | (569.59) | - | - | -569.59 |
| (f) Share Application Money pending Allotment (Equities and Warrants) | - | - | - | - | - | - | - |
| (g) Money Received Against Share Warrants | - | - | - | - | - | 5,439.35 | 5,439.35 |
| (h) Share Warrants converted into equity Shares | - | - | - | - | - | (7,252.46) | -7,252.46 |
| (i) Forfeiture of Share Warrant Money on Non-Exercise of Conversion Option | - | - | 5.79 | - | - | (5.79) | - |
| | **-** | **-** | **5.79** | **6,472.65** | **5,985.91** | **(1,818.91)** | **10,645.45** |
| **Balance as at March 31, 2025** | **84.19** | **36.62** | **5.79** | **30,745.80** | **23,298.28** | **-** | **54,170.69** |

Description of the purposes of each reserves within equity (Refer note no. 11.1 to 11.3)

On behalf of the Board
**HARIOM PIPE INDUSTRIES LIMITED**

**FOR R KABRA & CO. LLP**
Chartered Accountants
Firm Registration No: 104502W/W100721

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

Sd/-
**Shailesh Kumar Gupta**
(Whole Time Director)
DIN 00540862

Sd/-
**Deepa Rathi**
(Partner)
Membership No: 104808
UDIN: 26104808RDPQVG9568

Sd/-
**Amitabha Bhattacharya**
(Chief Financial Officer)

Sd/-
**Rekha Singh**
(Company Secretary)
Membership No: A33986

Place: Hyderabad
Date: May 22, 2026

Place: Hyderabad
Date: May 22, 2026

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

## GROUP BACKGROUND:

Hariom Pipe Industries Limited (Holding Company) (CIN: L27100TG2007PLC054564), established in 2007, is a public limited company incorporated in India. The Holding Company is a prominent manufacturer of high-quality steel products in India, including mild steel (MS) pipes, scaffolding, Galvanized Pipes/Coil and Cold Roll Pipes/Coil. Its integrated operations of the Holding Company from producing raw materials like sponge iron and billets to final products i.e. pipes, scaffolding, HR strips ensure stringent quality control and cost efficiency.

The state-of-the-art facilities and robust distribution network of the Holding Company across south India allow it to meet the diverse needs of construction and infrastructure sectors. Its customer centric approach with the priority to the customer satisfaction the dedication to innovation and excellence and continuously expanding the product range, enhancing production capabilities to support India's infrastructure development as a corporate citizen provides the Holding Company ample growth opportunities to be a leading manufacturing in its peer group.

The Holding Company has five manufacturing facilities located at:

a) Works 3-45/1, Sy.No.62 & 63, Sheriguda Paddayapally (G.P.) Balanagar Mahbubnagar, Telangana (PIN: 509202)

b) Survey number 98, D Hirehal Village, Ananthapur, Andhra Pradesh. (PIN: 515872)

c) Plot No. B-15 to B-28, SIPCOT INDL, Growth Centre, Perundurai Erode, Tamil Nadu. (PIN: 638052)

d) Sy.No.39, Sheriguda Paddayapally (G.P.) Balanagar Mahbubnagar, Telangana (PIN: 509202)

e) Sy.No.60, Sheriguda Paddayapally (G.P.) Balanagar Mahbubnagar, Telangana (PIN: 509202) (Ultra Pipes)

The equity shares of the Holding Company are listed on Bombay Stock Exchange (BSE) (BSE scrip code-543517) and National Stock Exchange (NSE) (NSE symbol- HARIOMPIPE) since April 13, 2022.

The Group consists of Hariom Pipe Industries Limited ("Holding Company") and its subsidiaries, namely Hariom Power and Energy Private Limited and Metal Mart Private Limited.

Hariom Power and Energy Private Limited was a wholly owned subsidiary of the Holding Company up to November 20, 2025 and thereafter continued as a subsidiary of the Holding Company. Metal Mart Private Limited was incorporated on January 22, 2026 as a subsidiary of the Holding Company in which the Holding Company holds 70% of the equity share capital.

## 1. MATERIAL ACCOUNTING POLICIES

**(a) Statement of compliance:**

These consolidated financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 ("the Act") and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, issued by Ministry of Corporate Affairs under section 133 of the Companies Act 2013. In addition, the Guidance Notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) from time to time are also applied except where compliance with other statutory promulgations require a different treatment. These consolidated financiaal statements have been approved for issue by the Board of Directors of the Holding Company at their meeting held on May 22, 2026.

**(b) Basis of preparation:**

The Group maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with the requirement of Ind AS. The carrying value of all the items of property, plant and equipment and investment property as on date of transition is considered as the deemed cost. Fair value measurements under Ind AS are categorized as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

Level 1 - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date;

Level 2 - inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 - inputs are unobservable inputs for the valuation of assets/liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

**(c) Basis of consolidation:**

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the Holding Company and its subsidiaries used in the preparation of the consolidated financial statements are drawn up to the same reporting date i.e. March 31, 2026. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group are eliminated in full on consolidation.

Non-controlling interest represents the share of net assets and profit or loss attributable to the equity holders of subsidiaries who are not part of the Holding Company's ownership interest. Non-controlling interest is presented separately within equity in the consolidated financial statements.

**(d) Presentation of Financial Statements**

The consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Statement of Changes in Equity are prepared and presented in the formats prescribed under Schedule III Division (ii) to the Act. The Statement of cash flows is prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the consolidated Balance Sheet, consolidated Statement of Profit and Loss and consolidated Statement of Changes in Equity as prescribed in the Schedule III Division (ii) to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified IND AS.

**(e) Use of estimates and critical accounting judgments:**

In preparation of these consolidated financial statements, the Group makes judgments in the application of accounting policies, estimates and assumptions which affects the carrying values of assets and liabilities that are not readily available/apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and future periods affected.

The following are the critical judgments, apart from those involving estimations that the directors of the Holding Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

**Deferred income tax assets and liabilities:**

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The amount of total deferred tax assets/ (Liabilities) could change if estimates of projected future taxable income or if tax regulations undergo a change.

**Income Taxes:**

Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Group estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charges in the Statement of Profit or Loss.

Provision for tax liabilities require judgments on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty.

Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss."

**Useful lives of Property, plant and equipment ('PPE'):**

The Group reviews the estimated useful lives and residual value of PPE at the end of each reporting period. The factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

**Defined benefit plans:**

The cost of the defined benefit plans and the present value of the defined benefit obligation ('DBO') are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**Fair value measurement of Compound Financial Instruments:**

The Group recognizes separately the components of a financial instrument that (a) creates a financial liability of the entity and (b) grants an option to the holder of the instrument to convert it into an equity instrument of the entity. From the perspective of the Group, such an instrument comprises two components: a financial liability (a contractual arrangement to deliver cash or another financial asset) and an equity instrument (a call option granting the holder the right, for a specified period of time, to convert it into a fixed number of ordinary shares of the entity).

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

**(f) Current and non-current classification and operating cycle:**

All the assets and liabilities have been classified as current or noncurrent as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

**Assets:**

An asset is classified as current when it satisfies any of the following criteria:

it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

it is held primarily for the purpose of being traded;

it is expected to be realised within twelve months after the reporting date; or

it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

**Liabilities:**

A liability is classified as current when it satisfies any of the following criteria:

it is expected to be settled in the Group's normal operating cycle;

it is held primarily for the purpose of being traded;

it is due to be settled within twelve months after the reporting date; or

the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets/ liabilities are classified as non-current.

**(g) Functional and presentation currency:**

The financial statements are presented in Indian rupee (INR) (rounded off to ₹ In lakhs), which is functional and presentation currency.

**(h) Revenue recognition:**

The revenue is recognized once the entity satisfied that the performance obligation & control are transferred to the customers.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (Net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of Variable consideration on account of.

**(i) Sale of goods:**

The Group derives revenue from Sale of Goods and revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration the Group expects to receive in exchange for those goods in accordance with IND AS 115 "Revenue from Contracts with Customers". To recognize revenues, the Group applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

Any change in scope or price is considered as a contract modification. The Group accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price.

The Group accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Group estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

**(ii) Other income**

A. Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.

B. Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably

**(iii) Government grants:**

Government grants are accounted for in accordance with Ind AS 20 – Accounting for Government Grants and Disclosure of Government Assistance. Government grants are recognised only when there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Grants which are in the nature of reimbursement of expenses, costs already incurred, or incentives linked to operations are recognised in the Statement of Profit and Loss on a systematic basis in the period in which the related costs are recognised or when the eligible claim becomes receivable, as applicable. Such grants are presented under "Other Income" unless they are adjusted against the related expense based on the nature of the grant.

Government grants related to assets, if any, are presented as deferred income and recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the related asset.

During the year, the Group has recognised government grant income in respect of reimbursement of power cost, term loan interest subsidy and net SGST reimbursement under the applicable incentive

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

schemes, based on the sanction / approval received from the Government authorities and management's assessment that there is reasonable assurance regarding compliance with the conditions attached to such grants and receipt of the eligible amount.

This is aligned with Ind AS 20, which requires recognition only when there is reasonable assurance that conditions will be complied with and the grant will be received, and recognition in profit or loss on a systematic basis over the periods in which related costs are recognised.

**(i) Foreign currency translation:**

(i) The consolidated financial statements are presented in Indian rupee (INR), which is functional and presentation currency.

**(ii) Transactions and balances:**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in consolidated Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the consolidated Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the consolidated Statement of Profit and Loss on a net basis within other gains/ (losses).

**(j) Segment reporting**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM').

The Holding Company's Board has identified the CODM who is responsible for financial decision making and assessing performance. The Group has a single operating segment as the operating results of the Group are reviewed on an overall basis by the CODM.

**(k) Exceptional items:**

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and the same is disclosed in the notes to accounts.

**(l) Property, plant and equipment and capital work-in-progress:**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost is inclusive of inward freight, net of tax/duty credits availed, if any, and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit or Loss during the reporting period in which they are incurred.

Where an item of property, plant and equipment comprises significant components having different useful lives, such components are accounted for separately and depreciated over their respective useful lives in accordance with the component accounting requirements under Schedule II to the Companies Act, 2013 and Ind AS 16 – Property, Plant and Equipment. The carrying amount of any component accounted for as a separate asset is derecognised when replaced or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset / component is recognised in the Statement of Profit and Loss.

Land acquired on lease for period exceeding 90 years is recognized as leasehold land at the cost, at the time of lease commencement. Any initial direct cost related to acquiring leasehold land (including expenses incurred to bring the land into use) are capitalized and included in the cost of asset. The policy is based on the understanding that leasehold land is generally considered to have an extended economic life and does not experience a significant decline in value over the lease terms. Leasehold land will not be subject to depreciation

Projects under which tangible property, plant and equipment are not yet ready for their intended use are carried at cost, comprising of direct cost, related incidental expenses and attributable interest in case of qualifying assets.

Any excess of net sale proceeds of items produced over the cost of testing, if any, is deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

Machinery spares which can be used only in connection with an item of property, plant and equipment and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

**Capital work-in-progress:**
Projects under which tangible Property, Plant & Equipment are not yet ready for their intended use are carried at cost, comprising direct cost, net of tax/duty credits availed, if any, related incidental expenses and attributable interest, in case of qualifying assets.

**Depreciation methods, estimated useful lives and residual value:**
Depreciation is systematically allocated over the useful life of the asset as specified in Schedule II of the Act on Written Down Method. Depreciation on property, plant and equipment added/disposed of during the year is provided on pro-rata basis with reference to the date of addition/ disposal. Freehold land is not depreciated.

**(m) Intangible assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Research and development expenditure on new products:

Expenditure on research is expensed under respective heads of account in the period in which it is incurred.

Development expenditure on new products is capitalised as intangible asset, if all of the following can be demonstrated:

A. the technical feasibility of completing the intangible asset so that it will be available for use or sale;

B. the Group has intention to complete the intangible asset and use or sell it;

C. the Group has the ability to use or sell the intangible asset;

D. the manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;

E. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

F. the Group has the ability to reliably measure the expenditure attributable to the intangible asset during its development.

Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as “intangible assets under development”. Intangible assets are amortized on straight line basis over the estimated useful life. The method of amortization and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis. Amortization on impaired assets is provided by adjusting the amortization charge in the remaining periods so as to allocate the asset’s revised carrying amount over its remaining useful life.

**(n) Impairment of assets:**

At each balance sheet date, the Group reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the assets do not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the highest of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years.

**(o) Employee benefits:**

**(i) Short-term obligations:**
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees’ services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

**(ii) Other long-term employee benefit obligations:**
The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

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

**(iii) Post-employment obligations:**
Defined contribution plans: The Group's contribution to provident fund are considered as defined contribution plans and are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans: For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Other Comprehensive Income in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by fair value of plan assets (being the funded portion).

The Group operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund managed by an insurance Group.

**(p) Lease**
The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease, and

(iii) the Group has the right to direct the use of the asset

At the date of commencement of the lease, the Group recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses

Right-of-use assets are depreciated on a straight-line basis over the lease term. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the respective leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment of whether it will exercise an extension or a termination option

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

**(q) Financial instruments – initial recognition, subsequent measurement and impairment:**
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**A. Investments and other financial assets**
(i) Classification:
The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.
- those measured at cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit or loss or other comprehensive income.

Investments in subsidiaries are eliminated on consolidation.

The classification criteria of the Group for debt instruments are provided as under:

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

Debt instruments:
Depending upon the business model of the Group, debt instruments can be classified under following categories:

- Debt instruments measured at amortised cost
- Debt instruments measured at fair value through other comprehensive income
- Debt instruments measured at fair value through profit or loss

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) Measurement:
At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the consolidated statement of profit or loss.

Debt instruments:
Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the consolidated statement of profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through other comprehensive income:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised and presented net in the consolidated statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(iii) Impairment of financial assets:
The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36 details how the Group determines whether there has been a significant increase in credit risk.

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

Expected credit losses are recognised through a loss allowance based on the credit risk associated with the financial asset.

For trade receivables, the Group applies the simplified approach permitted under Ind AS 109. Accordingly, the Group recognises lifetime expected credit losses at each reporting date, without separately tracking changes in credit risk.

The Group assesses impairment allowance on trade receivables based on ageing, historical collection pattern, customer payment behaviour, subsequent recoveries, disputes, materiality and management's assessment of recoverability. Where receivables are significant and slow moving, an appropriate allowance is recognised as per the Group's expected credit loss policy.

Receivables which are specifically identified as not recoverable are written off by reducing the carrying amount of trade receivables, and the loss is recognised in the Statement of Profit and Loss. Subsequent recoveries of amounts previously written off are recognised as other income.

(iv) Derecognition of financial assets:
A financial asset is derecognised only when:

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

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

**B. Financial Liabilities:**

(a) Classification:

The Group classifies its financial liabilities in the following measurement categories:

- Financial liabilities measured at fair value through profit or loss
- Financial liabilities measured at amortized cost

(b) Measurement:

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. At initial recognition, such financial liabilities are recognised at fair value.

Financial liabilities at fair value through profit or loss are, at each reporting date, measured at fair value with all the changes recognized in the Statement of Profit and Loss.

Financial liabilities measured at Amortized Cost:

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in the statement of profit or loss.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss over the period of the financial liabilities using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

(c) De-recognition of financial liability:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss as other income or finance costs.

(d) Compound financial instruments:

Compound financial instruments issued by the respective Group entity which can be converted into fixed number of equity shares at the option of the holders irrespective of changes in the fair value of the instrument are accounted by separately recognising the liability and the equity components. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

**(r) Offsetting financial instruments:**

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

**(s) Inventories:**

Raw materials, consumable stores, stores and spares, and finished goods inventories are valued at the lower of cost (using weighted average method) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase, all charges in bringing the goods to the point of sale, including indirect levies, net of recoveries, if any, transit insurance and receiving charges. Finished goods include appropriate proportion of overheads and, where applicable. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition.

Raw materials and stores are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

Assessment of net realisable value is made in each subsequent period and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

**(t) Cash and cash equivalents:**

Cash and bank balances include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short-term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

**(u) Securities premium account:**

Securities premium of the Holding Company includes the difference between the face value of the shares of the Holding Company and the consideration received in respect of shares issued.

The issue expenses of securities which qualify as equity instruments are written off against securities premium account, if and when such expenses are incurred, and as per the decision of the management.

**(v) Borrowing costs:**

General and specific borrowing costs (includes interest expense calculated using the effective interest method, other costs and expenses in relation to the borrowing) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which these are incurred.

**(w) Cash Flow Statement:**

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short- term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

Short term borrowings, repayments and advances having maturity of three months or less, are shown as net in cash flow statement.

**(x) Income tax:**

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each year adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Minimum Alternate Tax (MAT) is not recognized as a deferred tax asset as the Group is not liable for MAT tax

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income. In such case, the tax is also recognised in Other Comprehensive Income.

**(y) Provisions:**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

In case of onerous contracts, the Group recognizes the impairment losses if any, occurred on assets used in fulfilling the contract.

**(z) Contingent liabilities:**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

**(za) Earnings per share:**

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to the equity shareholders of the Holding Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax attributable to the equity shareholders of the Holding Company as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been adjusted prospectively, if appropriate.

**(zb) Borrowings:**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Group does not classify the liability as current, if the lender has agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**(zc) Impact of new IND AS or amendments issued:**

The Ministry of Corporate Affairs has notified certain amendments to the Companies (Indian Accounting Standards) Rules, 2015. The recent amendments mainly relate to Ind AS 21 on lack of exchangeability of foreign currencies, Ind AS 1 on classification of liabilities as current or non-current, and Ind AS 7 / Ind AS 107 on additional disclosures for supplier finance arrangements. ICAI has also included the recent MCA-notified amendments in its Compendium of Indian Accounting Standards for the year 2025-2026.

The Group has evaluated the aforesaid amendments while preparing these consolidated financial statements for the year ended March 31, 2026. Based on the evaluation, these amendments do not have any material impact on the recognition, measurement or presentation of amounts reported in these financial statements. However, wherever applicable, the Group has considered the additional disclosure requirements arising from these amendments.

Further, amendments which are applicable for future reporting periods will be evaluated by the Group in the period in which they become applicable.

HARIOM PIPES | SCAFFOLDING | COILS

**Note no. 2(a):**

**Property, plant and equipment (PPE)**
**As at March 31, 2026**

(₹ in Lakhs)

| Property, plant and equipment | Gross carrying amount | | | | Accumulated Depreciation | | | | Net carrying amount | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at April 1, 2025 | Additions | Disposals / Adjustment | As at March 31, 2026 | As at April 1, 2025 | Additions | Disposals / Adjustment | As at March 31, 2026 | As at March 31, 2026 | As at March 31, 2025 |
| (a) Land | 839.02 | 165.00 | - | 1,004.02 | - | - | - | - | 1,004.02 | 839.02 |
| (b) Leasehold Land | 690.20 | - | - | 690.20 | - | - | - | - | 690.20 | 690.20 |
| (c) Buildings | 8,421.33 | 2,393.16 | - | 10,814.49 | 1,931.22 | 751.99 | - | 2,683.21 | 8,131.29 | 6,490.11 |
| (d) Plant and Equipment: | | | | | | | | | | |
| Plant & machinery | 32,006.49 | 804.92 | 77.94 | 32,733.46 | 5,794.93 | 3,717.70 | 41.02 | 9,471.61 | 23,261.85 | 26,211.55 |
| Pollution equipment's | 1,072.42 | 2.18 | - | 1,074.60 | 290.44 | 108.51 | - | 398.95 | 675.66 | 781.99 |
| Tools components, spares and others | 5,310.66 | 1,274.26 | - | 6,584.92 | 2,332.51 | 474.31 | - | 2,806.82 | 3,778.09 | 2,978.15 |
| Rolls | 1,120.06 | 447.12 | 85.35 | 1,481.82 | 545.39 | 228.64 | 77.95 | 696.08 | 785.74 | 574.67 |
| Solar panels | 1,860.61 | - | - | 1,860.61 | 137.31 | 124.08 | - | 261.39 | 1,599.21 | 1,723.29 |
| (e) Furniture and Fixtures | 105.23 | 12.17 | - | 117.40 | 63.20 | 16.80 | - | 80.00 | 37.40 | 42.03 |
| (f) Vehicles | 690.21 | 195.15 | - | 885.36 | 392.63 | 141.25 | - | 533.88 | 351.48 | 297.58 |
| (g) Office equipment's | 93.86 | 16.11 | - | 109.97 | 57.79 | 18.86 | - | 76.65 | 33.32 | 36.07 |
| (h) Electrical equipment's | 3,443.68 | 2,189.85 | 0.18 | 5,633.35 | 1,870.69 | 625.51 | 0.15 | 2,496.04 | 3,137.30 | 1,572.99 |
| (i) Air conditioners | 33.80 | 6.70 | - | 40.50 | 12.70 | 10.49 | - | 23.19 | 17.31 | 21.10 |
| (j) Computers | 47.05 | 14.93 | - | 61.98 | 33.90 | 8.19 | - | 42.08 | 19.89 | 13.15 |
| **Total** | **55,734.61** | **7,521.54** | **163.47** | **63,092.68** | **13,462.70** | **6,226.33** | **119.12** | **19,569.90** | **43,522.77** | **42,271.91** |

## Note no. 2(a):

**Property, plant and equipment (PPE)**
**As at March 31, 2025**

(₹ in Lakhs)

| Property, plant and equipment | Gross carrying amount | | | | Accumulated Depreciation | | | | Net carrying amount | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at April 1, 2024 | Additions | Disposals / Adjustment | As at March 31, 2025 | As at April 1, 2024 | Additions | Disposals / Adjustment | As at March 31, 2025 | As at March 31, 2025 | As at March 31, 2024 |
| (a) Land | 828.87 | 10.16 | - | 839.02 | - | - | - | - | 839.02 | 828.87 |
| (b) Leasehold Land | 690.20 | - | - | 690.20 | - | - | - | - | 690.20 | 690.20 |
| (c) Buildings | 7,822.25 | 599.08 | - | 8,421.33 | 1,278.32 | 652.90 | - | 1,931.22 | 6,490.11 | 6,543.93 |
| (d) Plant and Equipment: | | | | | | | | | | |
| Plant & machinery | 23,750.36 | 8,256.13 | - | 32,006.49 | 2,730.23 | 3,064.70 | - | 5,794.93 | 26,211.55 | 21,020.12 |
| Pollution equipment's | 1,060.48 | 11.94 | - | 1,072.42 | 165.87 | 124.57 | - | 290.44 | 781.99 | 894.61 |
| Tools components, spares and others | 4,955.34 | 433.02 | 77.70 | 5,310.66 | 1,982.15 | 391.83 | 41.47 | 2,332.51 | 2,978.15 | 2,973.19 |
| Rolls | 988.86 | 229.31 | 98.11 | 1,120.06 | 449.98 | 174.44 | 79.02 | 545.39 | 574.67 | 538.88 |
| Solar panels | 1,056.75 | 803.85 | - | 1,860.61 | 59.46 | 77.85 | - | 137.31 | 1,723.29 | 997.29 |
| (e Furniture and Fixtures | 90.33 | 14.90 | - | 105.23 | 40.03 | 23.17 | - | 63.20 | 42.03 | 50.30 |
| (f) Vehicles | 609.16 | 81.05 | - | 690.21 | 280.99 | 111.64 | - | 392.63 | 297.58 | 328.18 |
| (g Office equipment's | 71.59 | 22.27 | - | 93.86 | 39.82 | 17.97 | - | 57.79 | 36.07 | 31.77 |
| (h) Electrical equipment's | 3,090.81 | 352.86 | - | 3,443.68 | 1,507.93 | 362.75 | - | 1,870.69 | 1,572.99 | 1,582.88 |
| (i) Air conditioners | 18.49 | 15.31 | - | 33.80 | 7.12 | 5.58 | - | 12.70 | 21.10 | 11.37 |
| (j) Computers | 38.52 | 8.53 | - | 47.05 | 24.69 | 9.20 | - | 33.90 | 13.15 | 13.82 |
| **Total** | **45,072.00** | **10,838.41** | **175.81** | **55,734.61** | **8,566.59** | **5,016.60** | **120.49** | **13,462.70** | **42,271.91** | **36,505.41** |

2(a)(i): All the Property, plant and equipment are secured term loans as primary securities against secured loans and as collateral securities for working capital finance with the respective financers (Refer Note 12 and 15)

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

## 2(b): Capital Work-in-Progress

**As at March 31, 2026**

(₹ in Lakhs)

| Particulars | As at April 1, 2025 | Additions | Disposal/ Adjustments | As at March 31, 2026 |
|---|---|---|---|---|
| Buildings | 319.70 | 296.25 | 122.91 | 493.04 |
| Electrical equipments | 2.69 | 0.36 | - | 3.06 |
| Plant & machinery | 471.11 | 690.89 | 469.46 | 692.54 |
| Pollution equipments | 10.17 | 0.55 | - | 10.72 |
| Tools components, spares and others | 360.93 | 13.13 | - | 374.06 |
| **Total** | **1,164.60** | **1,001.19** | **592.37** | **1,573.42** |

**As at March 31, 2025**

(₹ in Lakhs)

| Particulars | As at April 1, 2024 | Additions | Disposal/ Adjustments | As at March 31, 2025 |
|---|---|---|---|---|
| Buildings | 106.38 | 244.78 | 31.47 | 319.70 |
| Electrical equipments | 47.16 | - | 44.47 | 2.69 |
| Plant & machinery | 762.54 | 439.71 | 731.14 | 471.11 |
| Pollution equipments | - | 10.17 | - | 10.17 |
| Tools components, spares and others | 398.23 | 16.56 | 53.87 | 360.93 |
| **Total** | **1,314.31** | **711.23** | **860.94** | **1,164.60** |

**2(b)(i):** Capital work-in-progress includes borrowing cost capitalised during the year ₹ 16.57 Lakhs (Including 15.84 Lakhs towards interest on lease liability), (Previous year ₹ 0 Lakhs).

**2(b)(ii):** All the Capital work-in-progress are secured as primary securities against secured term loans and as collateral securities for working capital finance with the respective financers (Refer Note 12 and 15)

## 2(b)(ii): CWIP Aging Schedule

**As at March 31, 2026**

(₹ in Lakhs)

| Capital Work in Progress | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Projects in progress | 1,001.19 | 118.86 | 453.37 | - | 1,573.42 |
| Projects temporarily suspended | - | - | - | - | - |

**As at March 31, 2025**

(₹ in Lakhs)

| Capital Work in Progress | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Projects in progress | 711.23 | 453.37 | - | - | 1,164.60 |
| Projects temporarily suspended | - | - | - | - | - |

**2(b)(iii):** There are no CWIP whose completion is overdue or has exceeded its cost compared to its original plan

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

## 2(c) Right of use assets and lease liabilities

**As at March 31, 2026**

(₹ in Lakhs)

| Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | Net Block |
|---|---|---|---|---|---|---|---|---|
| | As at April 1, 2025 | Additions | As at March 31, 2026 | As at April 1, 2025 | Additions | As at March 31, 2026 | As at March 31, 2026 | As at March 31, 2025 |
| Land | 73.69 | 496.62 | 570.31 | 14.84 | 12.22 | 27.06 | 543.25 | 58.85 |
| Building | 54.04 | 253.44 | 307.48 | 10.88 | 72.09 | 82.97 | 224.51 | 43.16 |
| Plant & Machinery | - | 4,241.30 | 4,241.30 | - | 212.06 | 212.06 | 4,029.23 | - |
| **Total** | **127.73** | **4,991.36** | **5,119.09** | **25.72** | **296.37** | **322.09** | **4,796.99** | **102.01** |

**As at March 31, 2025**

(₹ in Lakhs)

| Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | Net Block |
|---|---|---|---|---|---|---|---|---|
| | As at April 1, 2024 | Additions | As at March 31, 2025 | As at April 1, 2024 | Additions | As at March 31, 2025 | As at March 31, 2025 | As at March 31, 2024 |
| Land | 73.69 | - | 73.69 | 8.70 | 6.14 | 14.84 | 58.85 | 64.99 |
| Building | 54.04 | - | 54.04 | 6.38 | 4.50 | 10.88 | 43.16 | 47.66 |
| Plant & Machinery | - | - | - | - | - | - | - | - |
| **Total** | **127.73** | **-** | **127.73** | **15.08** | **10.64** | **25.72** | **102.01** | **112.65** |

(i) The group has entered into lease arrangements for facilities to be used in its business operations. The lease arrangements are for fixed contractual periods with renewal / extension options and include fixed lease payments with escalation clauses in certain arrangements. The group has accounted for these arrangements in accordance with Ind AS 116, "Leases", by recognising right-of-use assets and corresponding lease liabilities wherever applicable.

(ii) ROU assets are amortised from the commencement date on a straight-line basis over the lease term. The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

(iii) Above ROU assets have been pledged as security for term loans. (Refer Note 14 and 17)

(iv) The Break-up of current and non-current lease liabilities is as under:

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Current lease liability | 120.44 | 5.82 |
| Non-current lease liability | 2,637.46 | 111.20 |
| **Total** | **2,757.90** | **117.03** |

(v) The Break-up of amount recognised in the Statement of Profit and Loss:

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Depreciation and amortization expenses | 296.37 | 10.64 |
| Interest on Lease Liability* | 202.87 | 10.89 |
| **Total** | **499.24** | **21.53** |

*Interest on lease liability amounting to ₹15.84 lakhs has been capitalised during the year as part of capital work-in-progress / qualifying assets in accordance with Ind AS 23 "Borrowing Costs"

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(vi) The Movement in lease liabilities during the year is as follows:

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Opening Balance at the April, 01 | 117.03 | 121.74 |
| Additions | 2,736.12 | - |
| Finance cost accrued during the year | 202.87 | 10.89 |
| Payment of lease liabilities | (298.12) | (15.60) |
| **Closing Balance as at March, 31** | **2,757.90** | **117.03** |

(vii) The Details regarding the contractual maturities of lease liabilities on an undiscounted basis is as follows:

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Less than one year | 335.70 | 16.25 |
| One to five years | 1,438.50 | 89.95 |
| More than five years | 4,075.51 | 73.30 |
| **Total** | **5,849.71** | **179.50** |

(viii) The group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(ix) The group has elected not to apply IND AS 116 to short term leases of 12 months or less and the basis of low value assets. Lease payments on such leases are recognised as expenses on a straight line basis over the lease term.

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| 1) Expenses relating to short term leases - Rent | 55.66 | 54.24 |
| **Total** | **55.66** | **54.24** |

## 2(d): Intangible Assets

### As at March 31, 2026

(₹ in Lakhs)

| Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | Net Block |
|---|---|---|---|---|---|---|---|---|
| | As at April 1, 2025 | Additions | As at March 31, 2026 | As at April 1, 2025 | Additions | As at March 31, 2026 | As at March 31, 2026 | As at March 31, 2025 |
| Softwares | 17.93 | 31.61 | 49.55 | 9.15 | 3.48 | 12.62 | 36.92 | 8.79 |
| **Total** | **17.93** | **31.61** | **49.55** | **9.15** | **3.48** | **12.62** | **36.92** | **8.79** |

### As at March 31, 2025

(₹ in Lakhs)

| Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | Net Block |
|---|---|---|---|---|---|---|---|---|
| | As at April 1, 2024 | Additions | As at March 31, 2025 | As at April 1, 2024 | Additions | As at March 31, 2025 | As at March 31, 2025 | As at March 31, 2024 |
| Softwares | 9.98 | 7.96 | 17.93 | 5.77 | 3.37 | 9.15 | 8.79 | 4.21 |
| **Total** | **9.98** | **7.96** | **17.93** | **5.77** | **3.37** | **9.15** | **8.79** | **4.21** |

## 2(e) Additional Notes:

i. Property, plant and equipment (including capital work-in-progress) and intangible assets were tested for impairment during the year and there has not been any impairment

ii. The group has not revalued its Property, Plant and Equipment or intangible assets during the year

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

## 3 Other Financial Assets

(₹ in Lakhs)

| | | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| | **(Unsecured, considered good)** | | |
| | **At Amortised Cost** | | |
| | Security deposits | 1,982.79 | 13.83 |
| | Fixed Deposits with banks for more than 12 months maturity | 1,370.67 | 421.65 |
| | **Total** | **3,353.46** | **435.48** |
| | Note: Security deposits are primarily in relation towards rent deposits and deposits with supplier | | |
| **3.1** | **Out of the above,:** | | |
| | **(a) Fixed deposits under lien for:** | | |
| | Bank guarantee issued by the bank in favour of Maharashtra State Electricity Distribution Limited | 30.00 | 30.00 |
| | Canara Bank | - | 56.53 |
| | State Bank of India | 789.25 | - |
| | HDFC Bank | 550.34 | 333.12 |
| | **(b) Fixed deposits not under lien (Clean deposits):** | | |
| | Fixed deposits kept with other banks | 1.07 | 2.00 |
| | | **1,370.67** | **421.65** |

## 4 Other non-current assets

(₹ in Lakhs)

| | | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| | a) Capital Advances | 4,122.58 | 338.21 |
| | b) Advances to Employees | 1.76 | 6.31 |
| | c) Hariom Employees Gratuity Trust | 79.21 | 31.91 |
| | d) Deposit with Govt. Authorities | 20.71 | 61.31 |
| | **Total** | **4,224.26** | **437.73** |
| **4.1** | Advances due from officer of the company | 1.76 | 5.00 |

## 5 Inventories

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Raw materials | 11,029.39 | 14,537.70 |
| Finished goods | 23,685.62 | 22,923.13 |
| Stores, spares and consumables | 5,490.26 | 4,874.38 |
| Scrap & Wastage | 252.65 | 335.16 |
| **Total** | **40,457.93** | **42,670.37** |

**5.1** All the above inventories are secured as a primary security against working capital finance and as collateral securities against property, plant and equipment (except vehicle loans from other banks) with the respective financers.

**5.2** For mode of valuation of inventories, please refer note 1(r) of the Material accounting policies

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

| 5.3 | Details of stock-in-transit: | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| | Raw materials | 2,698.83 | 6,238.52 |
| | **Total** | **2,698.83** | **6,238.52** |

## 6 Trade receivables

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| a) Considered Good-Secured | - | - |
| b) Considered Good-Unsecured | 18,907.31 | 20,249.10 |
| c) Significant increase in Credit Risk | - | - |
| b) Credit Impaired | 76.96 | - |
| **Total** | **18,984.27** | **20,249.10** |
| Less: Allowance for expected credit loss | 76.96 | - |
| **Total** | **18,907.31** | **20,249.10** |

**6.1** The allowance for expected credit loss has been determined based on the Company's policy for assessment of trade receivables considering ageing, materiality, recoverability, customer payment history and management judgement. The creation of expected credit loss allowance does not automatically result in classification of such receivables as credit impaired unless specific evidence of doubtful recovery exists.

**Movements in expected credit loss is as below:**

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | - | - |
| Provision in statement of profit and loss (net) (see note 29) | 76.96 | - |
| Utilised during the year | - | - |
| **Balance at the end of the year** | **76.96** | **-** |

**6.2** Trade receivable include the amounts due from a firm in which the directors are partners

**6.3** All the above Trade receivables are secured as a primary security against working capital finance and as collateral securities against property, plant and equipment (except vehicle loans from other banks) with the respective financers.

**6.4** There are no outstanding receivables due from directors or other officers of the Company

**6.5 Ageing of trade receivable are as follows:**

**As at March 31, 2026**

(₹ in Lakhs)

| Particulars | Less than 6 months | 6 months and 1 year | 1 year to 2 year | 2 years to 3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|
| (i) Undisputed Trade receivables – considered good | 17,820.01 | 1,087.30 | - | - | - | 18,907.31 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | 76.96 | - | - | - | 76.96 |
| (iv) Disputed Trade Receivables–considered good | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| **Total** | **17,820.01** | **1,164.26** | **-** | **-** | **-** | **18,984.27** |
| Less: Allowance for expected credit loss | | | | | | 76.96 |
| **Net Trade Receivables** | | | | | | **18,907.31** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

**As at, March 31, 2025**

(₹ in Lakhs)

| Particulars | Less than 6 months | 6 months and 1 year | 1 year to 2 year | 2 years to 3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|
| (i) Undisputed Trade receivables – considered good | 20,249.10 | - | - | - | - | 20,249.10 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | | - | - | - | - | - |
| (iv) Disputed Trade Receivables–considered good | | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | | - | - | - | - | - |
| **Total** | **20,249.10** | **-** | **-** | **-** | **-** | **20,249.10** |
| Less: Allowance for expected credit loss | | | | | | - |
| **Net Trade Receivables** | | | | | | **20,249.10** |

## 7 (a) Cash and cash equivalents

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| (a) Balance with banks | | |
| On Current accounts | 287.10 | 2,590.32 |
| (b) Cash on Hand | 2.25 | 10.96 |
| **Total** | **289.35** | **2,601.28** |

**7 (a) (i)** Cash and bank balances are in INR, except with Kasikorn Bank (Thailand), which is held in Thai Baht and presented in INR.

## 7 (b) Bank balances other than Cash and cash equivalents

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| In fixed deposits with maturity of more than 3 months but less than 12 months | - | 2,477.35 |
| **Total** | **-** | **2,477.35** |

**7 (b) (i)** The above deposits is under lien as cash collateral security with the respective financers.

## 8 Other financial assets

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(Unsecured, considered good)** | | |
| Interest Accrued on Fixed Deposit | 33.39 | 74.95 |
| Government Grant Receivable | 844.85 | - |
| **Total** | **878.25** | **74.95** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

## 9 Other current assets

(₹ in Lakhs)

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| (Unsecured, considered good) | | |
| (a) Advances other than capital advances | | |
| (i) Security deposits with electricity board | 968.07 | 728.29 |
| (ii) Security deposits against Rent (Refer note 9.2) | - | 3,014.38 |
| (iii) Advance to suppliers | 1,961.35 | 733.50 |
| (iv) Advances to Employees (Refer note 9.3) | 32.08 | 31.84 |
| (v) Others: | | |
| Prepaid expenses | 59.95 | 88.70 |
| **Balances with government authorities** | | |
| (i) Goods and services tax (GST) credit receivable | 894.82 | 2,480.81 |
| (ii) Sales-tax receivable | - | 0.85 |
| (iii) Excise Duty | - | 0.07 |
| (iv) Income tax receivable | 31.88 | 115.20 |
| **Total** | **3,948.14** | **7,193.62** |

**9.1** No advances are due from directors of the group, firms in which a director is a partner or private companies in which director is a director or a member either severally or jointly with any other person

**9.2** During the previous year, the Holding Company had paid ₹3,014.38 lakhs to Ultra Pipes, a related party, pursuant to the proposed asset acquisition arrangement. Since the said arrangement could not be registered due to legal issues relating to transfer of leasehold land, the arrangement was cancelled and replaced by a long-term lease arrangement of 99 years, as approved by the Board of Directors and Audit Committee. During the current year, the said lease arrangement has been given effect to and accounted for in accordance with Ind AS 116, "Leases".

| | | | |
|---|---|---|---|
| **9.3** | Advances due from officers of the parent company | 4.55 | 2.90 |

## 10 EQUITY SHARE CAPITAL

(₹ in Lakhs)

| Note no. | Particulars | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|---|
| | | No. of Shares | Amount | No. of Shares | Amount |
| **10.1** | **Authorised Equity Share capital** | | | | |
| | Equity Shares of ₹10/- each with voting rights | 4,66,83,800 | 4,668.38 | 4,66,83,800 | 4,668.38 |
| **10.2** | **Issued Subscribed & Paid Up Capital** | | | | |
| | Equity Shares of ₹10/- each with voting rights | 3,09,67,289 | 3,096.73 | 3,09,67,289 | 3,096.73 |

**10.3 Reconciliation of no. of equity shares at the beginning and at the end of the year**

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | No. of Shares | Amount | No. of Shares | Amount |
| At the beginning of the year | 3,09,67,289 | 3,096.73 | 2,88,65,126 | 2,886.51 |
| (a) Shares Warrant Converted to Equity Shares | - | - | 21,02,163 | 210.22 |
| (b) Buyback of Shares | - | - | - | - |
| **At the year end Year** | **3,09,67,289** | **3,096.73** | **3,09,67,289** | **3,096.73** |

**10.4 Note: Allotment and Completion of Preferential Issue**

During the previous financial year, the Holding Company allotted 21,02,163 equity shares pursuant to conversion of warrants and received the balance 75% consideration amounting to ₹ 5,439 lakhs. Further, as on the final due date for conversion, i.e., September 30, 2024, 6,715 warrants remained unexercised. Accordingly, the upfront amount of ₹ 5.79 lakhs received against such warrants was forfeited, as the balance consideration of ₹ 17.37 lakhs was not received within the stipulated time.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

Accordingly, the entire preferential issue process, including allotment of equity shares, receipt of full consideration, conversion of warrants and forfeiture of unexercised warrants, was duly completed and appropriately accounted for during the previous financial year.

The above shareholding represents both legal and beneficial ownership of shares, as per the records of the Holding Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest.

**10.5** The above shareholding represents both legal and beneficial ownerships of shares, as per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest

**10.6** Terms/rights attached to equity shares:

Each holder of equity share is entitled to (i) voting rights, (ii) dividends if any declared by the board subject to approval of the shareholders (except in case of interim dividends), and (iii) proportionate share in the distribution of surplus assets of the company after payment of all preferential payments, on the liquidation.

**10.7 Equity shareholders holding more than 5% equity shares:**

| Particulars | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | % of shares | No. of shares | % of shares | No. of shares |
| Rupesh Kumar Gupta | 14.45% | 44,73,847 | 14.45% | 44,73,847 |
| Shailesh Kumar Gupta | 10.39% | 32,16,222 | 10.39% | 32,16,222 |
| Malabar India Fund Limited | 9.42% | 29,15,838 | 9.17% | 28,40,000 |
| Rupesh Kumar./Shailesh Gupta./Rakesh Kumar Gupta | 7.53% | 23,33,338 | 7.53% | 23,33,338 |
| Rakesh Kumar Gupta | 6.43% | 19,90,000 | 6.43% | 19,90,000 |
| Ansh Commerce Private Limited | 6.40% | 19,81,665 | 6.40% | 19,81,665 |

(₹ in Lakhs)

| | Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| **10.8** | The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years, as at the year end | - | - |
| **10.9** | The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding five years ended | - | - |
| **10.10** | The aggregate number of equity shares brought back in immediately preceding five years ended | - | - |

**10.11 Shareholding by Promoters:**

**Equity Shares:**

**As at March 31, 2026**

| Shares held by promoters at the period end | | | % Change during the year |
|---|---|---|---|
| Promoter Name | No. of Shares | (*) %of total shares | |
| Rupesh Kumar Gupta | 44,73,847 | 14.45% | 0.00% |
| Shailesh Kumar Gupta | 32,16,222 | 10.39% | 0.00% |

**As at March 31, 2025**

| Shares held by promoters at the period end | | | % Change during the year |
|---|---|---|---|
| Promoter Name | No. of Shares | (*) %of total shares | |
| Rupesh Kumar Gupta | 44,73,847 | 14.45% | -0.66% |
| Shailesh Kumar Gupta | 32,16,222 | 10.39% | -0.46% |

*The change in promoters' shareholding is due to allotment of equity shares on conversion of preferential warrants. Although the number of shares held by promoters increased, their percentage holding remained largely unchanged due to a proportionate increase in total share capital. There has been no sale or transfer of shares by the promoters during the year.

**10.12 Capital Management**

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to support the future development of its business. The management monitors return on capital as well as the level of dividends to ordinary shareholders.

## 11 Other Equity

(₹ in Lakhs)

| Particulars | Equity component of compound financial instruments | Capital Redemption Reserves | Reserves and surplus | | | Money received against Share Warrants | Total Attributable to Owners of the Parent | Attributable to Non Controlling Interest | Total |
|---|---|---|---|---|---|---|---|---|---|
| | | | Capital Reserve | Securities premium | Retained Earnings | | | | |
| **Balance as at April 1, 2025** | 84.19 | 36.62 | 5.79 | 30,745.80 | 23,298.29 | - | 54,170.69 | - | 54,170.69 |
| Additions during the year: | | | | | | | | | |
| (a) Total Comprehensive Income for the year | - | - | - | - | 7,574.50 | - | 7,574.50 | (0.76) | 7,573.74 |
| (b) Dividend | - | - | - | - | (188.90) | | (188.90) | - | (188.90) |
| | **-** | **-** | **-** | **-** | **7,385.60** | **-** | **7,385.60** | **(0.76)** | **7,384.84** |
| **Balance as at March 31, 2026** | **84.19** | **36.62** | **5.79** | **30,745.80** | **30,683.89** | **-** | **61,556.29** | **(0.76)** | **61,555.53** |
| Balance as at April 1, 2024 | 84.19 | 36.62 | - | 24,273.15 | 17,312.37 | 1,818.91 | 43,525.24 | - | 43,525.24 |
| Additions during the year: | | | | | | | | - | - |
| (a) Total Comprehensive Income for the year | - | - | - | - | 6,171.66 | - | 6,171.66 | - | 6,171.66 |
| (b) Dividend | - | - | - | - | (185.75) | | (185.75) | - | (185.75) |
| (c) Premium on issue of equity shares | - | - | - | - | - | - | - | - | - |
| (d) Premium on Conversion of Warrants to equity shares | | - | - | 7,042.25 | - | - | 7,042.25 | - | 7,042.25 |
| (e) Share issue expenses | - | - | - | (569.59) | - | - | (569.59) | - | (569.59) |
| (f) Share Application Money pending Allotment (Equities and Warrants) | - | - | - | - | - | - | - | - | - |
| (g) Money Received Against Share Warrants (refer note 13.2) | - | - | - | - | - | 5,439.35 | 5,439.35 | - | 5,439.35 |
| (h) Share Warrants converted into equity Shares (refer note 13.2) | - | - | - | - | - | (7,252.46) | (7,252.46) | - | (7,252.46) |
| (i) Forfeiture of Share Warrant Money on Non-Exercise of Conversion Option (refer note 13.2) | - | - | 5.79 | - | - | (5.79) | - | - | - |
| | **-** | **-** | **5.79** | **6,472.65** | **5,985.91** | **(1,818.91)** | **10,645.45** | **-** | **21,290.91** |
| **Balance as at March 31, 2025** | **84.19** | **36.62** | **5.79** | **30,745.80** | **23,298.29** | **-** | **54,170.69** | **-** | **1,08,220.57** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

**11.1 Term and conditions of compound financial instruments - Preference Shares**

0 % Series A Redeemable Non Cumulative Preference Shares

33,16,200.0% Series A Redeemable Non Cumulative Preference Shares of ₹ 10 each

**Terms and conditions**

i) The 0% Series A Redeemable Preference Shares of ₹ 10/- be redeemed at par, without any premium, and shall be redeemed by the Company at any time within 20 years from the date of issue.

ii) The 0% Series A Redeemable Preference Shares of ₹ 10/- shareholders are vested with right of put option for redemption of share at any time, before the company calls for redemption.

iii) These preference shareholders have voting rights only in respect of certain matters as per the provisions of Section 47(2) of the Act.

iv) The RNCPS are non-participating shares in the surplus funds;

v) The RNCPS carry a preferential right vis-a-vis Equity Shares of the Company with respect to repayment in case of winding up or repayment of capital.

**11.2 Issue of Shares on conversion of Share warrants:**

The Holding company had issued 33,55,625 share warrants, each convertible into one equity share of face value of ₹ 10 each at a premium of ₹ 335 per share. Out of the said warrants, 12,46,747 equity shares were allotted during FY 2023-24 and 21,02,163 equity shares were allotted during FY 2024-25 upon receipt of the balance consideration. The remaining 6,715 share warrants were not exercised within the stipulated period and the upfront amount received against such warrants was forfeited in line with the terms of issue. During the current financial year ended March 31, 2026, there has been no further movement in respect of the said preferential issue, and no share warrants remain outstanding as at the reporting date.

**11.3 Nature and purpose of creation and utilisation of reserves**

**11.3.1 Capital Reserve:** Capital reserve is created out of capital profits which are not earned through the normal course of business operations. These include profits from forfeiture of shares, gain on sale of fixed assets, government grants treated as promoter contribution, or other capital nature transactions. The reserve is not available for distribution as dividend but may be utilised for specific purposes such as issue of fully paid bonus shares, in accordance with applicable laws.

**11.3.2 Securities Premium:** Securities premium is created on excess amount received over and above the face value on issue of the shares and securities. The securities premium can be utilised in accordance with the provisions of Section 52 of the Companies Act 2013. These include issue of bonus shares and writing of expenses incurred such as commission etc. on issue of shares/ securities.

**11.3.3 Capital Redemption Reserve(CRR):** The Companies Act, 2013 requires that when a group purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve. The reserve is utilised in accordance with the provisions of Section 69 of the Companies Act, 2013.

**11.3.4 Retained Earnings:** Retained earnings are the profits (including Other Comprehensive income) that the group has earned till date, less any transfer to general reserve, dividends or other distribution or the distributions paid to the shareholders.

**11.3.5 Non Controlling Intereset:** Non-controlling interest represents the share of net assets and profits or losses attributable to the equity holders of subsidiaries who are not part of the Holding Company's ownership interest. It is presented separately within equity in the consolidated financial statements.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

## 12 Borrowings - Non Current

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Secured:** | | |
| **(a) Term Loans :** | | |
| (i) From Banks - | | |
| (a) From Canara Bank /State Bank of India (Other than Vehicle loans) (Refer Note No. 12.1.1) | 8,288.42 | 7,985.08 |
| (b) From HDFC Bank | | |
| Other than Vehicle loans (Refer Note No. 12.1.2) | 8,689.92 | 3,749.86 |
| Vehicle Loans (Refer Note No. 12.1.3) | 267.70 | 176.43 |
| **Gross term loans from banks** | **17,246.04** | **11,911.37** |
| Less: Current maturities of long-term borrowings | 2,932.87 | 2,714.96 |
| **Non-current portion of long-term borrowings** | **14,313.17** | **9,196.41** |
| | | |
| **Unsecured:** | | |
| **(b) Compound financial instruments - Preference shares (Refer note:- 14.2 & 14.3)** | 143.13 | 133.15 |
| **Total** | **14,456.31** | **9,329.56** |

### 12.1 Note (i) Term and conditions for repayment of loan

(₹ in Lakhs)

| | | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|---|
| | | Non Current | Current | Non Current | Current |
| **12.1.1** | Term Loan is Secured by Primary Charge on Equitable Mortgage of all Land & Building, existing Plant & Machinery and Other Fixed Assets, Present & future except for the Fixed assets located at Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052 and except leasehold rights mortgaged / offered as security to HDFC Bank Further the said term loan is secured by pari pasu charge with HDFC bank on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members.<br>The loan was originally availed from Canara Bank and has been taken over by State Bank of India during the current financial year and is repayable in 48 monthly instalments starting from Jan'2024 till Dec' 2027. Applicable Rate of Interest for the FY 2025-26 is 8.75% (Applicable Rate of Interest for FY 2024-25 is 9.35%) | 191.37 | 238.29 | 493.94 | 281.91 |
| | Term Loan is Secured by Primary Charge on Equitable Mortgage of all Land & Building, existing Plant & Machinery and Other Fixed Assets, Present & future except for the Fixed assets located at Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052 and except leasehold rights mortgaged / offered as security to HDFC Bank Further the said term loan is secured by pari pasu charge with HDFC bank on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members.<br>The loan was originally availed from Canara Bank and has been taken over by State Bank of India during the current financial year and is repayable in 84 monthly instalments. Applicable Rate of Interest for the FY 2025-26 is 8.95% (Applicable Rate of Interest for FY 2024-25 is 11.03%) | 3,844.72 | 1,033.47 | 5,642.00 | 1,325.28 |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

| | | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|---|
| | | Non Current | Current | Non Current | Current |
| | Term Loan is Secured by Primary Charge on Equitable Mortgage of all Land & Building, existing Plant & Machinery and Other Fixed Assets, Present & future except for the Fixed assets located at Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052 and except leasehold rights mortgaged / offered as security to HDFC Bank Further the said term loan is secured by pari pasu charge with HDFC bank on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members.<br>The loan is taken from Canara Bank and is repayable in 48 monthly instalments starting from Apr'2022 till Mar' 2026. Applicable Rate of Interest for the FY 2025-26 is 8.60% (Applicable Rate of Interest for FY 2024-25 is 9.28%) | - | - | 0.00 | 241.96 |
| | Term Loan is secured by first charge by way of mortgage over the entire immovable properties / leasehold rights of land procured for the Project, both present and future, and first charge by way of hypothecation over all movable fixed assets of the Project including plant & machinery, machinery spares, tools, spares and accessories, both present and future. Further, the said Term Loan is secured by first charge on all rights under the Power Purchase Agreement, project documents, insurance contracts, insurance proceeds, receivables, book debts, cash flows, revenues and other project-related assets, both present and future.<br>The Term Loan has been sanctioned by State Bank of India and is repayable over a tenor of 20 years, as per the terms of sanction. Applicable rate of interest is 8.75% p.a. | 2,980.57 | - | - | - |
| | **Total (a)** | **7,016.66** | **1,271.76** | **6,135.94** | **1,849.15** |
| **12.1.2** | Term Loan is Secured by Primary Charge on Equitable Mortgage of Factory Land and Building, Plant & Machinery and Other Fixed Assets, Present and Future located at - Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052. Further the said term loan is secured by pari pasu charge with state bank of India on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members.<br>Loan is taken from HDFC Bank and is repayable in 72 monthly instalments. Applicable Rate of Interest for the FY 2025-26 is 7.29%. (Applicable Rate of Interest for FY 2024-25 is 8.52%) | 2,156.73 | 801.54 | 2,940.06 | 809.80 |
| | Term Loan is Secured by Primary Charge on Equitable Mortgage of Factory Land and Building, Plant & Machinery and Other Fixed Assets, Present and Future located at - Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052. Further, the said term loan is also secured by mortgage of leasehold rights under the lease agreement executed between M/s Ultra Pipe and Hariom Pipe Industries Limited in respect of industrial property situated at Survey No. 60, Sheriguda Village, Balanagar Mandal, Mahabubnagar District, Telangana. Further the said term loan is secured by pari pasu charge with state bank of India on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members.<br>Loan is taken from HDFC Bank and is repayable till October 2033. Applicable Rate of Interest for the FY 2025-26 is 8.23%. (Applicable Rate of Interest for FY 2024-25 is Nil) | 2,378.07 | 371.46 | - | - |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

| | | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|---|
| | | Non Current | Current | Non Current | Current |
| | Term Loan is Secured by Primary Charge on Equitable Mortgage of Factory Land and Building, Plant & Machinery and Other Fixed Assets, Present and Future located at - Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052. Further the said term loan is secured by pari pasu charge with state bank of India on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members.<br>Loan is taken from HDFC Bank and is repayable till October 2033. Applicable Rate of Interest for the FY 2025-26 is 8.58%. (Applicable Rate of Interest for FY 2024-25 is Nil) | 2,576.78 | 405.35 | - | - |
| | **Total (b)** | **7,111.58** | **1,578.34** | **2,940.06** | **809.80** |
| **12.1.3** | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 48 monthly instalments till May' 2026. Applicable Rate of Interest is 7.35% | - | 0.59 | 0.59 | 3.38 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 48 monthly instalments till June' 2026. Applicable Rate of Interest is 7.60% | - | 1.15 | 1.15 | 4.39 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 48 monthly instalments till September' 2026. Applicable Rate of Interest is 8.15% | - | 2.17 | 2.17 | 4.08 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till February' 2028. Applicable Rate of Interest is 8.50% | 7.68 | 7.72 | 15.40 | 7.10 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till April' 2028. Applicable Rate of Interest is 8.40% | 17.54 | 14.84 | 32.38 | 13.65 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till June' 2028. Applicable Rate of Interest is 8.60% | 16.54 | 12.02 | 28.56 | 11.03 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till July' 2028. Applicable Rate of Interest is 8.60% | 7.79 | 5.29 | 13.08 | 4.85 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till July' 2028. Applicable Rate of Interest is 8.70% | 6.21 | 4.21 | 10.42 | 3.86 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till Nov' 2029. Applicable Rate of Interest is 8.60% | 12.64 | 4.02 | 16.66 | 3.68 |
| | Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till May' 2030. Applicable Rate of Interest is 8.52% | 116.52 | 30.76 | - | - |
| | **Total (d)** | **184.93** | **82.77** | **120.42** | **56.01** |
| | **Total Secured Borrowings (a+b+c+d)** | **14,313.17** | **2,932.87** | **9,196.41** | **2,714.96** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

**12.2** The holding company had issued 0% Redeemable Non-Cumulative Preference Shares (NCPS) during FY 2015–16, which are classified as compound financial instruments in accordance with Ind AS 32. These shares were originally redeemable at the discretion of the Parent Company at varying premium rates depending on the period of redemption.

During FY 2021–22, the terms of redemption were modified with shareholder consent to remove the redemption premium and extend the maturity period to 20 years from the date of issue. The modification was duly approved and filed with the Ministry of Corporate Affairs.

There has been no redemption or change in terms during the current financial year. The outstanding NCPS continue to be classified as compound financial instruments and measured accordingly in the financial statements."

**12.3** For terms and conditions for Compound financial instruments, Refer note no. 11.1

## 13 Provisions

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| - for Employee Gratuity | 102.48 | 71.67 |
| - for Compensated Absences | 24.07 | - |
| **Total** | **126.56** | **71.67** |

## 14 Deferred tax liabilities (Net)

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balance in the beginning (Net) | 1,022.16 | 823.64 |
| Add: Deferred tax recognised in Profit and Loss account | 335.28 | 198.52 |
| **Balance at the year end (Net)** | **1,357.44** | **1,022.16** |

**14.1** For Components of deferred tax (assets) and liabilities please refer note no.28

## 15 Borrowings - Current

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Secured:** | | |
| **(a) Loans repayable on demand** | | |
| From banks: - | | |
| (i) Cash Credit facilities | 20,262.02 | 27,762.67 |
| (ii) Bills discounted | - | 225.00 |
| | **20,262.02** | **27,987.67** |
| **(b) Current maturities of long term borrowings towards:** | | |
| Banks | 2,932.87 | 2,714.96 |
| **Total Current Maturities for Long term Borrowing (Secured + Unsecured)** | **2,932.87** | **2,714.96** |
| **Total** | **23,194.89** | **30,702.63** |

**15.1** The above borrowings are secured by way of hypothecation of inventories and receivables and by way of secondary charge on other property, plant and equipment of the respective borrowing entities, wherever applicable. Borrowings of the Holding Company are also backed by personal guarantees of two directors of the Holding Company and their relative

**15.2** The quarterly returns/ statements read with subsequent revisions filed by the group with the banks are in agreement with the books of accounts.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

## 16 Trade payable

**As at March 31, 2026**

(₹ in Lakhs)

| Undisputed: | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| MSE | 115.18 | - | - | - | 115.18 |
| Others | 11,064.41 | - | - | - | 11,064.41 |
| Disputed dues - MSE | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - |
| Unbilled Dues | - | - | - | - | - |

**As at March 31, 2025**

(₹ in Lakhs)

| Undisputed: | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| MSE | 74.50 | - | - | - | 74.50 |
| Others | 18,564.27 | - | - | - | 18,564.27 |
| Disputed dues - MSE | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - |
| Unbilled Dues | - | - | - | - | - |

**16.1** The amount due to Micro and small enterprises as defined in The Micro, Small and Medium Enterprises Development act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the group. The disclosures relating to Micro and Small Enterprises are as below:

(₹ in Lakhs)

| | Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| **16.2** | (i) The principal amount remaining unpaid to supplier as at the end of the year | 115.18 | 74.50 |
| | (ii) The interest due thereon remaining unpaid to supplier as at the end of the year | - | - |
| | (iii) The amount of interest-due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under this Act | - | - |
| | (iv) The amount of interest accrued during the year and remaining unpaid at the end of the year | - | - |
| | (v) The amount of interest remaining due and payable to suppliers disallowable as deductible expenditure under Income Tax Act, 1961 | - | - |
| | **Total** | **115.18** | **74.50** |
| **16.3** | Trade payable include the amounts due to a firm in which the directors are partners | - | - |

## 17 Other financial liabilities

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Payable to Capital Goods Suppliers | | |
| Dues to micro and small enterprises | 97.24 | 119.32 |
| Dues to other than micro enterprises and small enterprises | 674.72 | 708.95 |
| Other Liabilities for Outstanding Expenses | 968.48 | 267.12 |
| Unclaimed dividends | 0.34 | 0.12 |
| **Total** | **1,740.78** | **1,095.51** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

**17.1** The amount due to Micro and small enterprises as defined in The Micro, Small and Medium Enterprises Development act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the group. The disclosures relating to Micro and Small Enterprises are as below:

(₹ in Lakhs)

**17.2**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| (i) The principal amount remaining unpaid to supplier as at the end of the year | 98.53 | 119.32 |
| (ii) The interest due thereon remaining unpaid to supplier as at the end of the year | - | - |
| (iii) The amount of interest-due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under this Act | - | - |
| (iv) The amount of interest accrued during the year and remaining unpaid at the end of the year | - | - |
| (v) The amount of interest remaining due and payable to suppliers disallowable as deductible expenditure under Income Tax Act, 1961 | - | - |
| **Total** | **98.53** | **119.32** |

## 18 Other current liabilities

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| (a) Statutory dues payable | 860.82 | 168.32 |
| (b) Advance from customers | 452.93 | 508.49 |
| **Total** | **1,313.75** | **676.81** |

18.1 Statutory dues primarily relate to GST, tax deducted at source, Tax collected at source, ESI, Provident fund and Professional tax

## 19 Provisions

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| - for Employee Gratuity | 9.47 | 6.26 |
| - for Compensated Absences | 1.66 | - |
| **Total** | **11.13** | **6.26** |

## 20 Current tax liabilities (Net)

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Provision for tax (net of taxes paid) | 927.21 | 759.37 |

## 21 Revenue from operations

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Sale of Steel and Steel products | | |
| MS Tubes | 45,929.27 | 49,850.86 |
| Scaffolding | 766.29 | 1,945.36 |
| GP/CR Pipe & Coil | 1,15,992.54 | 80,426.84 |
| Other Steel Products | 4,007.30 | 3,481.83 |
| **Total** | **1,66,695.39** | **1,35,704.88** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

**Reconciliation of revenue recognised with contract price:**

(₹ in Lakhs)

| 21.1 | Revenue from operations | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|
| | Contract price | 1,67,695.19 | 1,36,248.96 |
| | Adjustments for: | | |
| | Discount & incentives | 999.80 | 544.08 |
| | **Revenue from operations** | **1,66,695.39** | **1,35,704.88** |

## 22 Other income

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Interest income (at amortised cost) | 367.76 | 243.69 |
| (b) Government Grant (See Note 23.1) | 844.85 | - |
| (c) Gain on foreign currency transactions (net) - Realised | 0.01 | 20.89 |
| (d) Gain on foreign currency transactions (net) - Unrealised | 0.87 | - |
| (e) Gain on Sale of PPE | 102.32 | 24.89 |
| **Total** | **1,315.82** | **289.47** |

**22.1** The holding Company had received approval dated March 06, 2023 under the Telangana Industrial Development and Entrepreneur Advancement (T-IDEA) Scheme / customised incentive framework from the Government of Telangana, Industries & Commerce Department, for its proposed GP - Galvanized Steel Pipes / CR - Cold Rolled Pipe Unit at Telangana. Under the said approval, the Company was granted customised incentives comprising

i. 75% net SGST reimbursement for 7 years limited to ₹ 80.61 crore,
ii. Power cost reimbursement at ₹2.00 per unit for a period of 5 years limited to ₹ 34.76 crore,
iii. Interest subsidy at 3% for 5 years limited to ₹ 5.32 crore, and other incentives as per T-IDEA."

Pursuant to the above approval, the Parent Company has received sanction letters dated March 31, 2026 from the Commissionerate of Industries, Government of Telangana, towards reimbursement of power cost, term loan interest subsidy and GST reimbursement. During the year, the Parent Company has recognised government grant receivable amounting to ₹ 844.85 lakhs in the Statement of Profit and Loss in accordance with Ind AS 20 – Accounting for Government Grants and Disclosure of Government Assistance:

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Reimbursement of power cost under T-IDEA Scheme | 260.25 | - |
| Reimbursement of term loan interest under T-IDEA / Pavala Vaddi Scheme | 504.59 | - |
| Reimbursement of net SGST under T-IDEA Scheme | 80.02 | - |
| **Total Government Grant recognised in Statement of Profit and Loss** | **844.86** | **-** |

## 23 Cost of materials consumed

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **(a) Raw materials consumed:** | | |
| Opening stock | 14,537.70 | 8,281.79 |
| Add: Purchases during the year | 1,17,295.23 | 1,11,761.00 |
| | **1,31,832.93** | **1,20,042.79** |
| Less: Closing Stock | 11,029.39 | 14,537.70 |
| | **11,029.39** | **14,537.70** |
| **Raw materials consumed (a)** | **1,20,803.54** | **1,05,505.09** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **(b) Stores & Spares consumed:** | | |
| Opening stock | 4,874.38 | 5,013.98 |
| Add: Purchases during the year | 5,744.76 | 5,039.23 |
| | **10,619.14** | **10,053.21** |
| Less: Closing Stock | 5,490.26 | 4,874.38 |
| **Stores and spares consumed (b)** | **5,128.88** | **5,178.83** |
| **Total cost of materials consumed (a)+(b)** | **1,25,932.41** | **1,10,683.92** |

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

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **Finished goods:** | | |
| Opening stock | 23,258.29 | 16,358.21 |
| Less: Closing Stock | 23,938.28 | 23,258.29 |
| **(Increase)/decrease in inventories** | **(679.99)** | **(6,900.08)** |

## 25 Employee benefits expense

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Salaries and wages | | |
| - Salaries and Wages | 5,007.87 | 4,405.24 |
| - Remuneration to Directors | 425.33 | 324.00 |
| | **5,433.20** | **4,729.24** |
| (b) Contribution To Provident And Other Funds | 234.94 | 238.33 |
| (c) Staff welfare expenses | 74.90 | 72.37 |
| **Total** | **5,743.04** | **5,039.95** |

## 26 Finance costs

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **(a) Interest expense :** | | |
| (i) Term Loans | 1,341.40 | 1,274.43 |
| (ii) Vehicle Loans | 24.45 | 16.23 |
| (iii) Cash Credit Facilities | 2,431.05 | 2,254.40 |
| (iv) LC Commission / Bill Discounted Charges | 1,281.99 | 758.06 |
| (v) Lease Liabilities | 187.03 | 10.89 |
| (vi) Finance Cost on Compound Financial Instruments | 9.99 | 9.29 |
| | **5,275.92** | **4,323.29** |
| **(b) Other financial costs** | 78.68 | 167.95 |
| **Total** | **5,354.60** | **4,491.24** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

## 27 Other expenses

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Communication Expenses | 15.82 | 10.79 |
| (b) Director Sitting Fees | 13.75 | 9.50 |
| (c) Commission Expenses | 19.23 | 20.72 |
| (d) Office Maintenance | 21.20 | 19.78 |
| (e) Printing & Stationary | 29.59 | 25.57 |
| (f) Security Services | 88.38 | 81.07 |
| (g) Advertisement and sales promotion | 258.88 | 238.62 |
| (h) Rent | 55.66 | 54.24 |
| (i) Travelling and conveyance | 340.43 | 232.70 |
| (j) Payment to auditors (refer note 27.1 below) | 28.60 | 19.90 |
| (k) Payment to tax auditor | 0.60 | 0.60 |
| (l) Payment to cost auditor | 0.55 | 0.55 |
| (m) Legal and professional charges | 232.35 | 161.55 |
| (n) Job Work Charges | 0.10 | 6.71 |
| (o) Production Factory Maintenance | 771.31 | 484.78 |
| (p) Repairs and Maintenance | | |
| (i) Building | 7.43 | 5.12 |
| (ii) Plant and machinery | 256.27 | 190.52 |
| (iii) Vehicles | 31.32 | 18.41 |
| (iv) Others | 19.91 | 12.43 |
| (q) Rates and taxes | 22.81 | 8.53 |
| (r) Filing and registration fee | 92.93 | 60.21 |
| (s) Corporate social responsibility (refer note 50) | 151.35 | 121.00 |
| (t) Insurance | 72.82 | 75.00 |
| (u) Allowance for expected credit loss | 76.96 | - |
| (v) Miscellaneous Expenses | 39.27 | 25.32 |
| **Total** | **2,647.54** | **1,883.62** |

### 27.1 Payment to auditors

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| For Statutory audit | 17.10 | 15.00 |
| For Taxation Matter | 11.50 | 3.00 |
| For Certification fee | - | 1.90 |
| | **28.60** | **19.90** |

## 28 Disclosure pursuant to Ind AS 12 "Income Taxes"

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Current tax | 2,394.99 | 1,938.73 |
| Deferred tax | 334.28 | 198.83 |
| Tax for earlier periods | 74.37 | 0.06 |
| **Total** | **2,803.65** | **2,137.62** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

**(a) Income tax expenses - current and deferred tax**

**1. Profit or Loss**

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **(i) Current Income tax:** | | |
| Current income tax expense | 2,394.99 | 1,938.73 |
| Tax expense of earlier years | 74.37 | 0.06 |
| **Total (i)** | **2,469.37** | **1,938.79** |
| **(ii) Deferred Tax:** | | |
| Tax expense on origination and reversal of temporary differences | 334.28 | 198.83 |
| **Total (ii)** | **334.28** | **198.83** |
| **Income tax expense reported in Profit or Loss [(i)+(ii)]** | **2,803.65** | **2,137.62** |

**2. Other comprehensive income (OCI) Section:**

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (i) Items not to be reclassified to Profit or Loss in subsequent periods: | | |
| Current tax expense/(income): | | |
| On measurement of defined benefit plans | 1.00 | (0.32) |
| **Income tax expense reported in the OCI section** | **1.00** | **(0.32)** |

**(b) Reconciliation of tax expense and the accounting profit:**

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **(1) Profit before tax as per the Statement of Profit and loss** | 10,374.43 | 8,310.23 |
| **(2) Corporate tax rate as applicable** | 25.17% | 25.17% |
| **(3) Tax on Accounting profit (3) = (1) * (2)** | 2,611.04 | 2,091.52 |
| (i) Tax on expenses not tax deductible: | | |
| (A) CSR expenses | 38.09 | 30.45 |
| (B) Other disallowances | 11.63 | 8.74 |
| (C) Effect of Depreciation | 0.10 | (200.99) |
| (ii) Tax effect on various other items | 68.42 | 207.85 |
| | **2,729.28** | **2,137.57** |
| (iii) Effect of current tax related to earlier years | 74.37 | 0.06 |
| **(4) Tax expense recognised during the year (5)=(3)+(4)** | **2,803.65** | **2,137.63** |
| **(5) Effective tax rate (6)=(5)/(1)** | **27.02%** | **25.72%** |

**(c) Components of deferred tax (assets) and liabilities recognised in the Balance Sheet and Statement of Profit and Loss**

(₹ in Lakhs)

| Particulars | Balance Sheet | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| 1. Items disallowed u/s 43B of Income Tax Act, 1961 | 220.10 | 17.29 |
| 2. Difference in book depreciation and income tax depreciation | 1,107.28 | 1,008.65 |
| 3. Others | 30.06 | (3.78) |
| **Net deferred tax (assets)/liabilities** | **1,357.44** | **1,022.16** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

| Particulars | Statement of Profit or Loss | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| 1. Items disallowed u/s 43B of Income Tax Act, 1961 | 201.81 | (9.70) |
| 2. Difference in book depreciation and income tax depreciation | 98.63 | 210.03 |
| 3. Others | 33.84 | (1.49) |
| **Deferred tax expense/(income)** | **334.28** | **198.83** |

**(d) Reconciliation of deferred tax (assets)/liabilities**

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Balance as at beginning | 1,022.16 | 823.64 |
| Tax (income)/expense during the period recognised in: | | |
| (i) Statement of Profit and Loss in Profit or Loss section | 334.28 | 198.83 |
| (ii) Statement of Profit and Loss under OCI section | 1.00 | (0.32) |
| **Balance as at the year ended** | **1,357.44** | **1,022.16** |

## 29 Earning per Share

(₹ in Lakhs)

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Profit for the year attributable to the owners of the Company used in calculating basic and diluted earnings per share | 7,570.78 | 6,172.60 |
| (b) Weighted average number of equity shares used as the denominator in calculating basic earnings per share: | 3,09,67,289 | 3,04,75,505 |
| (c) Adjustments for calculation of diluted earnings per share (Issue of Warrants) (Number) | - | 4,91,784 |
| (d) Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share | 3,09,67,289 | 3,09,67,289 |
| **Basic earnings per share (a/b)** | **24.45** | **20.25** |
| **Diluted earnings per share (a/d)** | **24.45** | **19.93** |

## 30 Disclosure pursuant to Ind AS 19 "Employee Benefits"

**(a) Defined contribution plans:**

The Group makes provident fund contributions for qualifying employees under defined contribution plans. Under these schemes, the respective entities are required to contribute a specified percentage of payroll costs towards the fund. The Group has recognised ₹149.46 lakhs for the year ended March 31, 2026 (₹145.87 lakhs for the year ended March 31, 2025) towards provident fund contributions in the Consolidated Statement of Profit and Loss. The contributions payable under these plans are at the rates specified under the applicable rules of the schemes. The obligation of the Group is limited to the amount contributed, and the Group has no further contractual or constructive obligation in respect of such contributions.

**(b) Defined benefit plans:**

**Employee benefit Obligation :**

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees of the respective entities. The plan provides for a lump sum payment to vested employees on retirement, death while in employment, or termination of employment, of an amount equivalent to 15 to 30 days' salary for each completed year of service, as applicable. Vesting occurs upon completion of five years of service. The respective entities of the Group make annual contributions to gratuity funds established through trusts or insurance companies, wherever applicable. The Group accounts for the liability towards gratuity benefits payable in the future based on year-end actuarial valuation.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

Movement of defined benefit obligation: The amounts recognised in the Consolidated Balance Sheet and the movements in the net defined benefit obligation during the year are as follows:

(₹ in Lakhs)

| Changes in the Present Value of Obligation | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| | refer para 140(a)(ii) and 141 of Ind AS19 | |
| **PV Obligation as at the start:** | 77.93 | 49.33 |
| Acquisition adjustment - | | |
| Interest Cost | 5.28 | 3.50 |
| Past Service Cost | - | - |
| Current Service Cost | 33.37 | 23.18 |
| Curtailment Cost / (Credit) | - | - |
| Settlement Cost / (Credit) | - | - |
| Benefits paid/Due to be Paid | - | - |
| Actuarial (gain)/ loss on obligation. | (4.63) | 1.93 |
| **PV of Obligation as at the end:** | **111.96** | **77.93** |
| **Bifurcation of Accrued Liability** | | |
| Current Liability (Short term) | 9.47 | 6.26 |
| Non-Current Liability (Long term) | 102.48 | 71.67 |
| **Total Accrued Liability** | **111.96** | **77.93** |
| **Changes in the Fair Value of Plan Assets** | **refer para 140(a)(ii) and 141 of Ind AS19** | |
| FV of Plan Assets at the start: | 31.91 | 18.89 |
| Acquisition Adjustments | - | 14.27 |
| Exp. Return on Plan Assets | 3.66 | 1.23 |
| Contributions (net) | 44.31 | - |
| Benefits Paid | - | (3.16) |
| Actuarial Gain /(loss) on Assets | (0.67) | 0.67 |
| **FV of Plan Assets at the end:** | **79.21** | **31.91** |
| **Change in the Effect of Asset Ceiling** | **refer para 140(a)(iii) and 141 of Ind AS19** | |
| Effect of Asset Ceiling at the beginning | | |
| Interest Expense or Cost (to the extent not recognised in net interest expense) | | |
| Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling | | |
| Effect of Asset Ceiling at the end | | |
| **Expenses Recognised in the Income Statement** | **refer para 57(c) of Ind AS19** | |
| Current Service Cost | 33.37 | 23.18 |
| Past Service Cost | | |
| Expected Return on Plan Assets | (3.66) | (1.23) |
| Interest cost | 5.28 | 3.50 |
| **Expenses Recognised in the Income Statement** | **34.99** | **25.45** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

| Changes in the Present Value of Obligation | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| | refer para 140(a)(ii) and 141 of Ind AS19 | |
| **Other Comprehensive Income** | refer para 57(c) of Ind AS19 | |
| Actuarial (gain)/ loss on obligations - change in financial assumptions | - | - |
| Actuarial (gain)/ loss on obligations - change in demographic assumptions | - | - |
| Actuarial (gain)/ loss on obligations - experience variance (i.e. Actual experience vs. assumptions) | (4.63) | 1.93 |
| **Total Actuarial (gain)/ loss on obligations** | **(4.63)** | **1.93** |
| Actuarial Gain /(loss) on Plan Assets | (0.67) | 0.67 |
| **Total OCI** | **(3.96)** | **1.25** |
| Return on plan assets, excluding amount recognised in net interest expense | | |
| Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling | | |
| Components of defined benefit costs recognised in other comprehensive income | | |
| **Major categories of Plan Assets (as percentage of Total Plan Assets)** | | |
| Government of India securities | Nil | Nil |
| State Government securities | Nil | Nil |
| High quality corporate bonds | Nil | Nil |
| Equity shares of listed companies | Nil | Nil |
| Property | Nil | Nil |
| Special Deposit Scheme | Nil | Nil |
| Funds managed by Insurer | 100% | 100% |
| Bank balance | Nil | Nil |
| Other Investments--LIC | Nil | Nil |
| **Total** | | |
| **Financial Assumptions** | | |
| Discount rate (per annum) | 7.69% | 6.78% |
| Salary growth rate (per annum) | 4.00% | 4.00% |

**Sensitivity analysis:**

Significant actuarial assumptions for determination of the defined benefit obligation are discount rate, salary escalation rate, attrition rate and mortality rate. The sensitivity analysis below has been determined based on reasonably possible changes in the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in Lakhs)

| Assumption | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Discount rate (Increase by 1%) | (6.57) | (6.96) |
| Salary escalation rate (Decrease by 1%) | (18.50) | (12.31) |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

**Risk exposure:**
Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit which are as follows:

Interest Rate Risk: The plan exposes the Company to the rise or fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability as shown in financial statements.

**Liquidity Risk:** This is the risk that the Company is not able to meet the short-term benefit payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

**Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**Regulatory Risk:** Benefit is paid in accordance with the provisions of the Payment of Gratuity Act, 1972, as may be amended from time to time. There is a risk of change in provisions of the Payment of Gratuity Act, 1972 requiring higher plan benefit payouts, e.g. change in benefit formula.

**Asset Liability Mismatching or Market Risk:** The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities / fall in interest rate.

**Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

## 31 Related party transactions and disclosures:

### 31.1(a) Key Managerial persons

| Name | Relationship - Holding Company | Designation |
|---|---|---|
| Rupesh Kumar Gupta | Key Managerial Person | Managing Director |
| Shailesh Kumar Gupta | Key Managerial Person | Whole Time Director |
| Sunita Gupta | Key Managerial Person | Non-Executive Director |
| Rajender Reddy Gankidi | Key Managerial Person | Independent Director |
| Soumen Bose | Key Managerial Person | Non-Executive Director |
| Sneha Sankla | Key Managerial Person | Independent Director |
| Pramod Kumar Kapoor | Key Managerial Person | Independent Director |
| Amitabha Bhattacharya | Key Managerial Person | Chief Financial Officer |
| Rekha Singh | Key Managerial Person | Company Secretary & Compliance Officer |
| Rakesh Kumar Gupta | Director's Relative | Executive |
| Parul Gupta | Director's Relative | Executive |
| Isha Gupta | Director's Relative | Executive |
| Ansh Golas | Key Managerial Person | Whole Time Director |

**(b) Enterprises owned or significantly influenced by key managerial personnel:**
Reo Solutions Pvt. Ltd.
Ansh Commerce Pvt. Ltd.
Shapprire Capital (formerly known as Lakshit Trade Link)
Ultra Pipes

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

**c) The following transactions were carried out with related parties in ordinary course of business**

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **(a) Employee benefits expense** | | |
| **(i) Short term employee benefits** | | |
| **Salaries** | | |
| Rupesh Kumar Gupta | 210.00 | 180.00 |
| Shailesh Kumar Gupta | 182.00 | 144.00 |
| Soumen Bose (Non-Executive Director w.e.f January 03, 2024) | 22.93 | 24.69 |
| Parul Gupta | 36.00 | 36.00 |
| Isha Gupta | 36.00 | 36.00 |
| Rakesh Kumar Gupta | 48.00 | 48.00 |
| Ansh Golas | 49.6 | 35.78 |
| Amitabha Bhattacharya | 59.78 | 42.98 |
| Chirag Partani | - | - |
| Rekha Singh | 20.78 | 14.18 |
| **Total** | **665.09** | **561.64** |
| **(ii) Keymen insurance premium paid for** | | |
| Rupesh Kumar Gupta | - | 20.00 |
| Shailesh Kumar Gupta | - | 20.00 |
| **Total** | **-** | **40.00** |
| **(b) Director's sitting fees:** | | |
| Sunita Gupta | 1.95 | 1.50 |
| Pramod Kumar Kapoor | 3.95 | 2.65 |
| Rajender Reddy Gankidi | 4.00 | 2.70 |
| Sneha Sankla | 3.85 | 2.65 |
| **Total** | **13.75** | **9.50** |
| **(c) Rent Paid :** | | |
| Rupesh Kumar Gupta | 89.47 | 15.60 |
| Shailesh Kumar Gupta | 6.00 | 6.00 |
| Ultra Pipes | 200.00 | - |
| **Total** | **295.47** | **21.60** |
| **(d) Sales of Goods** | | |
| Ultra Pipes | - | 4,191.70 |
| **(e) Purchase of Goods** | | |
| Ultra Pipes | - | 5,464.29 |
| **Total** | **-** | **5,464.29** |
| **(f) Money Received on Issue of Share Warrants** | | |
| Rupesh Kumar Gupta | - | 679.22 |
| Shailesh Kumar Gupta | - | 679.22 |
| Rakesh Kumar Gupta | - | 905.63 |
| **Total** | **-** | **2,264.06** |
| **(g) Issue of Equity Shares (incl. Premium) on Conversion of Share Warrants** | | |
| Rupesh Kumar Gupta | - | 905.63 |
| Shailesh Kumar Gupta | - | 905.63 |
| Rakesh Kumar Gupta | - | 1,207.50 |
| **Total** | **-** | **1,207.50** |
| **(h) Advance Recovery From Employees** | | |
| Ansh Golas | 4.20 | 4.20 |
| Amitabha Bhattacharya | 3.44 | 3.44 |
| **Total** | **7.64** | **7.64** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **(i) Unsecured Loans repaid** | | |
| Rupesh Kumar Gupta | - | 29.12 |
| **Total** | **-** | **29.12** |
| **(j) Security deposit against Rent** | | |
| Ultra Pipes | 465.00 | 3,014.38 |
| **Total** | **465.00** | **3,014.38** |
| **(k) Balances Outstanding at the end of the year** | | |
| **i. Expenses payable:** | | |
| Rupesh Kumar Gupta (Rent and Remuneration Payable) | 91.38 | 11.47 |
| Shailesh Kumar Gupta (Rent and Remuneration Payable) | 43.75 | 8.63 |
| Parul Gupta (Remuneration Payble) | 9.34 | 2.34 |
| Isha Gupta (Remuneration Payable) | 9.34 | 2.34 |
| Rakesh Kumar Gupta (Remuneration Payable) | 11.10 | 3.02 |
| Ultra Pipes (Rent Payable) | 9.26 | - |
| **Total** | **174.17** | **27.80** |
| **ii. Rent Deposit Payable** | | |
| Ultra Pipes | 520.62 | |
| **Total** | **520.62** | **-** |
| **iii. Advance to Employees**** | | |
| Ansh Golas | 1.31 | 5.32 |
| Amitabha Bhattacharya | 5.00 | 8.07 |
| **Total** | **6.31** | **13.38** |
| ** Note: Balances are after giving effect of Effective Interest Rate (EIR) as per provisions of IND AS 109 | | |
| **v. Securtity deposit against Rent** | | |
| Rupesh Kumar Gupta | 20.32 | |
| Ultra Pipes | 1,944.96 | 3,014.38 |
| **Total** | **1,965.27** | **3,014.38** |
| ** Note: Balances are after giving effect of Effective Interest Rate (EIR) as per provisions of IND AS 109 | | |

**31.2** The transactions with the related parties are made on an arms length transaction. Outstanding balances at the year end are unsecured and settlement occurs in cash.

**31.3** The treasury and finance operations of the Company and its subsidiaries are managed centrally. Based on the funding requirements, the Company may provide loans to its subsidiaries from time to time, which are repaid as and when funds are available with the respective subsidiary. Interest is charged for the period during which such loans remain outstanding to ensure that the transactions are carried out on an arm's length basis. The above transactions are undertaken with the approval of the Board of Directors and the Audit Committee, wherever applicable. The maximum amount outstanding during the year in respect of loans / advances in the nature of loan given by the Company to its subsidiary is provided under note 4.

**31.4** The Company has not recorded any impairment of receivables relating to amount owed by related parties nor made any provision for bad debts. This assessment is undertaken at the year end through examining the financial position of the related parties and the market in which the related parties operate.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

## 32 Contingent Liabilities and Commitments

**32.1 Contingent liabilities not provided for in respect of:**

(₹ in Lakhs)

| Particulars | | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| a. | Claims against the company not acknowledged as debts: | | |
| | Disputed tax demands* | 719.07 | 703.08 |
| | Civil Cases | - | 61.12 |
| b. | Bank Guarantees | 300.00 | 300.00 |
| | | **1,019.07** | **1,064.20** |
| **32.2** | **Capital & Other Commitments** | 22,516.72 | 12.62 |

**32.3** *ITAT has decided the appeal in holding company's favour by allowing the company's claim against the disputed demand of ₹35.05 Lakhs(previous year ₹35.05 Lakhs) included in the above amount as per its order dated October 5, 2016, pending appellate order effect as at the year end.

**32.4** The Holding Company has provided counter indemnity / support to the bank in respect of a performance bank guarantee issued by HDFC Bank Limited in favour of Maharashtra State Electricity Distribution Company Limited (MSEDCL) for implementation of the 60 MW solar power project by its subsidiary Hariom Power and Energy Private Limited under the Mukhyamantri Saur Krushi Vahini Yojana 2.0 / PM-KUSUM Scheme. The outstanding amount of such performance bank guarantee as at March 31, 2026 is ₹ 300.00 lakhs.

**32.5** The Group does not expect any reimbursements in respect of the above contingent liabilities.

**32.6** It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at 32.1(a) above pending resolution of the legal proceedings. Further, the liability mentioned in 32.1(a) above excludes interest and penalty in cases where the company has determined that the possibility of such levy is remote.

## 33 Segment Reporting

Based on the management approach as defined in Ind AS 108 – "Operating Segments", the Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various indicators of the business segments in which the Group operates. The Holding Company is primarily engaged in the business of manufacturing and selling of steel products. The subsidiary companies are incorporated / proposed to be engaged in renewable energy generation and trading / distribution activities in steel, metal and allied products; however, the said subsidiaries have not commenced commercial operations during the reporting period. Accordingly, the management and the CODM have identified manufacturing and sale of steel products as the sole reportable business segment of the Group. Hence, disclosure of segment-wise information is not required and has accordingly not been provided.

The other applicable information, where there is only one reportable segment, as required in accordance with Ind AS 108 – "Operating Segments", is as under:

(a) The group does not have the information in respect of the revenues from external customers for each product and service, or each group of similar products and services, and the cost to develop such system will be highly excessive. Accordingly such information is not disclosed as allowed by para 32 of IND AS 108.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

**(b) Revenues**

(₹ in Lakhs)

| Assumption | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Domestic | 1,66,695.39 | 1,35,704.88 |
| Export | - | - |
| **Total** | **1,66,695.39** | **1,35,704.88** |

(c) The group boasts a diverse customer base with no single major customer or external group representing more than 10% of its revenue.

(d) The entire revenue is generated from customers located within India. There are no foreign revenues during the reporting periods.

(e) The carrying amount of segment assets located outside India as at March 31, 2026 consists of foreign bank account balances amounting to ₹ 0.19 lakhs (March 31, 2025: ₹ 3.85 lakhs). All other segment assets are located within India. This disclosure is made in accordance with Paragraph 33(b) of Ind AS 108.

## Note No. 34: Financial Instruments classification by category

**(a) The carrying value and fair value of financial instruments at the end is as under:**
**As at March 31, 2026**

(₹ in Lakhs)

34.1

| Particulars | (Refer Note No. To The Financial Statements) | At Cost | At Amortised Cost | At Fair Value Through Profit Or Loss | At Fair Value Through Other Comprehensive Income (OCI) | Total Carrying Value 31 March 2026 | Total Fair Value |
|---|---|---|---|---|---|---|---|
| **(1) Assets** | | | | | | | |
| **Non-Current Financial Assets** | | | | | | | |
| (I) Other Financial Assets | 3 | 3,353.46 | 3,353.46 | - | - | 3,353.46 | 3,353.46 |
| **Current Financial Assets** | | | | | | | |
| (I) Trade Receivables | 6 | 18,907.31 | 18,907.31 | - | - | 18,907.31 | 18,907.31 |
| (Ii) Cash And Cash Equivalents | 7(a) | 289.35 | 289.35 | - | - | 289.35 | 289.35 |
| (Iii) Bank Balances Other Than (Ii) Above | 7(b) | - | - | - | - | - | - |
| (Iv) Other Financial Assets | 8 | 878.25 | 878.25 | - | - | 878.25 | 878.25 |
| **Total Financial Assets** | | **23,428.37** | **23,428.37** | **-** | **-** | **23,428.37** | **23,428.37** |
| **(2) Liabilities** | | | | | | | |
| **Non-Current Financial Liabilities** | | | | | | | |
| (I) Borrowings other than lease obligations | 12 | 14,456.31 | 14,456.31 | - | - | 14,456.31 | 14,456.31 |
| **Current Financial Liabilities** | | | | | | | |
| (I) Borrowings other than lease obligations | 15 | 23,194.89 | 23,194.89 | - | - | 23,194.89 | 23,194.89 |
| (Ii) Trade Payables | 16 | 11,179.59 | 11,179.59 | - | - | 11,179.59 | 11,179.59 |
| (Iii) Other Financial Liabilities | 17 | 1,740.78 | 1,740.78 | - | - | 1,740.78 | 1,740.78 |
| **Total Financial Liabilities** | | **50,571.57** | **50,571.57** | **-** | **-** | **50,571.57** | **50,571.57** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

**As at March 31, 2025**

(₹ in Lakhs)

| Particulars | (Refer Note No. To The Financial Statements) | At Cost | At Amortised Cost | At Fair Value Through Profit Or Loss | At Fair Value Through Other Comprehensive Income (OCI) | Total Carrying Value 31 March 2025 | Total Fair Value |
|---|---|---|---|---|---|---|---|
| **(1) Assets** | | | | | | | |
| **Non-Current Financial Assets** | | | | | | | |
| (I) Other Financial Assets | 3 | 435.48 | 435.48 | - | - | 435.48 | 435.48 |
| **Current Financial Assets** | | | | | | | |
| (I) Trade Receivables | 6 | 20,249.10 | 20,249.10 | - | - | 20,249.10 | 20,249.10 |
| (Ii) Cash And Cash Equivalents | 7(a) | 2,601.28 | 2,601.28 | - | - | 2,601.28 | 2,601.28 |
| (Iii) Bank Balances Other Than (Ii) Above | 7(b) | 2,477.35 | 2,477.35 | - | - | 2,477.35 | 2,477.35 |
| (Iv) Other Financial Assets | 8 | 74.95 | 74.95 | - | - | 74.95 | 74.95 |
| **Total Financial Assets** | | **25,838.17** | **25,838.17** | **-** | **-** | **25,838.17** | **25,838.17** |
| **(2) Liabilities** | | | | | | | |
| **Non-Current Financial Liabilities** | | | | | | | |
| (I) Borrowings other than lease obligations | 12 | 9,329.56 | 9,329.56 | - | - | 9,329.56 | 9,329.56 |
| **Current Financial Liabilities** | | | | | | | |
| (I) Borrowings other than lease obligations | 15 | 30,702.63 | 30,702.63 | - | - | 30,702.63 | 30,702.63 |
| (Ii) Trade Payables | 16 | 18,638.77 | 18,638.77 | - | - | 18,638.77 | 18,638.77 |
| (Iii) Other Financial Liabilities | 17 | 1,095.51 | 1,095.51 | - | - | 1,095.51 | 1,095.51 |
| **Total Financial Liabilities** | | **59,766.47** | **59,766.47** | **-** | **-** | **59,766.47** | **59,766.47** |

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**34.2 Fair Value Measurement**

**(i) Fair Value hierarchy**

Level 1 - Quoted Prices (Unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from price)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

## Note 35 Financial risk management

- The Group's activities expose it to a variety of financial risks namely
- Market risk,
- Credit risk and
- Liquidity risk.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

The Board of Directors of the Holding Company has established a Risk Management Committee to oversee the Group's risk management framework. The Committee is responsible for developing and monitoring the risk management policy of the Group. The policy aims to ensure timely identification and evaluation of risks, establishment of acceptable risk thresholds, mapping of controls against such risks, monitoring of risks and limits, and enhancing risk awareness and transparency. The risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. These reviews provide reliable information to the management and the Board for evaluating the adequacy of the risk management framework in relation to the risks faced by the Group.

**i. Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is primarily exposed to credit risk from trade receivables, financial assets and other current assets. The maximum exposure to credit risk is generally equal to the carrying amount of the respective financial assets.

The Group manages credit risk through credit evaluation, approval processes, monitoring of customer outstanding balances and regular review of recoverability of receivables. The assessment is carried out considering ageing of receivables, customer payment history, business segment and market conditions, demand outlook and the financial strength of customers. The Group recognises loss allowance for expected credit losses on trade receivables based on ageing analysis, historical credit loss experience, specific customer circumstances and forward-looking information, wherever applicable. During the year, the Group has recognised expected credit loss allowance of ₹ 76.96 lakhs in respect of trade receivables.

The ageing of trade receivables and movement in expected credit loss allowance are disclosed in **Note 6 - Trade Receivables**.

**ii. Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it has sufficient liquidity to meet its liabilities as and when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Prudent liquidity risk management includes maintaining sufficient cash and ensuring availability of funding through adequate committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, the Group maintains flexibility in funding by ensuring availability under committed credit lines.

The management monitors rolling forecasts of the Group's liquidity position, comprising undrawn borrowing facilities and cash and cash equivalents, based on expected future cash flows. This is generally carried out at unit / entity level and monitored by the corporate office of the Holding Company in accordance with the practices and limits set by the Group. These limits vary by location and entity, taking into account operational requirements, future cash flows and the liquidity environment in which the respective entity operates. In addition, the Group's liquidity management strategy involves projecting cash flows, assessing the level of liquid assets necessary to meet obligations, monitoring balance sheet liquidity ratios against internal and external regulatory requirements, and maintaining debt financing plans.

**(a) Maturities of financial liabilities**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and the impact of netting agreements.

(₹ in Lakhs)

| PARTICULARS | Carrying Amounts March 31, 2026 | Contractual cash flows | | | |
|---|---|---|---|---|---|
| | | Less than 1 year | 1–5 years | More than 5 years | Total |
| **Non-derivative financial liabilities** | | | | | |
| Borrowings (Current and Non Current) | 37,651.19 | 23,194.89 | 10,007.27 | 4,449.04 | 37,651.19 |
| Trade payables | 11,179.59 | 11,179.59 | | | 11,179.59 |
| Other current financial liabilities | 1,740.78 | 1,740.78 | | | 1,740.78 |
| **Total non-derivative liabilities** | **50,571.57** | **36,115.26** | **10,007.27** | **4,449.04** | **50,571.57** |

(₹ in Lakhs)

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

| PARTICULARS | Carrying Amounts March 31, 2025 | Contractual cash flows | | | |
|---|---|---|---|---|---|
| | | Less than 1 year | 1–5 years | More than 5 years | Total |
| **Non-derivative financial liabilities** | | | | | |
| Borrowings (Current and Non Current) | 40,032.19 | 30,702.63 | 8,864.56 | 465.00 | 40,032.19 |
| Trade payables | 18,638.77 | 18,638.77 | | | 18,638.77 |
| Other current financial liabilities | 1,095.51 | 1,095.51 | | | 1,095.51 |
| **Total non-derivative liabilities** | **59,766.47** | **50,436.91** | **8,864.56** | **465.00** | **59,766.47** |

**iii. Market risk**

Market risk is the risk of loss in future earnings, realisable fair values or future cash flows that may arise due to changes in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, liquidity and other market variables. Future market movements cannot ordinarily be predicted with reasonable accuracy.

**iv. Foreign currency risk**

The consolidated financial statements of the Group are presented in Indian Rupees. The Group may enter into transactions denominated in foreign currencies and is accordingly exposed to exchange rate fluctuations. Such fluctuations may impact the cost of imports, particularly in relation to raw materials, and may also impact foreign currency denominated monetary items, if any. Adverse movements in exchange rates between the Indian Rupee and foreign currencies may increase the Group's cost or liability position in Rupee terms without the Group incurring any additional underlying obligation. There has been no significant impact on the Group's financial position due to changes in foreign exchange rates during the reporting period.

**v. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk since funds are borrowed at both fixed and floating rates of interest. Interest rate risk is measured using cash flow sensitivity for changes in variable interest rates. The borrowings of the Group are principally denominated in Indian Rupees and comprise a mix of fixed and floating rates of interest.

Currently, the Group's borrowings are within acceptable risk levels, as determined by the management, and accordingly the Group has not entered into any interest rate swaps to hedge interest rate risk.

**The following table provides a break-up of the Group's fixed and floating rate borrowings:**

(Figures in Lakhs)

| Assumption | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Fixed rate borrowings | 410.83 | 336.33 |
| Floating rate borrowings | 40,030.10 | 42,277.68 |
| **Total borrowings** | **40,440.93** | **42,614.00** |
| **% of Floating rate Borrowing to total loans** | **99.0%** | **99.2%** |

**Cash flow sensitivity analysis for variable-rate instruments**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

| PARTICULARS | Profit or loss | | Equity, net of tax | |
|---|---|---|---|---|
| | 50 bp increase | 50 bp decrease | 50 bp increase | 50 bp decrease |
| **As at March 31, 2026** | | | | |
| Variable-rate instruments | 10.14% | 10.14% | | |
| Cash flow sensitivity | -186.07 | 186.07 | | |
| **As at March 31, 2025** | | | | |
| Variable-rate instruments | 8.88% | 8.88% | | |
| Cash flow sensitivity | -198.61 | 198.61 | | |

**Fair value sensitivity analysis for fixed-rate instruments**

There is no foreign currency exposure

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

## Note no 36 - Disclosure pursuant to Ind AS 1 "Presentation of financial statements":

**(a) Current assets expected to be recovered within twelve months and after twelve months from the reporting date:**

(₹ in Lakhs)

| Sr. No. | Particulars | Note | As at March 31, 2026 | | | As at March 31, 2025 | | |
|---|---|---|---|---|---|---|---|---|
| | | | Within twelve months | After twelve months | Total | Within twelve months | After twelve months | Total |
| 1 | Inventories | 5 | 40,457.93 | - | 40,457.93 | 42,670.37 | - | 42,670.37 |
| 2 | Trade receivables | 6 | 18,907.31 | - | 18,907.31 | 20,249.10 | - | 20,249.10 |
| 3 | Other financial assets | 8 | 878.25 | - | 878.25 | 74.95 | - | 74.95 |
| 4 | Other current assets | 9 | 3,948.14 | - | 3,948.14 | 7,193.62 | - | 7,193.62 |

**(b) Current liabilities expected to be settled within twelve months and after twelve months from the reporting date:**

(₹ in Lakhs)

| Sr. No. | Particulars | Note | As at March 31, 2026 | | | As at March 31, 2025 | | |
|---|---|---|---|---|---|---|---|---|
| | | | Within twelve months | After twelve months | Total | Within twelve months | After twelve months | Total |
| 1 | Trade payables: | 16 | | | | | | |
| 2 | Due to micro enterprises and small enterprises | | 115.18 | - | 115.18 | 74.50 | - | 74.50 |
| 3 | Due to others | | 11,064.41 | - | 11,064.41 | 18,564.27 | - | 18,564.27 |
| 4 | Other financial liabilities | 17 | 1,740.78 | - | 1,740.78 | 1,095.51 | - | 1,095.51 |
| 5 | Other current liabilities | 18 | 1,313.75 | - | 1,313.75 | 676.81 | - | 676.81 |
| 6 | Provisions | 19 | 11.13 | - | 11.13 | 6.26 | | 6.26 |

## 37 Value of financial assets and inventories hypothecated as collateral for liabilities and/or commitments and/or contingent liabilities:

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Current:** | | |
| Inventories and trade receivables | 59,365.24 | 62,919.46 |
| Cash and cash equivalents | 289.35 | 2,601.28 |
| Other current and financial assets | 4,826.39 | 7,268.57 |
| **Total inventories and current financial assets hypothecated as collateral** | **64,480.99** | **72,789.32** |
| **Non-current:** | | |
| Fixed Deposits | 1,370.67 | 421.65 |
| **Total non-current financial assets hypothecated as collateral** | **1,370.67** | **421.65** |

38 Effective November 21, 2025, the Central Government has introduced the Labour Codes comprising four laws. The Group has evaluated the impact of the said Labour Codes based on the information presently available and has accounted for the incremental liability, wherever applicable. Based on the present assessment, the Group does not expect any significant impact on its consolidated financial results. The Group will continue to evaluate the impact based on further notifications, rules and clarifications issued by the Central and State Governments.

39 The Holding Company received directions dated April 01, 2026 from the Tamil Nadu Pollution Control Board under Section 33A of the Water (Prevention and Control of Pollution) Act, 1974, for temporary closure of operations and disconnection of power supply at its unit located at SIPCOT Industrial Growth Centre, Perundurai, Erode District, Tamil Nadu. The Holding Company has initiated necessary corrective measures and is taking appropriate steps for restoration of operations at the earliest. Further, the Group is mitigating the impact through alternate operations at the Holding Company's Telangana unit and, based on the present assessment, the impact is expected to be temporary in nature.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

**40 Title deeds of Immovable Property not held in name of the Company:**

The title deeds of all immovable properties, other than properties where the respective Group entity is the lessee and the lease agreements are duly executed in favour of such lessee, as disclosed in Note 2(a) on Property, Plant and Equipment to the consolidated financial statements, are held in the name of the respective Group entities.

**41** There are no proceedings initiated or pending against any of the Group entities for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

**42 Wilful Defaulter:**

i. The Group has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

ii. None of the Group entities has been declared as a wilful defaulter by any bank, financial institution, government or any government authority.

**43** The Group has no transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

**44** The Registration of charge in respect of secured loans filed to ROC beyond the statutory period is NIL

**45** The Group has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013, read with the Companies (Restriction on Number of Layers) Rules, 2017.

**46 Ratios analysis and its Element**

**i) Current Ratio**

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Current Assets | 64,480.99 | 75,266.68 |
| Current Liabilities | 38,487.81 | 51,885.18 |
| **Ratio** | **1.68** | **1.45** |
| % Change from previous period/year | 15.49% | |

**ii) Debt-Equity Ratio**

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) Total Debts** | | |
| Borrowings - Non - Current Financial Liability (Secured - Term loan) | 17,246.04 | 11,911.37 |
| Borrowings - Current Financial Liability (Current maturities of Terms loan) | 2,932.87 | 2,714.96 |
| Borrowings - Current Financial Liability (Other Loan) | 20,262.02 | 27,987.67 |
| **Total Borrowings** | **40,440.93** | **42,614.00** |
| **(b) Total Equity** | **64,653.02** | **57,267.42** |
| **Debt-Equity Ratio = (a/b)** | **0.63** | **0.74** |
| **% Change from previous period/year** | **-15.94%** | |

**iii) Debt Service Coverage Ratio**

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) Earnings available for debt services** | | |
| Profit After Tax | 7,570.78 | 6,172.60 |
| Finance costs | 5,354.60 | 4,491.24 |
| Depreciation and amortisation expenses | 6,526.18 | 5,030.61 |
| **Total earnings available for debt services** | **19,451.56** | **15,694.46** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(b) Interest and principal repayments** | | |
| Finance Costs | 5,354.60 | 4,491.24 |
| Repayment of Long term Debt for the current year | 2,798.36 | 2,869.69 |
| **Total interest and principal repayments** | **8,152.97** | **7,360.94** |
| **Debt Service Coverage Ratio = (a/b)** | **2.39** | **2.13** |
| **% Change from previous period/year** | **11.90%** | |

**iv) Inventory turnover ratio**

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) Cost of goods sold** | | |
| Cost of materials consumed | 1,25,932.41 | 1,10,683.92 |
| Changes in inventories of finished goods | (679.99) | (6,900.08) |
| **Total cost of goods sold** | **1,25,252.43** | **1,03,783.85** |
| **(b) Average inventories** | | |
| Opening inventories | 42,670.37 | 29,653.98 |
| Closing inventories | 40,457.93 | 42,670.37 |
| **Average inventories** | **41,564.15** | **36,162.17** |
| **Inventory turnover ratio = (a/b)** | **3.01** | **2.87** |
| **% Change from previous period/year** | **5.00%** | |

**v) Trade payables turnover ratio**

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) Credit purchases** | | |
| Purchases raw material | 1,17,295.23 | 1,11,761.00 |
| Purchase store and spares | 5,744.76 | 5,039.23 |
| **Total credit purchases** | **1,23,039.99** | **1,16,800.23** |
| **(b) Average trade payables** | | |
| Opening trade payables | 18,638.77 | 1,890.80 |
| Closing trade payables | 11,179.59 | 18,638.77 |
| **Average trade payables** | **14,909.18** | **10,264.79** |
| **Trade payables turnover ratio = (a/b)** | **8.25** | **11.38** |
| **% Change from previous period/year** | **-27.47%** | |

**Reason for change more than 25%**

The change reflects better utilization of supplier credit and efficient working capital management, with the Company availing normal credit terms from suppliers while maintaining procurement levels. This helped conserve operating cash flows during the year.

**vi) Trade Receivables turnover ratio**

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) Credit sales** | 1,66,695.39 | 1,35,704.88 |
| **(b) Average trade receivables** | | |
| Opening trade receivables | 20,249.10 | 12,207.31 |
| Closing trade receivables | 18,907.31 | 20,249.10 |
| **Average trade receivables** | **19,578.20** | **16,228.20** |
| **Trade receivable turnover ratio = (a/b)** | **8.51** | **8.36** |
| **% Change from previous period/year** | **1.82%** | |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

### vii) Net capital turnover ratio

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) Sales** | 1,66,695.39 | 1,35,704.88 |
| **(b) Net working capital** | | |
| Current assets (A) | 64,480.99 | 75,266.68 |
| Current liabilities (B) | 38,487.81 | 51,885.18 |
| **Net working capital (C)= (A-B)** | **25,993.18** | **23,381.50** |
| **Net capital turnover ratio = (a/b)** | **6.41** | **5.80** |
| **% Change from previous period/year** | **10.49%** | |

### viii) Net profit ratio

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| (a) Net profit after tax | 7,570.78 | 6,172.60 |
| (b) Sales | 1,66,695.39 | 1,35,704.88 |
| **Net profit ratio = (a/b)** | **4.54%** | **4.55%** |
| **% Change from previous period/year** | **-0.15%** | |

### ix) Return on Equity Ratio

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| (a) Net profit after tax | 7,570.78 | 6,172.60 |
| (b) Total equity | 64,653.02 | 57,267.42 |
| **Return on equity ratio = (a/b)** | **11.71%** | **10.78%** |
| **% Change from previous period/year** | **8.64%** | |

### x) Return on capital employed

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) EBIT** | | |
| Net profit after tax | 7,570.78 | 6,172.60 |
| Finance costs | 5,354.60 | 4,491.24 |
| Total tax expense | 2,803.65 | 2,137.62 |
| **Total EBIT** | **15,729.03** | **12,801.47** |
| **(b) Capital Employed** | | |
| Total equity | 64,653.02 | 57,267.42 |
| Borrowings - Financial liability(Secured - Term loan) | 14,313.17 | 9,196.41 |
| **Total borrowings** | **14,313.17** | **9,196.41** |
| **Total capital employed** | **78,966.20** | **66,463.83** |
| **Return on Capital employed =(a/b)** | **19.92%** | **19.26%** |
| **% Change from previous period/year** | **3.42%** | |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

**xi) Return on investment**

(₹ in Lakhs)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) Total income** | | |
| Profit before tax (1 - tax rate) (A) | 7,763.39 | 6,218.71 |
| Finance costs (1 - tax rate) (B) | 4,006.96 | 3,360.89 |
| **Total income (a) = (A)+(B)** | **11,770.35** | **9,579.60** |
| **(b) Total assets** | 1,21,988.82 | 1,19,687.19 |
| **Return on investment = (a/b)** | **9.65%** | **8.00%** |
| **% Change from previous period/year** | **20.55%** | |

47 There is no scheme of arrangements approved by the competent authority in terms of section 230 to 237 of the companies Act, 2013 during the year.

48 The group has not advanced or loaned or invested funds to any other person or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall (I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

49 The group has not received any fund from any person or entities, including foreign entities (Funding Party) with the understanding that the company shall (I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

50 As per section 135 of the Companies Act, 2013 and rules made thereunder, the holding Company is required to spend at least 2% of average net profit of its past three years towards Corporate Social Responsibility (CSR). Details of CSR Expenditure are as under:

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Amount required to be spent by the Company for the year | 148.86 | 121.82 |
| (b) Amount spent during the year: | | |
| (i) on purposes other than construction / acquisition of any asset) | 151.35 | 121.00 |
| (ii) for the purpose of acquisition / construction of assets | - | - |
| | **151.35** | **121.00** |
| (c) Shortfall at the year end (of CSR expenditure incurred) | - | 0.83 |
| (d) Total of previous year/period short fall | - | - |
| (e) Out of the above, expenses recognised in Statement of Profit and Loss | - | - |
| (i) Expenses actually incurred i.e. paid (cash) | 151.35 | 121.00 |
| (ii) Expenses incurred but not paid, i.e. provided for (Provision) | - | - |
| | **151.35** | **121.00** |
| The shortfall of ₹ 0.83 lakhs in CSR expenditure for the financial year 2024-25 has been adjusted against the excess CSR expenditure of ₹ 2.83 lakhs carried forward from the financial year 2023-24, in accordance with Rule 7(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014. | | |
| (f) Nature of CSR activities | | |
| (i) Education | 26.44 | 13.19 |
| (ii) Animal Welfare | 12.29 | 14.53 |
| (iii) Children Welfare | 70.00 | 63.11 |
| (iv) Health Care | 42.62 | 30.17 |
| | **151.35** | **121.00** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

51 The Group has not surrendered or disclosed as income or the previously unrecorded income and related assets during the year in the tax assessments which are not recorded in the books of accounts of the company

52 The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year

## 53 Disclosures under Rule 11(f) of the Company (Audit & Auditors) Rule, 2014 - Dividends

(a) Dividend is recognised as a liability in the books of account in the period in which it is approved by the shareholders. The group declares and pays dividends in Indian Rupees.

(b) For the year ended March 31, 2025, the holding company declared and paid a dividend of ₹ 188.90 Lakhs (₹ 0.61 per equity share), pursuant to the approval of shareholders at the Annual General Meeting held on September 30, 2025. The holding Company has complied with the provisions of Section 123 of the Companies Act, 2013 in this regard.

(c) The Board of Directors of the Holding Company, at its meeting held on May 22, 2026, recommended a final dividend of ₹ 0.75 per equity share (subject to applicable tax deduction at source) for the financial year ended March 31, 2026. The proposed dividend is subject to approval of the shareholders at the ensuing Annual General Meeting. Upon approval, the total cash outflow on account of dividend would amount to approximately ₹ 232.25 Lakhs.

## 54 Disclosure of additional information as required by Schedule III to the Companies Act, 2013 :

As at March 31, 2026 and for the year ended March 31, 2026

| Name of the entity in the Group | | Net Assets, i.e., total assets minus total liabilities | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|
| | | As % of consolidated net assets | ₹ in Crore | As % of consolidated profit or loss | ₹ in Crore | As % of consolidated other comprehensive income | ₹ in Crore | As % of total comprehensive income | ₹ in Crore |
| **A.** | **Holding Company** | | | | | | | | |
| | Hariom Pipe Industries Limted | 98% | 64,664.25 | 100% | 7,582.77 | 100% | (2.96) | 100% | 7,585.73 |
| **B.** | **Wholly owned subsidiares** | | | | | | | | |
| **a)** | Indian | | | | | | | | |
| **(i)** | Hariom Power and Energy Private Limited | 2% | 1,178.70 | 0% | (8.22) | 0% | - | 0% | (8.22) |
| **(ii)** | Metal Mart Private Limted | 0% | 9.68 | 0% | (0.32) | 0% | - | 0% | (0.32) |
| | **Total** | **100%** | **65,852.63** | **100%** | **7,574.22** | **100%** | **(2.96)** | **100%** | **7,577.18** |
| | Adjustment due to consolidation | | (929.37) | | (3.44) | | - | | (3.44) |
| | **Consolidated Net Assets/Profit** | | **64,923.26** | | **7,570.78** | | **(2.96)** | | **7,573.74** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

As at March 31, 2025 and for the year ended March 31, 2025

| Name of the entity in the Group | | Net Assets, i.e., total assets minus total liabilities | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|
| | | As % of consolidated net assets | ₹ in Crore | As % of consolidated profit or loss | ₹ in Crore | As % of consolidated other comprehensive income | ₹ in Crore | As % of total comprehensive income | ₹ in Crore |
| **A.** | **Holding Company** | | | | | | | | |
| | Hariom Pipe Industries Limted | 100% | 57,267.42 | 100% | 6,172.60 | 100% | (0.94) | 100% | 6,171.66 |
| **B.** | Wholly owned subsidiares | | | | | | | | |
| **a)** | Indian | | | | | | | | |
| **(i)** | Hariom Power and Energy Private Limited | 0% | 10.00 | 0% | - | 0% | - | 0% | - |
| | **Total** | **100%** | **57,277.42** | **100%** | **6,172.60** | **100%** | **(0.94)** | **100%** | **6,171.66** |
| | Adjustment due to consolidation | | (10.00) | | 0.00 | | - | | 0.00 |
| | **Consolidated Net Assets/Profit** | | **57,267.42** | | **6,172.60** | | **(0.94)** | | **6,171.66** |

55 The Consolidated Financial Statements include the financial statements of the Holding Company and its subsidiaries, namely Hariom Power and Energy Private Limited and Metal Mart Private Limited.

Hariom Power and Energy Private Limited was incorporated on March 19, 2025 and was a wholly owned subsidiary of the Company up to November 20, 2025. Thereafter, it continued as a subsidiary of the Company. During the current year, the Company incorporated Metal Mart Private Limited on January 22, 2026 as a subsidiary, in which the Company holds 70% of the equity share capital.

Accordingly, the current year consolidated financial statements include the financial results of Metal Mart Private Limited from the date of its incorporation. The share of non-controlling interest, wherever applicable, has been presented separately in accordance with the applicable Ind AS.

56 Previous year figures have been recasted/restated wherever necessary including those as required in keeping with revised Schedule III amendments

As per our report of even date annexed hereto.

**FOR R KABRA & CO. LLP**
Chartered Accountants
Firm Registration No: 104502W/W100721

Sd/-
**Deepa Rathi**
(Partner)
Membership No: 104808
UDIN: 26104808RDPQVG9568

Place: Hyderabad
Date: May 22, 2026

On behalf of the Board
**HARIOM PIPE INDUSTRIES LIMITED**

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

Sd/-
**Shailesh Kumar Gupta**
(Whole Time Director)
DIN 00540862

Sd/-
**Amitabha Bhattacharya**
(Chief Financial Officer)

Sd/-
**Rekha Singh**
(Company Secretary)
Membership No: A33986

Place: Hyderabad
Date: May 22, 2026

# NOTICE

Notice is hereby given that the **19th Annual General Meeting** ("AGM") of the Members of **Hariom Pipe Industries Limited** (CIN: L27100TG2007PLC054564) will be held on Wednesday, September 30, 2026, at 12:30 P.M (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following businesses.

## ORDINARY BUSINESS:

1. **To receive, consider, approve and adopt the Audited Financial Statements of the Company (Standalone and Consolidated) for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and Auditors thereon.**

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

   **"RESOLVED THAT** the Audited Financial Statements of the Company (Standalone and Consolidated) for the financial year ended March 31, 2026, including the Balance Sheet, the Statement of Profit & Loss, the Cash Flow Statement, the Statement of Changes in Equity as at March 31, 2026 and the notes forming part thereof, together with the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby received, considered, approved and adopted."

2. **To re-appoint Mrs. Sunita Gupta (DIN: 02981707) as a Director of the Company, liable to retire by rotation.**

   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 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs. Sunita Gupta (DIN: 02981707), who retires by rotation at this Annual General Meeting and being eligible, has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. **To declare final dividend on equity shares for the financial year ended March 31, 2026.**

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

   **"RESOLVED THAT** a final dividend at the rate of ₹ 0.75 (Rupees Seventy-Five Paise only) per equity share (i.e., 7.5% of the face value) of ₹ 10/- (Rupees Ten only) each, fully paid-up equity share of the Company, as recommended by the Board of Directors at its meeting held on May 22, 2026, be and is hereby declared for the financial year ended March 31, 2026, out of the profits of the Company and the same be paid to those Members whose names appear in the Register of Members of the Company or in the records of the Depositories as beneficial owners of the equity shares as on the record date fixed for the purpose."

4. **To re-appoint M/s. R Kabra & Co. LLP, Chartered Accountants as the Statutory Auditors of the Company.**

   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 Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Companies (Audit and Auditors) Rules, 2014, and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), and based on the recommendation of the Audit Committee and the Board of Directors, M/s. R Kabra & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 104502W/W100721), be and is hereby re-appointed as the Statutory Auditors of the Company for a second consecutive term of 5 (five) years, to hold office from the conclusion of the 19th Annual General Meeting until the conclusion of the 24th Annual General Meeting of the Company to be held in the financial year 2030-31, to examine and audit the accounts of the Company on such terms and conditions, and at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses, as may be determined by the Board of Directors of the Company in consultation with the Statutory Auditors.

   **RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

## SPECIAL BUSINESS:

5. **To ratify the remuneration payable to the Cost Auditors for the financial year ending March 31, 2027.**

   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 148 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), and based on the recommendation of the Audit Committee and approval of the Board of Directors, the remuneration of ₹ 50,000/- (Rupees Fifty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses incurred in connection with the cost audit, payable to M/s. Seshadri & Associates, Cost Accountants (Firm Regn. No. 101476), appointed as the Cost Auditors of the Company for the financial year 2026-27, be and is hereby ratified.

   **RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such

acts, deeds, matters and things, execute such documents and make such filings as may be necessary, desirable or expedient to give effect to this resolution, including to settle any questions, difficulties or doubts that may arise in this regard."

**6. To consider and approve the re-appointment of Mr. Rupesh Kumar Gupta (DIN: 00540787) as Managing Director of the Company and the remuneration payable to him:**

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 2(51), 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with Schedule V to the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other Rules made thereunder and the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company and subject to such other approvals, consents and permissions, as may be required and pursuant to the recommendation of the Nomination and Remuneration Committee and the approvals of the Audit Committee and the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Rupesh Kumar Gupta (DIN: 00540787) as Managing Director of the Company, not liable to retire by rotation, for a period of three (3) consecutive years, commencing from January 08, 2027 and ending on January 07, 2030 (both days inclusive), at a remuneration of ₹3.20 Crore (Rupees Three Crore and Twenty Lakh only) per annum, on such terms and conditions as set out in the Explanatory Statement.

**RESOLVED FURTHER THAT** notwithstanding anything contained hereinabove, in the event of the Company having no profits or inadequate profits in any financial year during the tenure of Mr. Rupesh Kumar Gupta as Managing Director, the remuneration approved herein shall be payable as minimum remuneration, subject to the applicable provisions of Section 197 read with Part II of Schedule V to the Act and other applicable provisions of the Act and the Rules made thereunder, including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, execute such documents and make such filings as may be necessary, desirable or expedient to give effect to this resolution, including to settle any questions, difficulties or doubts that may arise in this regard."

**7. To consider and approve the appointment of Mr. Shailesh Kumar Gupta (DIN: 00540862) as Joint Managing Director (JMD), designated as Executive Director, of the Company and the remuneration payable to him.**

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 2(51), 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with Schedule V to the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other Rules made thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company and subject to such other approvals, consents and permissions, as may be required and pursuant to the recommendation of the Nomination and Remuneration Committee and the approvals of the Audit Committee and the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for the appointment of Mr. Shailesh Kumar Gupta (DIN: 00540862) as Joint Managing Director ("JMD"), designated as Executive Director, not liable to retire by rotation, for a period of three (3) consecutive years commencing from September 02, 2026 and ending on September 01, 2029 (both days inclusive), at a remuneration of ₹3.00 Crore (Rupees Three Crore only) per annum, on such terms and conditions as set out in the Explanatory Statement.

**RESOLVED FURTHER THAT** notwithstanding anything contained hereinabove, in the event of the Company having no profits or inadequate profits in any financial year during the tenure of Mr. Shailesh Kumar Gupta as Joint Managing Director, the remuneration approved herein shall be payable as minimum remuneration, subject to the applicable provisions of Section 197 read with Part II of Schedule V to the Act and other applicable provisions of the Act and the Rules made thereunder, including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, execute such documents and make such filings as may be necessary, desirable or expedient to give effect to this resolution, including to settle any questions, difficulties or doubts that may arise in this regard."

**8. To consider and approve the revision in remuneration payable to Mr. Ansh Golas (DIN: 11225536), Whole-time Director of the Company.**

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

# NOTICE

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with Schedule V to the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other Rules made thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be required and pursuant to the recommendation of the Nomination and Remuneration Committee and the approvals of the Audit Committee and the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for revision in the remuneration payable to Mr. Ansh Golas (DIN: 11225536), Whole-time Director of the Company, to ₹1.20 crore (Rupees One Crore and Twenty Lakhs only) per annum, with effect from October 01, 2026, for the remaining period of his current tenure, on the terms and conditions as set out in the Explanatory Statement with all other terms and conditions of his appointment remaining unchanged.

**RESOLVED FURTHER THAT** notwithstanding anything contained hereinabove, in the event of the Company having no profits or inadequate profits in any financial year during the tenure of Mr. Ansh Golas as Whole-time Director, the remuneration approved herein shall be payable as minimum remuneration, subject to the applicable provisions of Section 197 read with Part II of Schedule V to the Act and other applicable provisions of the Act and the Rules made thereunder, including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, execute such documents and make such filings as may be necessary, desirable or expedient to give effect to this resolution, including to settle any questions, difficulties or doubts that may arise in this regard."

**9. To consider and approve the remuneration payable to Mrs. Sunita Gupta (DIN: 02981707), Non-Executive Non-Independent Directors of the Company:**

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 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the rules made thereunder and Schedule V to the Act, and Regulation 17(6), including Regulation 17(6)(ca) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company and subject to such other approvals, consents and permissions, as may be required and pursuant to the recommendation of the Nomination and Remuneration Committee and the approvals of the Audit Committee and the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for payment of ₹ 48 Lakh (Rupees Forty-Eight Lakh only) per annum as remuneration to Mrs. Sunita Gupta (DIN: 02981707), Non-Executive Non-Independent Director of the Company, belonging to the Promoter Group, with effect from October 01, 2026, subject to the applicable provisions of the Act, Schedule V thereto, the SEBI Listing Regulations and other applicable laws, rules and regulations and on the terms and conditions as set out in the Explanatory Statement, such approval shall remain in force until modified, rescinded or superseded by the Company:

**RESOLVED FURTHER THAT** notwithstanding anything contained hereinabove, in the event of the Company having no profits or inadequate profits in any financial year, the remuneration payable to Mrs. Sunita Gupta shall be subject to the applicable provisions of the Act, including Schedule V thereto, the SEBI Listing Regulations and other applicable provisions of the Act and the Rules made thereunder, including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, execute such documents and make such filings as may be necessary, desirable or expedient to give effect to this resolution."

BY ORDER OF THE BOARD
**For Hariom Pipe Industries Limited**

Sd/-
**Rupesh Kumar Gupta**
Managing Director
DIN: 00540787

Place: Hyderabad
Date: September 02, 2026

## Notes:

1. The Ministry of Corporate Affairs ('MCA'), vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, read with the subsequent circulars issued from time to time, the latest one being General Circular No. 03/2025 dated September 22, 2025 (collectively referred to as "MCA Circulars") and the Securities and Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with the subsequent circulars issued from time to time, the latest one being Circular No. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2024/133 dated October 3, 2024 (collectively referred to as "SEBI Circulars") have permitted Companies to conduct their Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), without physical presence of the Members at a common venue.

   In compliance with the applicable provisions of the Companies Act, 2013 ("Act"), the rules made thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with the aforesaid MCA Circulars and SEBI Circulars, the 19th Annual General Meeting of the Company shall be conducted through VC/OAVM on Wednesday, September 30, 2026, at 12:30 PM (IST). The deemed venue for the AGM shall be the Registered Office of the Company situated at 3-4-174/12/2, SAMARPAN, 1st Floor, Near Pillar No. 125, Hyderabad, Attapur, K.V. Rangareddy, Rajendranagar, Telangana, India, 500048.

2. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) for providing the facility of Video Conferencing/Other Audio-Visual Means ("VC/OAVM"), remote e-Voting and e-Voting during the AGM for conducting the e-AGM.

3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, the Rules made thereunder, the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable, setting out the material facts relating to the items of Special Business proposed to be transacted at the AGM, is annexed hereto and forms part of the Notice.

4. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf, and such proxy need not be a Member of the Company. However, as the AGM is being conducted through VC/OAVM in accordance with the aforesaid Circulars, the facility for appointment of proxies by the Members has been dispensed with. Accordingly, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. However, pursuant to Sections 112 and 113 of the Companies Act, 2013, representatives of the Members, such as the President of India or the Governor of a State or representatives of bodies corporate, may attend and participate in the AGM through VC / OAVM and cast their votes through e-Voting.

5. In compliance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014 and the aforesaid Circulars, the Notice of the 19th AGM along with Annual Report for the financial year 2025-26 is being sent only through electronic mode to those Members whose e-mail addresses are registered with Company/ Depository Participant(s). Members who wish to receive a physical copy of the Annual Report may request the same by writing to the Company at cs@hariompipes.com. Members may note that the Annual Report for the financial year 2025-26, along with the Notice, Financial Statements and other Statutory Reports will also be available on the website of the Company at www.hariompipes.com, on the website of CDSL at www.evotingindia.com and on the websites of the Stock Exchanges, i.e., BSE Limited at www. bseindia.com and National Stock Exchange of India at www.nseindia.com.

6. Members who have not yet registered their e-mail addresses are requested to register/update the same to enable the Company to send all communications electronically. Members holding shares in electronic form may update their e-mail addresses with their respective Depository Participant(s). Members holding shares in physical form may register/update their e-mail addresses by writing to the Company's Registrar & Share Transfer Agent (RTA), Bigshare Services Private Limited, at its registered office situated at 306, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospitals, Somajiguda, Raj Bhavan Road, Hyderabad – 500082, or by writing to bsshyd@bigshareonline.com.

7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI Listing Regulations, as amended, and in accordance with the applicable MCA Circulars the Company is providing its Members with the facility to cast their votes electronically through remote e-Voting and e-Voting during AGM in respect of the business to be transacted at the 19th Annual General Meeting. For this purpose, the Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the authorized e-Voting agency for facilitating voting through electronic means. The facility for casting votes through remote e-Voting as well as the e-Voting during the AGM will be provided by CDSL.

8. Members may join the AGM through VC/OAVM mode 15 (fifteen) minutes before and after the scheduled time of commencement of the AGM by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 Members on a first-come-first-served basis. However, this restriction shall not apply to large Shareholders (i.e., shareholders holding 2% or more of the shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without any restriction on account of first-come-first-served basis.

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9. The attendance of Members participating in the AGM through VC/OAVM shall be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

10. In line with the aforesaid MCA Circulars and applicable provisions of the Act and SEBI Listing Regulations, the Notice convening the 19th AGM has been uploaded on the website of the Company at www.hariompipes.com. The Notice can also be accessed on the websites of the Stock Exchanges i.e., BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com. The Notice of AGM is also disseminated on the website of CDSL, the agency engaged for providing remote e-Voting and e-Voting during the AGM at www.evotingindia.com.

11. Corporate Members intending to authorize their representatives to participate and vote at the AGM are requested to send a scanned copy (PDF/JPEG format) of the certified true copy of the Board Resolution authorising their representative(s) to attend and participate in the 19th AGM through VC/OAVM and to cast their vote through e-Voting on their behalf. Such documents may be sent to the Company at cs@hariompipes.com, with a copy marked to acs.vinod@gmail.com.

12. All documents referred to in the Notice and the Explanatory Statement of the 19th AGM shall be available for inspection by the Members, without payment of any fees, at the Registered Office of the Company during normal business hours on all working days, up to and including the date of the AGM.

13. The Board of Directors, at its meeting held on May 22, 2026, recommended a final dividend of ₹ 0.75 per equity share of ₹ 10/- each for the financial year 2025-26. The final dividend as recommended by the Board of Directors, if approved by the Members at the ensuing AGM, shall be paid within 30 days from the date of declaration of the dividend to those Members whose names appear in the Register of Members or in the list of beneficial ownership furnished by the Depositories as on the Record Date i.e., Wednesday, September 23, 2026. Members are requested to update their bank account details with their respective Depository Participants to facilitate timely and seamless credit of the final dividend.

14. Pursuant to the relevant provisions of the Income Tax Act, 1961 as amended by the Finance Act, 2020, dividend income is taxable in the hands of Members with effect from April 01, 2020 and the Company is required to deduct tax at source ('TDS') from dividend paid to the Members at the rates prescribed under the Income Tax Act, 1961 as applicable on the Record Date. For the prescribed rates applicable to various categories of Members, the Members are requested to refer to the provisions of the Income Tax Act, 1961, the Finance Act, 2020 and amendments thereof. To enable the Company to comply with the applicable TDS requirements, Members are requested to ensure that their Residential Status, PAN, PAN -Aadhaar linkage status and category/status under the Income-tax Act, 1961 are duly updated with their respective Depository Participant(s), in case of shares held in dematerialised form, or with the Company's Registrar and Share Transfer Agent ("RTA"), in case of shares held in physical form.

    A Resident Individual Members having a valid PAN and who is not liable to pay income tax can submit a duly filled and signed declaration in Form No. 15G/15H, as applicable, to avail the benefit of non-deduction of tax at source (TDS), subject to fulfilment of the prescribed conditions under Income Tax Act, 1961. Such declaration may be submitted by email to bsshyd@bigshareonline.com latest by September 15, 2026 5:00 p.m. IST. Member/entities claiming exemption from TDS or deduction of TDS at a lower rate are required to furnish valid and self-attested documentary evidence (e.g. relevant registration certificate, notification, order or other document issued by the Indian tax authorities) in support of such claim, as applicable, by email to bsshyd@bigshareonline.com latest by September 15, 2026 5:00 p.m. IST. Any documents or communication relating to tax determination or deduction received after the aforesaid date may not be considered. Members are requested to note that, where a valid PAN is not available/registered, TDS shall be deducted at the rate prescribed under the applicable provisions of the Income-tax Act, 1961, which may be higher than the rate otherwise applicable.

    In case tax on dividend is deducted at a higher rate due to non-receipt of the aforementioned details/documents, the concerned Member may still have the option to claim a refund of the excess tax deducted at source at the time of filing their income tax return, subject to applicable provisions of the Income-tax Act, 1961 (provided a valid PAN is registered with the RTA or DP). No claim shall lie against the Company for the taxes deducted at source in accordance with the applicable provisions of law. In the event any income tax demand, including interest, penalty or any other liability is imposed on the Company arising due to any declaration, misrepresentation, inaccurate or omission of any information furnished by the Member, such Member shall be responsible to indemnify the Company against such liability and shall provide the Company with all relevant information, documents and co-operation required in any proceedings before the income tax authorities.

    Non-resident Members, including Foreign Institutional Investors (FIIs) and Foreign Portfolio Investors (FPIs), may be entitle to avail beneficial rates under the applicable tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to bsshyd@bigshareonline.com. The aforesaid declarations and documents need to be submitted by the shareholders latest by September 15, 2026, 5:00 p.m. IST.

15. The relevant details of the Directors seeking appointment and re-appointment under Item No. 2, 6 and 7 of the Notice, as required under Regulations 36(3) of SEBI Listing Regulations, the applicable provisions of the Companies Act, 2013 and Secretarial Standard on General Meetings

issued by the Institute of Company Secretaries of India, are provided separately as an **Annexure** to this Notice and are also included in the Corporate Governance Report forming part of the Annual Report.

16. The Register of Directors and Key Managerial Personnel (KMPs) and their shareholding, maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Agreements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 and the relevant documents referred to in the Notice shall be made available for inspection by the Members electronically during the Annual General Meeting.

17. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice of 19th AGM by e-mail and holds shares as on Wednesday, September 23, 2026 ("cut-off date") may obtain the User login credentials (ID and password) for remote e-Voting by sending a request to the Company's RTA at bsshyd@bigshareonline.com, mentioning their Folio No./DP ID and Client ID. However, if such Member is already registered with CDSL for remote e-Voting, he/she may use the existing User ID and password for casting their vote. If the Member has forgotten the password, the same can be reset by using "Forget User Details/Password" option available on www.evotingindia.com.

18. Members whose names appear in the Register of Members/ List of Beneficial Owners maintained by the depositories as on Wednesday, September 23, 2026 (cut-off date) shall be entitled to avail the facility of remote e-Voting and e-Voting during the AGM. Only those Members who shall be present at the AGM through VC/OAVM and have not cast their vote through remote e-Voting shall be entitled to vote through e-Voting during the AGM.

19. The Board of Directors has appointed Mr. Vinod Sakaram, (Membership No. A23285), Partner of M/s. VSSK & Associates, Company Secretaries, C.P. No. 8345, Practicing Company Secretary, as the Scrutinizer to scrutinize the entire e-Voting process including remote e-Voting and e-Voting during the AGM, in a fair and transparent manner.

20. The Scrutinizer shall, immediately after the conclusion of e-Voting at the 19th AGM, unblock the votes cast through remote e-Voting and e-Voting during the AGM and shall submit a consolidated Scrutinizer's Report on the total votes cast in favour of or against the resolutions, together with details of invalid votes, if any, to the Chairman or person authorized by him. The voting results, along with the Scrutinizer's Report shall be announced within two working days of the conclusion of AGM and shall be placed on the Company's website at www.hariompipes.com and simultaneously intimated to the CDSL and the Stock Exchanges i.e., National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). The Scrutinizer's decision on the validity of votes cast shall be final.

21. General and detailed instructions for accessing and participating in the 19th AGM through VC/OAVM and for casting votes electronically through remote e-Voting and e-Voting during the AGM are provided in this Notice.

## THE INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

(i) The remote e-Voting period begins on Sunday, September 27, 2026 at 9:00 AM (IST) and ends on Tuesday, September 29, 2026 at 5:00 PM (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, September 23, 2026 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-Voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

### Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual Shareholders holding securities in demat mode CDSL/NSDL is given below:

# NOTICE

| Type of Shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in Demat mode with **CDSL Depository** | 1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or to visit CDSL website www.cdslindia.com and click on Login icon and select My Easi New (Token) Tab.<br>2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.<br>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option or click on https://web.cdslindia.com/myeasi/Registration/EasiRegistration.<br>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders holding securities in demat mode with **NSDL Depository** | 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.<br>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>4. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client ID, PAN, Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting |
| Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)** | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

**Important note:** Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL.**

| Login type | Helpdesk details |
|---|---|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022 – 4886 7000 and 022 – 2499 7000 |

**Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in Physical mode and non-individual shareholders in demat mode.**

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-Voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-Voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

| | For Physical shareholders and other than individual shareholders holding shares in Demat. |
|---|---|
| PAN | Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)<br>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details **OR** Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.<br>• If both the details are not recorded with the depository or company, please enter the Member id/folio number in the Dividend Bank details field. |

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

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(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA of any uploaded, which will be made available to scrutinizer for verification.

(xvii) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, non-individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc., together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@hariompipes.com, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

## INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

(i) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-Voting.

(ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-Voting.

(iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

(iv) Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.

(v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

(vi) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

(vii) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@hariompipes.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@hariompipes.com. These queries will be replied to by the company suitably by email.

(viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

(ix) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

(x) If any Votes are cast by the shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.

## PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

(i) For Physical shareholders – please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.

(ii) For Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP).

(iii) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, AVP, Central Depository Services (India) Limited (CDSL), A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400 013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

# NOTICE

## EXPLANATORY STATEMENT PURSUANT TO REGULATION 36(5) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

### ITEM NO. 4:

This Explanatory Statement is provided pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The proposed re-appointment does not constitute Special Business requiring an Explanatory Statement under Section 102 of the Companies Act, 2013. However, the disclosures prescribed under Regulation 36(5) of the SEBI Listing Regulations are set out herein.

M/s. R Kabra & Co. LLP, Chartered Accountants (Firm Registration No. 104502W/W100721), were appointed as the Statutory Auditors of the Company for a term of 5 (five) consecutive years, commencing from the conclusion of the 14th AGM until the conclusion of the 19th AGM, pursuant to the approval of the Members at the 14th AGM held on September 14, 2021. Upon completion of their first term of five consecutive years at the conclusion of the ensuing 19th AGM, M/s. R. Kabra & Co. LLP are eligible for re-appointment for a further term of five consecutive years in accordance with the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder.

Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on May 22, 2026, after considering the firm's experience, expertise, independence, professional competence, audit quality and past association with the Company, recommended the re-appointment of M/s. R Kabra & Co. LLP, as the Statutory Auditors of the Company for a second term of 5 (five) consecutive years, commencing from the conclusion of 19th AGM until the conclusion of the 24th AGM to be held in the financial year 2030-31. The Board of Directors, in consultation with the Audit Committee, shall be authorised to finalise and vary the terms and conditions of appointment, including remuneration, as may be mutually agreed with the Statutory Auditors and in accordance with applicable laws.

### Brief Profile of M/s. R. Kabra & Co. LLP:

M/s. R. Kabra & Co. LLP, Chartered Accountants is a well-established firm founded in 1974 with over five decades of experience in audit, assurance, taxation, advisory, and risk management services.

The firm is registered with the Institute of Chartered Accountants of India (ICAI) and is empanelled with the Comptroller and Auditor General of India (C&AG) as well as under the Multipurpose Empanelment Form (MEF). It is also recognized by the Reserve Bank of India (RBI) with a Category I Unique Code Number (UCN) for undertaking bank audit assignments.

The firm possesses extensive expertise in conducting statutory audits, internal audits, tax audits, and audits of internal financial controls across various industries, including manufacturing, banking and financial services, infrastructure, healthcare, real estate, and public sector entities. In addition to assurance services, the firm provides advisory services in the areas of corporate governance, risk management, regulatory compliance, financial management, capital structuring, direct and indirect taxation, including GST advisory and litigation support. The firm has experience in servicing listed and unlisted companies and is recognized for its commitment to professional excellence, ethical standards, independence, and quality-driven audit processes.

Disclosures pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

| Particulars | Details |
|---|---|
| Term of Appointment | Re-appointment for a second term of 5 (five) consecutive years commencing from the conclusion of 19th AGM until the conclusion of the 24th AGM be held in the financial year 2030-31. |
| Proposed fees for conducting Statutory Audit | The proposed remuneration for FY 2026-27 is ₹ 20.00 Lakh (Rupees Twenty Lakh Only), excluding GST, reimbursement of travelling and other out-of-pocket expenses as applicable. The remuneration for subsequent years shall be determined by the Board based on the recommendation of the Audit Committee and in consultation with the Statutory Auditors. |
| Material change in the fee | No material change in the fee payable is proposed in connection with the re-appointment. |
| Basis of recommendation and credentials | The Audit Committee and the Board of Directors, while recommending the re-appointment, have considered the firm's experience, expertise, professional competence, independence, audit quality, industry knowledge and past association with the Company. The Audit Committee and the Board are of the view that the firm possesses the requisite experience and capabilities commensurate with the size, nature and complexity of the Company's business. |

The Company has received the written consent from M/s. R. Kabra & Co. LLP, to act as Statutory Auditors together with the requisite certificate confirming their eligibility and compliance with the applicable provisions of Sections 139 and 141 of the Companies Act, 2013 and the rules made thereunder. The Firm has also confirmed that they hold a valid Peer Review Certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI).

The Audit Committee and the Board may also engage the Statutory Auditors for such audit-related, certification and other permissible services as may be required under applicable laws and approved in accordance with the applicable provisions of law. The remuneration for such services shall be determined separately on mutually agreed terms.

Accordingly, the approval of the Members is sought for the re-appointment of M/s. R. Kabra & Co. LLP, Chartered Accountants (FRN: 104502W/W100721), as the Statutory Auditors of the Company for a second term of five consecutive years, as set out in Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their shareholding, if any, in the Company.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

### ITEM NO. 5:

The Board of Directors, based on the recommendation of the Audit Committee, at its meeting held on August 12, 2026, approved the appointment of M/s. Seshadri & Associates, Cost Accountants (Registration No. 101476), Hyderabad, as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2027, at a remuneration of ₹ 50,000/- (Rupees Fifty Thousand Only), excluding applicable taxes and reimbursement of out-of-pocket expenses, if any.

Pursuant to the provisions of Section 148 of the Companies Act, 2013, read with the applicable rules made thereunder, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the Members of the Company.

Accordingly, the approval of the Members is sought for the ratification of the remuneration of ₹ 50,000/- payable to M/s. Seshadri & Associates for conducting the cost audit of the Company for the financial year ending March 31, 2027, as set out in Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in the proposed resolution.

### ITEM NO. 6:

The Members of the Company at their 16th Annual General Meeting held on September 23, 2023, approved the re-appointment of Mr. Rupesh Kumar Gupta (DIN: 00540787) as the Managing Director of the Company for a period of three (3) years with effect from January 08, 2024. Accordingly, his present term of office as the Managing Directors of the Company is due to expire on January 07, 2027.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Rupesh Kumar Gupta for his re-appointment as the Managing Director of the Company.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its meeting held on September 02, 2026, approved and recommended the re-appointment of Mr. Rupesh Kumar Gupta (DIN: 00540787) as the Managing Director of the Company for a further period of three (3) years commencing with effect from January 08, 2027, subject to the approval of the Members.

Mr. Rupesh Kumar Gupta a Promoter of the Company and has been associated with the Company since its inception. With over 20 years of rich experience in the steel industry, he has played a significant role, in the growth and development of the Company, including its manufacturing expansion, product diversification, market development and strategic initiatives. Considering his experience, leadership capabilities, strategic vision and contribution to the Company, the Board is of the view that his continued association as Managing Director would be in the best interests of the Company and its stakeholders.

The proposed remuneration payable to Mr. Rupesh Kumar Gupta shall be ₹ 3.20 crore per annum (Rupees Three Crore Twenty Lakh only), together with such increments as may be determined by the Board from time to time, on the recommendation of the Nomination and Remuneration Committee, and is considered commensurate with his responsibilities, experience, contribution and the remuneration prevailing for comparable positions in the industry and is subject to the applicable provisions of Sections 196, 197 and 198 read with Schedule V of the Act and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms and conditions of the re-appointment, including remuneration, may be altered or varied by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, from time to time, subject to the applicable provisions of the Companies Act, 2013, Schedule V thereto, the SEBI Listing Regulations and other applicable laws. In the event of absence or inadequate of profits in any financial year during his tenure, the remuneration payable to him shall be governed by and subject to the applicable provisions of the Act, including Section 197 read with Schedule V thereto and other applicable provisions of law.

Mr. Rupesh Kumar Gupta satisfies the applicable conditions prescribed under Section 196 and Part I of Schedule V to the Act. He is not disqualified from being appointed as a Director under Section 164 of the Act and has furnished his consent to continue as the Managing Director of the Company. He is also not debarred from holding the office of Director by virtue of any order passed by the Securities and Exchange Board of India or any other statutory or regulatory authority.

# NOTICE

**Information pursuant to Schedule V of Companies Act, 2013:**

| | Particulars | Details |
|---|---|---|
| **I.** | **General Information** | |
| 1. | Nature of Industry | Iron & Steel |
| 2. | Date or expected date of commencement of commercial production | Not Applicable |
| 3. | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable |
| 4. | Financial performance based on given indicators | Performance for FY 2025-26<br>1. Gross Revenue: ₹ 168,014.65 Lakhs<br>2. Profit after tax: ₹ 7,582.77 Lakhs<br>3. EPS: ₹ 24.49/- |
| 5. | Foreign investments or collaborations, if any. | Not Applicable |
| **II.** | **Information about the appointee:** | |
| 1. | Background details | Mr. Rupesh Kumar Gupta has over 20 years of experience in the steel industry and has been associated with the Company since its inception. He played a substantial role in shaping the growth and guiding it through various challenges in the evolving iron and steel sector. His industry knowledge, hands-on experience and strategic vision have contributed significantly to the Company's growth and development. |
| 2. | Past remuneration | ₹ 2.40 Crore per annum + 2.5% of Net Profit. |
| 3. | Recognition or awards | Not Applicable |
| 4. | Job profile and his suitability | As Managing Director, Mr. Rupesh Kumar Gupta is responsible for providing strategic direction to the Company, overseeing business operations, guiding business development, strengthening market presence and driving the Company's financial and operational growth.<br><br>His extensive experience in the steel industry, understanding of market dynamics, strategic vision and operational expertise make him well suited to continue as the Managing Director of the Company. |
| 5. | Remuneration proposed | The proposed remuneration of ₹ 3.20 Crore per annum, together with such increments as may be determined by the Board from time to time on the recommendation of the Nomination and Remuneration Committee.<br><br>The proposed remuneration is considered commensurate with his responsibilities, experience and contribution to the Company. |
| 6. | Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) | The proposed remuneration is considered commensurate with the remuneration prevailing for similar positions in companies of comparable size and scale, particularly in the iron and steel industry, having regard to the responsibilities associated with the position, the size and operations of the Company, industry benchmarks and the experience and contribution of the appointee. |
| 7. | Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel, if any. | Mr. Rupesh Kumar Gupta is a Promoter of the Company. He is the son of Mrs. Sunita Gupta, Non-Executive Director, brother of Mr. Shailesh Kumar Gupta, Whole-time Director, and father of Mr. Ansh Golas, Whole-time Director |
| **III.** | **Other information:** | |
| 1. | Reasons of loss or inadequate profits | The Company has been consistently profitable. However, in the event of absence or inadequacy of profits in any financial year during the tenure of Mr. Rupesh Kumar Gupta, the remuneration payable to him shall be governed by and subject to the applicable provisions of Section 197 read with Schedule V to the Act and other applicable provisions of law. |
| 2. | Steps taken or proposed to be taken for improvement | The Company continues to focus on capacity expansion, operational efficiency, product diversification, market expansion, backward integration, renewable energy initiatives and other strategic measures to support sustainable growth and profitability. |
| 3. | Expected increase in productivity and profits in measurable terms | With the ongoing implementation of lean manufacturing techniques, and expansion into new markets, the Company is poised to achieve higher productivity and improved profits. The continued leadership and strategic direction of Mr. Rupesh Kumar Gupta are expected to contribute to the Company's long-term growth and profitability. |

Mr. Rupesh Kumar Gupta is a Promoter and Managing Director of the Company and is therefore a related party of the Company. His proposed re-appointment and remuneration are governed by the applicable provisions of Sections 196, 197 and 198 read with Schedule V to the Companies Act, 2013 and the applicable provisions of the SEBI Listing Regulations. Further, the provisions of Regulation 17(6)(e) of the SEBI Listing Regulations relating to remuneration payable to executive directors who are promoters or members of the promoter group have been considered. The proposed remuneration shall be subject to the applicable limits and approval requirements prescribed under the Regulation and other applicable provisions of law.

The Company has received the necessary disclosures, declarations, consent and other requisite documents from Mr. Rupesh Kumar Gupta in connection with his proposed re-appointment.

The requisite details of Mr. Rupesh Kumar Gupta, as required pursuant to the provisions of the Companies Act, 2013, Secretarial Standard-2 on General Meetings and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the Annexure forming part of this Notice.

Accordingly, the consent of the Members is sought for passing the Special Resolution as set out at Item No. 6 of the Notice for the re-appointment of Mr. Rupesh Kumar Gupta as Managing Director of the Company and remuneration payable to him.

The Board recommends the Special Resolution set forth at Item No. 6 of the Notice for approval by the Members.

Except Mr. Shailesh Kumar Gupta (Brother), Mrs. Sunita Gupta (Mother), and Mr. Ansh Golas (Son), being relatives of Mr. Rupesh Kumar Gupta, none of the Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their respective shareholding, if any, in the Company.

## ITEM NO. 7:

The Members of the Company at their 16th Annual General Meeting held on September 23, 2023, had approved the re-appointment of Mr. Shailesh Kumar Gupta (DIN: 00540862) as the Whole-time Director of the Company for a period of three (3) years with effect from January 08, 2024, and his present term of office is due to expire on January 07, 2027.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Shailesh Kumar Gupta for appointment as Joint Managing Director of the Company.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its meeting held on September 02, 2026, approved and recommended to the Members the appointment of Mr. Shailesh Kumar Gupta (DIN: 00540862) as Joint Managing Director, designated as Executive Director, for a period of three (3) consecutive years commencing from September 02, 2026 and ending on September 01, 2029 (both days inclusive), subject to the approval of the Members.

Mr. Shailesh Kumar Gupta is a Promoter of the Company and has been associated with the Company since 2010. He possesses extensive experience in the steel industry and has contributed significantly to the Company's manufacturing operations, business development and overall growth. His industry knowledge, operational expertise and strategic insights have supported the Company in strengthening operational efficiency, optimising business processes and pursuing sustainable growth.

Considering his experience, leadership capabilities and contribution to the Company, the Board is of the opinion that his appointment as Joint Managing Director would be in the best interests of the Company and its stakeholders.

The proposed remuneration payable to Mr. Shailesh Kumar Gupta shall be ₹ 3.00 Crore per annum (Rupees Three Crore Only), together with such increments as may be determined by the Board from time to time, on the recommendation of the Nomination and Remuneration Committee, and is considered commensurate with his responsibilities, experience and contribution to the Company and is in accordance with the applicable provisions of Sections 196, 197 and 198 read with Schedule V to the Companies Act, 2013 and the applicable provisions of the SEBI Listing Regulations.

The terms and conditions of his appointment, including remuneration, may be altered or varied by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, from time to time, subject to the applicable provisions of the Act, Schedule V thereto, the SEBI Listing Regulations and other applicable laws. In the event of absence or inadequacy of profits in any financial year during his tenure, the remuneration payable to him shall be paid as minimum remuneration, subject to the applicable provisions of Sections 196 and 197 read with Schedule V to the Act and other applicable provisions of law.

Mr. Shailesh Kumar Gupta satisfies the applicable conditions prescribed under Section 196 and Part I of Schedule V to the Act. He is not disqualified from being appointed as a Director under Section 164 of the Act and has furnished his consent to act as Joint Managing Director of the Company. He is also not debarred from holding the office of Director by virtue of any order passed by SEBI or any other statutory or regulatory authority.

# NOTICE

**Information pursuant to Schedule V of Companies Act, 2013:**

| | Particulars | Details |
|---|---|---|
| **I.** | **General Information** | |
| 1. | Nature of Industry | Iron & Steel |
| 2. | Date or expected date of commencement of commercial production | Not Applicable |
| 3. | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable |
| 4. | Financial performance based on given indicators | Performance for FY 2025-26<br>1 Gross Revenue: ₹ 168,014.65 Lakhs<br>2. Profit after tax: ₹ 7,582.77 Lakhs<br>3. EPS: ₹ 24.49/- |
| 5. | Foreign investments or collaborations, if any. | Not Applicable |
| **II.** | **Information about the appointee:** | |
| 1. | Background details | Mr. Shailesh Kumar Gupta has over 15 years of experience in the steel industry and has been associated with the Company since 2010. He has contributed to the Company's strategic direction, operations, business development and overall growth. |
| 2. | Past remuneration | ₹ 2.20 Crore per annum + 2.5% of Net Profit. |
| 3. | Recognition or awards | Not Applicable |
| 4. | Job profile and his suitability | As Joint Managing Director, Mr. Shailesh Kumar Gupta will be responsible for overseeing business operations, strategic initiatives, business development and coordination across functions, with a focus on achieving the Company's long-term strategic objectives. His experience in the steel industry, understanding of the Company's business and operational expertise make him suitably qualified for the position. |
| 5. | Remuneration proposed | The proposed remuneration shall be ₹ 3.00 Crore per annum, together with such increments as may be determined by the Board from time to time on the recommendation of the Nomination and Remuneration Committee. |
| 6. | Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) | The proposed remuneration is considered commensurate with the remuneration prevailing for similar positions in companies of comparable size and scale, particularly in the iron and steel industry, having regard to the responsibilities associated with the position, the size and operations of the Company, industry benchmarks and the experience and contribution of the appointee. |
| 7. | Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel, if any. | Mr. Shailesh Kumar Gupta is a Promoter of the Company. He is the son of Mrs. Sunita Gupta, Non-Executive Director, brother of Mr. Rupesh Kumar Gupta, Managing Director, and uncle of Mr. Ansh Golas, Whole-time Director. |
| **III.** | **Other information:** | |
| 1. | Reasons of loss or inadequate profits | The Company has been consistently profitable. However, in the event of absence or inadequacy of profits in any financial year during his tenure, the remuneration payable to Mr. Shailesh Kumar Gupta shall be governed by and subject to the applicable provisions of Section 197 read with Schedule V to the Act and other applicable provisions of law. |
| 2. | Steps taken or proposed to be taken for improvement | The Company continues to focus on improving productivity and operational efficiency through optimization of manufacturing processes, cost rationalisation, capacity utilisation, product diversification, strengthening of sales and distribution channels and other strategic initiatives aimed at improving margins and profitability. |
| 3. | Expected increase in productivity and profits in measurable terms | The Company is continuously undertaking measures to improve operational efficiency, productivity, capacity utilisation and cost effectiveness. These initiatives are expected to contribute to improvement in productivity and profitability over the coming years. |

Mr. Shailesh Kumar Gupta is a Promoter and Executive Director of the Company and is therefore a related party of the Company. His proposed appointment and remuneration are governed by the applicable provisions of Sections 196, 197 and 198 read with Schedule V to the Companies Act, 2013 and the applicable provisions of the SEBI Listing Regulations. Further, the provisions of Regulation 17(6)(e) of the SEBI Listing Regulations relating to remuneration payable to executive directors who are promoters or members of the promoter group have also been considered. The proposed remuneration shall be subject to the applicable limits and approval requirements prescribed under the said Regulation.

The Company has received the necessary disclosures, declarations, consent and other requisite documents from Mr. Shailesh Kumar Gupta in connection with his proposed appointment.

The requisite details of Mr. Shailesh Kumar Gupta pursuant to the provisions of the Companies Act, 2013, Secretarial Standard-2 on General Meetings and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the Annexure forming part of this Notice.

Accordingly, the consent of the Members is sought for passing the Special Resolution as set out at Item No. 7 of the Notice for approval of the appointment of Mr. Shailesh Kumar Gupta as Joint Managing Director of the Company and the remuneration payable to him.

The Board recommends the Special Resolution set forth at Item No. 7 of the Notice for approval by the Members.

Except Mr. Rupesh Kumar Gupta (Brother), Mrs. Sunita Gupta (Mother) and Mr. Ansh Golas (Nephew), being relatives of Mr. Shailesh Kumar Gupta, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their respective shareholding, if any, in the Company.

## ITEM NO. 8:

The Board of Directors, at its meeting held on September 02, 2026, based on the recommendation of the Nomination and Remuneration Committee, approved the revision in the remuneration payable to Mr. Ansh Golas (DIN: 11225536), Whole-time Director of the Company, for the remaining tenure of his office, subject to the approval of the Members. All other terms and conditions of his appointment shall remain unchanged.

Mr. Ansh Golas has been associated with the Company since 2020 and has contributed to its business operations, strategic initiatives and overall growth. In his capacity as Whole-time Director, he is involved in overseeing key business and operational functions and contributes to the implementation of the Company's strategic initiatives and long-term objectives.

Considering his responsibilities, contribution and the requirements of his role, the Board has recommended the revision in his remuneration to ₹1.20 Crore per annum, with effect from October 01, 2026. The proposed remuneration has been evaluated by the Nomination and Remuneration Committee and the Board and is considered commensurate with his responsibilities, experience, contribution and prevailing industry practices.

The proposed remuneration is subject to the applicable provisions of Sections 196, 197 and 198 read with Schedule V to the Act and the applicable provisions of the SEBI Listing Regulations. In the event of absence or inadequacy of profits in any financial year during his tenure, the remuneration payable to Mr. Ansh Golas shall be paid as minimum remuneration, subject to the applicable provisions of Section 197 read with Schedule V to the Act and other applicable provisions of law.

### Information pursuant to Schedule V of Companies Act, 2013:

| | Particulars | Details |
|---|---|---|
| **I.** | **General Information** | |
| 1. | Nature of Industry | Iron & Steel |
| 2. | Date or expected date of commencement of commercial production | Not Applicable |
| 3. | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable |
| 4. | Financial performance based on given indicators | Performance for FY 2025-26<br>1. Gross Revenue: ₹ 168,014.65 Lakhs<br>2. Profit after tax: ₹ 7,582.77 Lakhs<br>3. EPS: ₹ 24.49/- |
| 5. | Foreign investments or collaborations, if any. | Not Applicable |
| **II.** | **Information about the appointee:** | |
| 1. | Background details | Mr. Ansh Golas has been associated with the Company since 2020 and has contributed to its business operations, strategic initiatives and growth. |
| 2. | Past remuneration | ₹ 50 Lakh per annum |
| 3. | Recognition or awards | Not Applicable |

# NOTICE

| | Particulars | Details |
|---|---|---|
| 4. | Job profile and his suitability | As Whole-time Director, Mr. Ansh Golas is responsible for overseeing assigned business and operational functions and supporting the implementation of the Company's strategic initiatives and long-term objectives. His understanding of the Company's business and involvement in its operations make him suitably placed to discharge the responsibilities entrusted to him. |
| 5. | Remuneration proposed | The proposed remuneration shall be ₹ 1.20 Crore per annum, together with such increments as may be determined by the Board from time to time on the recommendation of the Nomination and Remuneration Committee. |
| 6. | Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) | The proposed remuneration is considered commensurate with the remuneration prevailing for similar positions in companies of comparable size and scale, having regard to the responsibilities associated with the position, the size and operations of the Company, industry benchmarks and the experience of the appointee. |
| 7. | Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel, if any. | Mr. Ansh Golas is a member of the Promoter Group of the Company. He is the son of Mr. Rupesh Kumar Gupta, Managing Director, Nephew of Mr. Shailesh Kumar Gupta, Whole-time Director and Grandson of Mrs. Sunita Gupta, Non-Executive Director. |
| **III.** | **Other information:** | |
| 1. | Reasons of loss or inadequate profits | The Company has been consistently profitable. However, in the event of absence or inadequacy of profits in any financial year during his tenure, the remuneration payable to Mr. Ansh Golas shall be governed by and subject to the applicable provisions of Section 197 read with Schedule V to the Act and other applicable provisions of law. |
| 2. | Steps taken or proposed to be taken for improvement | The Company continues to focus on improving productivity and operational efficiency through optimization of manufacturing processes, cost rationalisation, capacity utilisation, product diversification, strengthening of sales and distribution channels and other strategic initiatives aimed at improving margins and profitability. |
| 3. | Expected increase in productivity and profits in measurable terms | The Company continue to undertake measures to improve operational efficiency, productivity, capacity utilisation and cost effectiveness. These initiatives are expected to contribute to improved productivity and profitability over the coming years. |

Mr. Ansh Golas is a member of Promoter Group and Executive Director of the Company and is therefore a related party of the Company. His proposed revision in remuneration is subject to the applicable provisions of Sections 196, 197 and 198 read with Schedule V to the Companies Act, 2013 and the applicable provisions of the SEBI Listing Regulations. Further, the provisions of Regulation 17(6)(e) of the SEBI Listing Regulations relating to remuneration payable to executive directors who are promoters or members of the promoter group have also been considered. The proposed remuneration shall be subject to the applicable limits and approval requirements prescribed under the said Regulation.

The Company has received the necessary disclosures and declarations from Mr. Ansh Golas in connection with the proposed revision in his remuneration.

Accordingly, the consent of the Members is sought for passing the Special Resolution set out at Item No. 8 of the Notice for approval of the revision in the remuneration payable to Mr. Ansh Golas as Whole-time Director of the Company.

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the Members.

Except Mr. Rupesh Kumar Gupta (Father), Mr. Shailesh Kumar Gupta (Uncle) and Mrs. Sunita Gupta (Grandmother), being relatives of Mr. Ansh Golas, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their respective shareholding, if any, in the Company.

## ITEM NO. 9:

Mrs. Sunita Gupta (DIN: 02981707) is a Non-Executive Non-Independent Director of the Company and belongs to the Promoter Group. She has been associated with the Company since 2014 and has contributed to Company's overall strategic direction, governance and growth.

Considering her experience, guidance, participation in the affairs of the Company and contribution to the deliberations of the Board and its Committees, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee and approval of the Audit Committee, at its meeting held on September 02, 2026, approved and recommended to the Members the payment of remuneration of ₹48 Lakh (Rupees Forty Eight Lakh only) per annum to Mrs. Sunita Gupta, with effect from October 01, 2026, subject to approval of the Members.

The proposed remuneration is intended to appropriately recognise her contribution, responsibilities, experience and participation in the affairs of the Company and is considered commensurate with her role, experience and contribution as a Director.

The quantum and manner of payment of such remuneration shall be determined by the Board of Directors from time to time,

having regard to her contribution, participation, responsibilities and role as a Director, subject to the applicable provisions of the Companies Act, 2013 ("Act"), Schedule V thereto, the SEBI Listing Regulations and other applicable laws. The remuneration shall be in lieu of sitting fees payable for attending meetings of the Board of Directors and Committees thereof.

The proposed payment of remuneration is subject to the applicable provisions of Sections 197 and 198 read with Schedule V to the Act and Regulation 17(6) of the SEBI Listing Regulations, as applicable to Non-Executive Directors who are promoters or members of the promoter group. Further, pursuant to Regulation 17(6)(ca) of the SEBI Listing Regulations, approval of the Members by way of Special Resolution is required where a Non-Executive Director's remuneration exceeds 50% of the total remuneration payable to all Non-Executive Directors.

In the event of absence or inadequacy of profits in any financial year, the payment of remuneration to Mrs. Sunita Gupta shall be subject to the applicable provisions of the Act, including Schedule V thereto, the SEBI Listing Regulations and other applicable laws, rules and regulations.

The Company has received the necessary disclosures and declarations from Mrs. Sunita Gupta in connection with the proposed payment of remuneration.

The Board is of the view that the proposed payment of remuneration is in the best interests of the Company and its stakeholders and accordingly recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the Members.

Accordingly, the consent of the Members is sought for passing the Special Resolution set out at Item No. 9 of the Notice for approval of the payment of remuneration to Mrs. Sunita Gupta as Non-Executive Director of the Company.

The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the Members.

Except Mr. Rupesh Kumar Gupta (Son), Mr. Shailesh Kumar Gupta (Son) and Mr. Ansh Golas (Grandson), being relatives of Mrs. Sunita Gupta, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their respective shareholding, if any, in the Company.

# NOTICE

## DETAILS OF DIRECTORS RETIRING BY ROTATION/ SEEKING APPOINTMENT/RE- APPOINTMENT AT THE 19TH ANNUAL GENERAL MEETING OF THE COMPANY:

(Pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India).

| Name of the Director | Mrs. Sunita Gupta | Mr. Rupesh Kumar Gupta | Mr. Shailesh Kumar Gupta |
|---|---|---|---|
| Brief Profile | | | |
| Designation/Category of Director | Non-Executive Director | Managing Director (Executive Director) | Joint Managing Director (Executive Director) |
| DIN | 02981707 | 00540787 | 00540862 |
| Date of Birth | 31-12-1956 (69 Years) | 02-10-1976 (49 Years) | 05-10-1981 (44 Years) |
| Qualifications | Undergraduate | Undergraduate | Commerce Graduate |
| Nationality | Indian | Indian | Indian |
| Date of Appointment / Reappointment on the Board of the Company | September 23, 2024 (Original Appointment Date: October 01, 2014) | January 08, 2024 (Original Appointment Date June 21, 2007) | January 08, 2024 (Original Appointment Date January 09, 2010) |
| Nature of expertise in specific functional areas | Promoter and Director of the Company since October 1, 2014, with extensive experience and valuable insights contributing to the Company's growth and strategic direction. | Promoter and Executive Director of the Company since incorporation, with extensive experience in the steel industry and a pivotal role in shaping the Company's strategic direction, business growth and operational excellence. | Promoter and Executive Director of the Company since 2010, with over 16 years of extensive experience in the steel industry and significant contributions to the Company's business growth, operational excellence and strategic development. |
| Inter-se relationship between Directors and other Key Managerial Personnel | Mother of Mr. Rupesh Kumar Gupta (Managing Director), and Mr. Shailesh Kumar Gupta (Whole-time Director), and Grandmother of Mr. Ansh Golas (Whole-time Director). | Brother of Mr. Shailesh Kumar Gupta (Whole-time Director), Father of Mr. Ansh Golas (Whole-time Director) and Son of Mrs. Sunita Gupta (Non-Executive Director). | Brother of Mr. Rupesh Kumar Gupta (Managing Director), Uncle of Mr. Ansh Golas (Whole-time Director) and Son of Mrs. Sunita Gupta (Non-Executive Director). |
| Terms and Conditions along with details of remuneration sought to be paid | Non-executive Director of the Company, liable to retire by rotation and being eligible offers herself for re-appointment. | As mentioned in the Resolution & Explanatory Statement | As mentioned in the Resolution & Explanatory Statement |
| No. of Equity Shares held | 10,75,720 Equity Shares | 44,73,847 Equity Shares | 32,16,222 Equity Shares |
| Details of remuneration last drawn | NIL (Draws ₹ 1.95 Lakh as sitting fees) | ₹ 2.10 Crore per annum | ₹ 1.82 Crore per annum |
| No. of Board Meeting attended during the year | 7 out of 7 | 7 out of 7 | 7 out of 7 |
| Resignation from the Listed Entities in the past three years | NIL | NIL | NIL |
| Directorships of other Companies | • Ansh Commerce Private Limited<br>• Hariom Power and Energy Private Limited | Reo Solutions Private Limited | |
| Chairmanship/ Membership of Committees of Boards of other Companies | NIL | NIL | NIL |

# NOTES

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