



**HEC**

**INFRA PROJECTS LIMITED**

---

# ANNUAL REPORT

---

2023-24

# INDEX

DESCRIPTION	PAGE
COMPANY INFORMATION	3
LETTER FROM MANAGING DIRECTOR	4
NOTICE TO THE MEMBER	5
DIRECTOR'S REPORT	18
ANNEXURES TO DIRECTORS REPORT	27
REPORT ON CORPORATE GOVERNANCE	34
CEO / CFO CERTIFICATION	50
AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE	51
MANAGEMENT DISCUSSION & ANALYSIS REPORT	52
INDEPENDENT AUDITORS REPORT	56
BALANCE SHEET	67
STATEMENT OF PROFIT & LOSS ACCOUNT	68
STATEMENT OF CASH FLOW STATEMENT	69
NOTES FORMING PART OF ACCOUNTS	71
ATTENDANCE SLIP	97
PROXY FORM	98
ROUTE MAP	100

## COMPANY INFORMATION

**HEC INFRA PROJECTS LIMITED**

**(CIN: L45200GJ2005PLC046870)**

**ISIN: INE558R01013**

### BOARD OF DIRECTORS

Mr. Gaurang Shah	Managing Director
Mrs. Rupal Shah	Executive Director
Mr. Rahul Shah	Executive Director
Mrs. Neetu Jalan	Independent Director
Mrs. Dipika Soni	Independent Director
Mrs. Raina Singh	Independent Director

### CHIEF FINANCIAL OFFICER

Mr. Arvind Kumar Patel

### COMPANY SECRETARY

Ms. Khushi Bhatt

### STATUTORY AUDITOR

M/s. Paresh Thothawala & Co.

Chartered Accountants

### SECRETARIAL AUDITOR

M/s Jalan Alkesh & Associates

Practicing Company Secretary

### INTERNAL AUDITOR

M/s Shah Shah and Co.

Chartered Accountants

### BANKERS:

Bank of India

### LISTED IN STOCK EXCHANGE

National Stock Exchange (NSE)

### REGISTERED OFFICE

Sigma-1 Corporates, Corporate

House No. 6, Nr. Maan Party

Plot Cross Road, Sindhu Bhavan Road,

Bodakdev, Ahmedabad- 380054

Email Id: [cs@hecproject.com](mailto:cs@hecproject.com)

Website: [www.hecprojects.in](http://www.hecprojects.in)

Tel: +91-79-4008 6771-74

### REGISTRAR AND TRANSFER AGENT

Cameo Corporate Services Limited

Subramanian Building No.1, Club House

Road, Chennai-600002, Tamil Nadu

Tel: +91-44-28460390

Fax: +91-44-28460129

E-mail: [cameo@cameoindia.com](mailto:cameo@cameoindia.com)

## LETTER FROM MANAGING DIRECTOR

Dear Shareholders,

I am delighted to address you as we celebrate another significant milestone in our journey together. The completion of our 19th year and the commencement of our 20th year mark a period of immense pride and accomplishment for HEC Infra Projects Limited.

Our commitment to creating long-term value through a robust business strategy, ethical practices, diligent risk management, and nurturing talent remains steadfast. These principles have guided us through challenges and opportunities, reinforcing our position as a trusted entity in the industry.

I extend my heartfelt appreciation to our dedicated management team and employees whose unwavering efforts have contributed to our continued growth and improved performance. Their dedication is a testament to our collective vision and commitment to excellence.

To our shareholders, bankers, and stakeholders, I express sincere gratitude for your unwavering support during the transitional phases and beyond. Your trust and confidence in our company inspire us to strive for greater milestones and sustained success.

As we look ahead, I am confident in our ability to navigate the evolving landscape with agility and innovation. Together, we will seize opportunities, overcome challenges, and create enduring value for all stakeholders.

Thank you once again for your continued trust and partnership. Here's to a future filled with prosperity and shared success.

Best Regards,

**Gaurang P Shah**

**Managing Director**

# NOTICE TO MEMBERS

Notice is hereby given that the **19<sup>th</sup> Annual General Meeting** of the Members of **HEC Infra Projects Limited** will be held on **Tuesday, 30<sup>th</sup> July 2024 at 11:00 a.m.** (IST) at the registered office of the Company Sigma-1 Corporates, Corporate House No. 6, Nr. Mann Party Plot Cross Road, Sindhu Bhavan Road, Bodakdev, Ahmedabad- 380054 to transact the following business:

## **ORDINARY BUSINESS:**

### **ITEM NO. 1 ADOPTION OF FINANCIAL STATEMENTS:**

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

To receive, consider and adopt the Audited Financial Statement for the financial year ended on March 31, 2024, together with the Reports of the Board of Directors and the Auditors thereon.

“RESOLVED THAT the Board’s Report with Annexure, the Statement of Profit and Loss and the Cash Flow Statement for the Financial Year ended March 31, 2024 and the Financial Statement as at that date together with the Independent Auditors’ Report thereon be and are hereby considered, approved and adopted.”

### **ITEM NO. 2 TO APPOINT MRS. RUPAL SHAH (DIN: 01756092) 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 Section 152 of the Companies Act 2013 and other applicable provisions, MRS. RUPAL SHAH (DIN: 01756092) who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

### **ITEM NO. 3 TO APPOINT MR. RAHUL SHAH (DIN: 06862697) 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 Section 152 of the Companies Act 2013 and other applicable provisions, MR. RAHUL SHAH (DIN: 06862697) who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

## **SPECIAL BUSINESS:**

### **ITEM NO.4 APPROVAL OF LOANS, INVESTMENTS, GUARANTEE OR SECURITY UNDER SECTION 185 OF THE COMPANIES ACT,2013**

To consider and if thought fit, to pass the following resolution, with or without modifications as a “**Special resolution**”:

“RESOLVED THAT, pursuant to Section 185 and all other applicable provisions of the Companies Act,2013 and rules made thereunder as amended from time to time, the consent of the members of the company be and is hereby accorded to authorize the Board of Directors of the company (herein after referred to as the Board, which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity in which any director is deemed to be interested or to the Managing Director or Whole time director of the company up to an aggregate amount of INR 250 Crores (Rupees Two hundred Fifty Crores only) in their absolute discretion deem beneficial and in interest of the company, provided that such loans are utilized by the borrowing company for its principal business activities.

“RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution the Board of Directors of the company be and are hereby authorized to do all the acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company.”

### **ITEM NO.5 APPROVAL OF MEMBERS FOR INCREASE IN THE LIMITS APPLICABLE FOR MAKING INVESTMENTS/EXTENDING LOANS AND GIVING GUARANTEES OR PROVIDING SECURITIES IN CONNECTION WITH LOANS TO PERSONS/BODY CORPORATES UNDER SECTION 186 OF THE COMPANIES ACT,2013**

To consider and if thought fit, to pass the following resolution, with or without modifications as a “**Special resolution**”:

“RESOLVED THAT, pursuant to Section 186 of the Companies Act,2013 (“the Act”) read with the Companies (Meetings of Board and its powers) Rules,2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”), which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or

any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution, to (i) give any loan to any person or other body corporate, (ii) give any guarantee or provide any security in connection with a loan to anybody corporate or a person, (iii) acquire by way of subscription, purchase or otherwise, the securities of anybody corporate, as they may in their absolute discretion deem beneficial and in interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or body corporates along with the additional investments, loans, guarantees, securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs.100 Crore (Rupees hundred Crores only) over and above limit prescribed under Section 186 of the Companies Act, 2013.

**“RESOLVED FURTHER THAT,** the Board of Directors be and is hereby authorized to take all such steps as necessary, proper and expedient to give effect to this Resolution.”

**ITEM NO.6 APPROVE EXISTING AS WELL AS NEW MATERIAL RELATED PARTY TRANSACTIONS:**

To consider and if thought fit, approve the material related party transaction(s) by the company during financial years 2023-24 to 2027-28 to pass the following resolution, with or without modifications as a **“Ordinary resolution”**:

**“RESOLVED THAT,** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (“The Act”) read with Rule 15 of the Companies (Meetings of Board and its powers) Rules, 2014, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force), as amended from time to time, the consent of Members of the company be and is hereby accorded to the Board of Directors of the company (“board”) for entering into and/or carrying out and/ or continuing with existing contracts/arrangements/transactions or modification(s) of earlier/arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise) with the following as per the details set out in explanatory statement annexed to this notice, notwithstanding with the fact that the aggregate value of all these transaction(s) whether undertaken directly by the company may exceed the prescribed thresholds as per the said contracts/arrangements/transactions shall be carried out at arm’s length basis and in ordinary course of business of the company

Highvolt Power and Control Systems Private Limited
Swati Switchgears (India) Private Limited
Brainscape Solutions Private Limited
Lumos Building Automation Private Limited
Shree Krishna Cold Storage

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/arrangement/transactions, settle all questions, difficulties or doubts that may arise in this regard. take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution.”

**ITEM NO.7 INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY:**

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 61 read with Section 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and the rules framed thereunder, consent of the board be and is hereby accorded to increase the Authorized Share Capital of the Company from the existing Rs. 10,20,00,000 (Rupees 10.20 crores) divided into 1,02,00,000 (One crore two lacs) Equity Shares of Rs. 10/- each to Rs. 20,00,00,000/- (Rupees twenty Crores) comprising of 2,00,00,000 (two crores) Equity Shares of Rs. 10/- each pari passu in all respects with the existing Equity Shares of the Company

**“RESOLVED FURTHER THAT** pursuant to the provisions of Section 13, 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and the rules framed thereunder, consent of the board be and is hereby accorded for substituting Clause V of the Memorandum of Association of the Company with the following clause:

**“(V)** The Authorised Share Capital of the Company is Rs. 20,00,00,000/- (Rupees twenty Crores) comprising of 2,00,00,000 (two crores) Equity Shares of Rs. 10/- each each with the rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being with power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, differed, qualified or special rights and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be provided by the Articles of Association of the Company and the Companies Act, 2013.”

**RESOLVED FURTHER THAT** any of the Directors of the Company be and is hereby severally authorized to file, sign, verify and

execute all such e-forms with Registrar of companies, papers or documents, as may be required and do all such acts, deeds, matters and things as may be necessary and incidental for giving effect to this resolution.

**ITEM NO.8 APPROVAL OF SALE OF UNDERTAKING UNDER SECTION 180 OF THE COMPANIES ACT, 2013 AND UNDER REGULATION 37A OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 OUTSIDE AND SCHEME OF ARRANGEMENT**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED that pursuant to provision of Section 180 of the Companies Act, 2013 and other applicable provision, if any, of the Companies Act, 2013 read with the corresponding rules, if any, as amended from time to time and of Regulation 37A and such other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Members of the Company be and is hereby given to the Board of Directors to sale, lease, mortgage, charges or otherwise dispose of the whole or substantially the whole of an undertaking of the Company, whether in whole or in part, for raising the funds from Banks or financial institutions for an amount not exceeding Rs. 250.00 Crores on such terms and conditions as the Board of Directors may deem fit in the interest of the Company”

“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things as may be required in this regard, including delegation of this power to any Committee of the Board or any Director or Executive/official/person as the Board/Committee may deem necessary.”

**Date: 01/07/2024**

**Place: Ahmedabad**

<p><b>Registered Office:</b> Sigma 1 Corporate, Corporate House No. 6, Sindhu Bhavan Road, Nr. Mahan Party Plot Cross Road, Bodakdev, Ahmedabad- 380054.</p> <p>Tel: - +91-79-40086771-74; Web: - www.hecprojects.in; Email: - elect@hecproject.com</p>	<p>By order of the Board of Directors</p> <p><b>For, HEC Infra Projects Limited</b> <b>SD/-</b> <b>Khushi Bhatt</b> <b>(Company Secretary)</b> <b>M.No:A51011</b></p>
---	---

**NOTES:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's registered office, duly completed and signed, not less than forty-eight hours (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies etc. must be supported by appropriate resolutions/authority, as applicable. A person can act as a proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total Share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorized representatives to attend the Annual General meeting (AGM) pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board resolution together with their specimen signatures authorizing their representative(s) to attend and vote on behalf at the AGM.
3. The Register of members and Share Transfer Books of the Company will remain close from **Wednesday, July 24 2024 to Tuesday, July 30 2024** (both days inclusive). During the period beginning 24 hours before the time fixed for the commencement of meeting and ending with conclusion of the meeting, a member would be entitled to inspect the proxies lodged with the Company, at any time during the business hours of the Company, provided that not less than three(3) days of notice in writing is given to the company.
4. The Explanatory Statement pursuant to Section 102(1) of the Act, with respect to the Ordinary/ Special Business to be transacted at the meeting set out in the Notice is annexed hereto. Further, the Explanatory Statement relating to Ordinary Business and Special Business in Item No. 2 to 8 be transacted at the AGM is also annexed hereto. The relevant details as required under

Regulations 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 as approved by the Central Government, of the persons seeking appointment/re- appointment as Directors, is also annexed to this notice.

5. Institutional shareholders/corporate shareholders (i.e., other than individuals, HUF's, NRI's, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorization etc., authorizing their representative to attend and vote on their behalf at the meeting. The said Resolution/Authorization shall be sent on [cs@hecproject.com](mailto:cs@hecproject.com).

6. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations and circulars issued by Ministry of Corporate affairs dated April 8, 2020, April 13, 2020 and May 5, 2020, January 13, 2021, December 8, 2021 and December 14, 2021 the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, necessary arrangements have been made by the Company with National Securities Depository Limited (NSDL) to facilitate Remote e-Voting and e-Voting during AGM. The instructions for the process to be followed for Remote e-Voting and e-Voting during AGM is forming part of this Notice.

**Commencement of e-voting: From 9.00 a.m. on July 27 2024**

**End of e-voting: Up to 5.00 p.m. on July 29 2024**

E-voting shall not be allowed beyond **July 29, 2024**. During the E-voting period, the shareholders of the company, holding shares either in physical form or dematerialized form, as on the closing of business hours of the cutoff date, may cast their vote electronically. The cut-off date for eligibility for e-voting is **Wednesday, July 24, 2024**.

5. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website [www.hecprojects.in](http://www.hecprojects.in), websites of the Stock Exchange i.e., NSE Limited at [www.nseindia.com](http://www.nseindia.com). Shareholders who have not registered their e-mail address and in consequence the Annual Report, Notice of AGM and e- voting notice could not be serviced, may also temporarily provide their email address and mobile number to the Company's Registrar and Share Transfer Agent. Alternatively, member may send an e-mail request at the email id [cameo@cameoindia.com](mailto:cameo@cameoindia.com) along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions. Section 20 of the Companies Act, 2013 permits service of documents on Members by a Company through electronic mode

6. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant in case the shares are held by them in electronic form.

7. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website [www.hecprojects.in](http://www.hecprojects.in) Members are requested to submit the said details to their Depository Participant in case the shares are held by them in electronic form.

8. In case of joint holders, Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM. for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.

9. Members desirous for any information or queries on accounts / financial statements or relating thereto are requested to send their queries at least seven days in advance to the Company at its registered office address to enable the Company to collect the relevant information and answer them in the Meeting.

10. The relevant details pursuant to regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General meetings issued by the Institute of Company Secretaries of India, in respect of the Director seeking re-appointment at this AGM is annexed with the notice.

11. All the Shareholders of the Company are holding Shares in Demat mode, and none of the Shareholders are having Shares in Physical Mode. Bifurcation of holding of Shares in Depositories as on March 31, 2024 is forming part of this report. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No. Members are also requested to kindly carry their own soft copy of the Annual report as no physical copy of Annual report would be made available at the Annual General meeting and are requested to quote their Folio numbers in all correspondences. The Notice of AGM along with Annual Report for the financial year 2023-24, is available on the website of the Company at [www.hecprojects.in](http://www.hecprojects.in), on the websites of the Stock Exchange i.e., National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com), and on the website of National Securities Depository Limited (NSDL) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com)



12. All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the meeting and other statutory registers shall be available for inspection by the Members at the Registered Office of the Company during office hours on all working days between 10:00 a.m. to 5:00 p.m. from the date of hereof up to the date of the Annual General Meeting.

13. SEBI has mandated the submission of Permanent Account Number (PAN) for participating in the securities market deletion of name of deceased holder, transmission/transposition of shares. Members are requested to submit the PAN details to their Depository Participant (DP) in case of the holdings in dematerialization form or to Cameo Corporate Services Limited.

14. Shri. Alkesh Jalan, Practicing Company Secretary, (Membership No.: F10620 and CP No.: 4580) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. Based on the Scrutinizer report, the company shall submit within 2 working days of the conclusion of AGM, to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the Listing regulations. The Chairman shall forthwith on receipt of the Scrutinizer's Report, declare the result of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website [www.hecprojects.in](http://www.hecprojects.in) and on the website of NSDL immediately after their declaration, and communicated to the Stock Exchanges where the shares of the Company are listed, viz. NSE Ltd.

16. Route map and prominent land mark for easy location of venue of the AGM is provided at the end of the Notice.

#### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on 27.07.2024 at 09:00 A.M. and ends on 29.07.2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 24.07.2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 24.07.2024.

#### **How do I vote electronically using NSDL e-Voting system?**





*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

#### **Step 1: Access to NSDL e-Voting system**

##### **A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDEAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDEAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘<b>Shareholder/Member</b>’ 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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p> <b>App Store</b>       <b>Google Play</b></p> <p>      </p>
Individual Shareholders holding securities in demat mode with CDSL	<p>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 users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</p> <p>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a -Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

**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. NSDL and CDSL.**

Login type	Helpdesk details
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 <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000 and 022 - 2499 7000
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communi-

cated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
  - Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system.**

### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "**129035**" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [janalkesh@gmail.com](mailto:janalkesh@gmail.com) <**Please mention the e-mail ID of Scrutinizer**> with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct

password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to at [evoting@nsdl.com](mailto:evoting@nsdl.com)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

- In case shares are held in physical mode please provide 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 [cs@hecproject.com](mailto:cs@hecproject.com)
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@hecproject.com](mailto:cs@hecproject.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Log-in method for e-Voting for Individual shareholders holding securities in demat mode**.
- Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
- In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ shareholders, who will be 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 in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Pratik Bhatt (Tel No.: 022-24994738) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

**Date: 01/07/2024**

**Place: Ahmedabad**

<p><b>Registered Office:</b> Sigma 1 Corporate, Corporate House No. 6, Sindhu Bhavan Road, Nr. Mahan Party Plot Cross Road, Bodakdev, Ahmedabad- 380054.</p> <p>Tel: - +91-79-40086771-74;</p> <p>Web: - <a href="http://www.hecprojects.in">www.hecprojects.in</a>;</p> <p>Email: - <a href="mailto:elect@hecproject.com">elect@hecproject.com</a></p>	<p>By order of the Board of Directors</p> <p><b>For, HEC Infra Projects Limited</b> <b>SD/-</b> <b>Khushi Bhatt</b> <b>(Company Secretary)</b> <b>M.No:51011</b></p>
---	--

**ANNEXURE TO THE NOTICE DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE 19<sup>TH</sup> ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]**

<b>Name of Director</b>	<b>Mrs. Rupal Shah</b>	<b>Mr. Rahul Shah</b>
Director Identification Number (DIN)	01756092	06862697
Date of Birth	18/11/1965	13/11/1992
Date of First Appointment	06/10/2005	25/06/2021
Qualification	M.Com	Master in Construction Management
Nature of Expertise	She is having 35 years of experience in accounts, finance and administration department of the company. She also actively takes part in decision making process related to our operations and provides useful inputs for formulation of various strategies.	He is having an experience of working as site engineer and Quality Engineer for Quality Control He is having an expertise in the Construction field.
Shareholding in the Company as on March 31,2024	1217000 Equity Shares of Rs. 10/- each (12.00%)	11590 Equity Shares of Rs. 10/- each (0.11%)
Directorship in other Company	-Highvolt Power and Control Systems Private Limited	-Paras Engen India Private Limited -Brainscape Solutions Private Limited -Kalp Agritech Private Limited (i.e., 25.06.2022)
Chairman/ Member of Committee in other Public Companies	Nil	Nil
Relationship with Other Director	Mr. Gaurang Shah (Spouse) Mr. Rahul Shah (Son)	Mr. Gaurang Shah (Father) and Mrs. Rupal Shah (Mother)

**Explanatory statement pursuant to section 102 of Companies Act 2013**

**ITEM NO.4 APPROVAL OF LOANS, INVESTMENTS, GUARANTEE OR SECURITY UNDER SECTION 185 OF THE COMPANIES ACT,2013**

The Company is expected to render support for the business requirements of other companies in the group, from time to time. However, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan to other entities in the group or give guarantee or provide security in respect of loans take by such entities, for their principal business activities. The members may note that board of directors would carefully evaluate proposals and provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, only for principal business activities of the entities. Hence, in order to enable the company to advance loan to Managing Director/Whole Time Director/Subsidiaries/ Joint Ventures /associates/ other Companies/ Firms in which Directors are interested directly or indirectly under Section 185 of the Companies Act, 2013 requires approval of members by a Special Resolution.

The Board of directors recommend the special resolution for the approval by the members. Except Mr. Gaurang Shah, Mr. Rahul Shah and Mrs. Rupal Shah none of the Director, KMP and their relatives is in any way concerned or interested financially or otherwise in this resolution except to the extent of their shareholding.

**ITEM NO.5 APPROVAL OF MEMBERS FOR INCREASE IN THE LIMITS APPLICABLE FOR MAKING INVESTMENTS/EXTENDING LOANS AND GIVING GUARANTEES OR PROVIDING SECURITIES IN CONNECTION WITH LOANS TO PERSONS/BODY CORPORATES UNDER SECTION 186 OF THE COMPANIES ACT,2013**

As per the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan or any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty (60%) percent of its paid-up share capital, free reserves and securities premium account or one hundred (100%) of its free reserves and securities premium account, whichever is more. Further, the said Section provided that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of special resolution is required to be passed at the general meeting.

In view of the above and considering the long-term business plans of the Company, which requires the Company to make sizeable loans/investments and issue guarantees/securities to persons or bodies corporate, from time to time, prior approval of the Members is being sought for the same.

The Board of Directors recommend the special resolution for the approval by the members. Except Mr. Gaurang Shah, Mr. Rahul Shah and Mrs. Rupal Shah none of the Director, KMP and their relatives is in any way concerned or interested financially or otherwise in this resolution except to the extent of their shareholding.

**ITEM NO.6 APPROVE EXISTING AS WELL AS NEW MATERIAL RELATED PARTY TRANSACTIONS:**

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said section requires a Company to obtain approval of the Board of Directors and subsequently the Shareholders of the Company by way of ordinary resolution in case the value of the Related Party Transactions exceed the stipulated thresholds prescribed in Rule 15 of the said Rules if such transactions are other than in ordinary course of business and on arm's length basis.

Further, Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") also stipulates that all material related party transactions shall require prior approval of the shareholders through ordinary resolution and related party shall not vote in the said resolution.

Accordingly, the related party transactions as recommended and prior approved by the Audit Committee and approved by the Board of Directors at their respective meetings held on 1<sup>st</sup> July 2024 are hereby placed before the shareholders for their approval by way of ordinary resolution to enable the Company to enter into the following Related Party Transactions in one or more tranches. The transactions under consideration, are proposed to be entered into by the Company with the following related parties in the ordinary course of business and at arms' length basis.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Circular SEBI/HO/CFD/CMD1/ CIR/ P/2021/662, dated November 22, 2021, the particulars of transactions to be entered into by the Company with related parties are as under, the proposed contract relate to sale/purchase of goods/services and shall be governed by company's related party transaction policy and shall be reviewed by Audit committee within the overall limits approved by the members:

1. Highvolt Power and Control Systems Private Limited
2. Swati Switchgears (India) Private Limited
3. Brainscape Solutions Private Limited
4. Lumos Building Automation Private Limited
5. Shree Krishna Cold Storage

#	Particulars	Details				
1.	Name of related party and its relationship with listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Highvolt Power and Control Systems Private Limited- A Body corporate in which Mr. Gaurang Shah and Mrs. Rupal Shah are the Director of the Company. Further Mr. Gaurang Shah holds 32.70% and Mrs. Rupal Shah holds 21.36% Shares in the Company.	Swati Switchgears (India) Private Limited- A Body corporate in which Mr. Gaurang Shah holds 0.36%, Mrs. Rupal Shah holds 13.40% of the Share capital and Mr. Rahul Shah holds 5% of the share capital. In addition to this Paras Engen India Private Limited holds 5.72% of Share Capital, in which 100% of Share Capital is held by Mr. Gaurang Shah and his relatives. Further the relatives of Directors hold 31.71% of total Share capital.	Brainscape Solutions Private Limited-A Body corporate in which Mrs. Rupal Shah holds 5 % shares of the paid-up capital. Mr. Rahul Shah (son of Mr. Gaurang Shah and Mrs. Rupal Shah) holds 30% and Ms. Priya Shah (Daughter of Mr. Gaurang Shah and Mrs. Rupal Shah) holds 30% shares of Brainscape Solutions Private Limited. Thus Mr. Gaurang Shah and Mrs. Rupal Shah are directly or indirectly interested through their relative. Mr. Rahul Shah is the director	Lumos Building Automation Private Limited- A Company in which relative of Mr. Gaurang Shah are the Director and Shareholders	Shree Krishna Cold Storage- A firm in which Mr. Gaurang Shah and relative of Mr. Gaurang Shah are the partners.
2.	Type, tenure, material terms and particulars	Sale, Purchase or supply of any goods or material.	Sale, Purchase or supply of any goods or material or Services. Leasing of Property of any kind	Supply of any goods or material and availing or rendering of any services.	Sale, Purchase or supply of any goods or material	Sale, Purchase or supply of any goods or material
3.	Value of Transaction	Value of transaction would be upto Rs.250 crores i.e. aggregate value per related party should not exceed Rs.50 crores The additional amount of transaction can be planned on taking prior approval from the board				
4.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year that is represented by the value of the proposed transaction	Proposed limit of Value of transaction of Rs. 50 Crores per related party represents 67.76% of the total turnover of the Company calculated on turnover of the Company for the year 2023 - 2024	Proposed limit of Value of transaction of Rs. 50 Crores per related party represents 67.76% of the total turnover of the Company calculated on turnover of the Company for the year 2023 - 2024	Proposed limit of Value of transaction of Rs. 50 Crores per related party represents 67.76% of the total turnover of the Company calculated on turnover of the Company for the year 2023 - 2024	Proposed limit of Value of transaction of Rs. 50 Crores per related party represents 67.76% of the total turnover of the Company calculated on turnover of the Company for the year 2023 - 2024	Proposed limit of Value of transaction of Rs. 50 Crores per related party represents 67.76% of the total turnover of the Company calculated on turnover of the Company for the year 2023 - 2024
5.	Details of the transaction relating to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary	N.A	N.A	N.A	N.A	N.A
6.	Justification as to why RPT is in the interest of the company	The transactions shall be in ordinary course of business of the company and on arm's length basis	The transactions shall be in ordinary course of business of the company and on arm's length basis	The transactions shall be in ordinary course of business of the company and on arm's length basis	The transactions shall be in ordinary course of business of the company and on arm's length basis	The transactions shall be in ordinary course of business of the company and on arm's length basis

The proposed contracts/arrangements/transactions relate to sale/purchase of goods/services or any other transaction(s),



which shall be governed by the Company's Related Party Transaction Policy and shall be reviewed by the Audit Committee within the overall limits approved by the members. The Board of Directors or any Committee thereof would carefully evaluate the proposals providing and/or receiving of loans or guarantees or securities or making investments through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, only for principal business activities of such entities.

The Board of Directors recommend the special resolution for the approval by the members. Except Mr. Gaurang Parmanand Shah, Mr. Rahul Gaurang Shah and Mrs. Rupal Gaurang Shah none of the Director, KMP and their relatives is in any way concerned or interested financially or otherwise in this resolution except to the extent of their shareholding.

**ITEM NO.7 INCREASE IN THE AUTHORISED SHARE CAPITAL OF THE COMPANY:**

Presently, the Authorised Share Capital of the Company stands at Rs. 10,20,00,000 (Rupees 10.2 crores) divided into 1,02,00,000 (One crore two lakhs) Equity Shares of Rs. 10/- each. The increase in the Authorized Share Capital of the Company will also require consequential amendment in the Clause V of the Memorandum of Association of the Company. Pursuant to Section 13, 61 and 64 the Companies Act, 2013, alteration of the Capital Clause requires approval of the members of the Company by way of passing a resolution to the effect.

In case, the Board of Directors propose to expand the existing paid up capital base of the Company, then the Company would be requiring to increase its Authorised Share Capital, therefore, the Board of Directors of the Company in its meeting held on 29<sup>th</sup> May 2024 proposed to increase the Authorized Share Capital from Rs. 6,00,00,000 (Rupees Six Crore) divided into Rs. 10,20,00,000 (Rupees 10.2 crores) divided into 1,02,00,000 (One crore two lakhs) Equity Shares of Rs. 10/- to Rs. 20,00,00,000 divided into Rs.2,00,00,000 each pari passu in all respects with the existing Equity Shares of the Company.

Pursuant to Section 61 and 64 the Companies Act, 2013, alteration of the Capital Clause requires approval of the members of the Company by way of passing a resolution to the effect.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the resolutions set forth in Resolution No.7 of this Notice except to the extent of their shareholdings in the Company, if any.

Your Board recommends the resolution for approval of the Members as an Ordinary Resolution.

**ITEM NO.8 APPROVAL OF SALE OF UNDERTAKING UNDER SECTION 180 OF THE COMPANIES ACT,2013 AND UNDER REGULATION 37A OF SECURITIES AND EXCHANGE BOARD OF INDIA(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS,2015 OUTSIDE AND SCHEME OF ARRANGEMENT**

Pursuant to the provision of Section 180 of the Companies Act, 2013 creation of charges or sale or disposal of undertaking of the Company requires approval of the Ordinary Resolution. However pursuant to the amendment in SEBI ( Listing Obligations and Disclosure Requirements ) Regulations 2015 special resolution is required for the sale, lease, mortgage, charges or otherwise undertaking of the Company. The proposed resolution seeks approval for sale, lease, mortgage, charges or otherwise undertaking of the Company in whole or part for an amount not exceeding Rs. 250.00 Crores.

The proposed Special Resolution is recommended for the approval of the members.

None of the Directors, Key Managerial Personnel are interested in the Special resolution.

**Date: 01/07/2024**

<p><b>Registered Office:</b> Sigma 1 Corporate, Corporate House No. 6, Sindhu Bhavan Road, Nr. Mahan Party Plot Cross Road, Bodakdev, Ahmedabad- 380054.</p> <p>Tel: - +91-79-40086771-74; Web: - www.hecprojects.in; Email: - elect@hecproject.com</p>	<p>By order of the Board of Directors</p> <p style="text-align: right;"><b>SD/-</b> <b>For, HEC Infra Projects Limited</b> <b>Khushi Bhatt</b> <b>(Company Secretary)</b> <b>M.No:A51011</b></p>
---	--

**Place: Ahmedabad**

# DIRECTORS REPORT

To

The Members **HEC Infra Projects Limited**

The Board of Directors of **HEC Infra Projects Limited** [(“the Company”) feel amiable in presenting **19th Annual Report** of the Company covering the highlights of the finances, business, and operations of your Company. Also included herein are the Audited Financial Statements of the Company (standalone) prepared in compliance with Ind AS accounting standards, for the financial year ended March 31, 2024.

## **1. FINANCIAL PERFORMANCE:**

The Company’s financial performance for the year under review along with previous year figures is given hereunder:  
(₹in Lakhs Except per Share data)

Particulars	March 31,2024	March 31,2023
Revenue from Operations	7378.95	5173.39
Other Income	334.84	134.20
<b>Total Revenue</b>	<b>7713.79</b>	<b>5307.59</b>
Profit before Interest, Depreciation , Extraordinary items & tax expense	860.73	465.02
Less: Interest	182.23	322.68
Depreciation	16.64	22.04
Extraordinary Items	0	0
Profit before Exceptional item & tax	661.86	120.30
Exceptional Item	0	0
<b>Profit before Tax</b>	<b>661.86</b>	<b>120.30</b>
Current Tax	189.72	38.50
Deferred Tax	0.50	0.23
Taxation in respect of earlier year	0	2.74
<b>Net Profit after tax</b>	<b>471.64</b>	<b>78.83</b>
Other comprehensive income	0	0
<b>EPS: Basic</b>	<b>4.65</b>	<b>0.78</b>
<b>Diluted</b>	<b>4.65</b>	<b>0.78</b>

Note: Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. The financial statements for the financial year 2023-24 of the company are prepared in accordance with relevant Indian Accounting Standards(Ind-AS) issued by the Institute of Chartered Accountants of India and form part of this Annual Report as notified by the Companies Act,2013 read with Companies (Accounts) Rules,2014 and other relevant provisions of the Act and Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements)Regulations,2015 (“The SEBI Listing Regulations”).

## **2. STATE OF AFFAIRS /COMPANY’S PERFORMANCE:**

The Company has earned revenue from operation of ₹ 7378.94 Lacs during the year ended on March 31,2024 as against ₹ 5173.39 Lacs earned during the previous year ended on March 31,2023 with the increase of 42.63%. The Company has also earned other income of ₹ 334.84 Lacs during the year ended on March 31,2024 as against ₹ 134.20 Lacs earned during the previous year March 31,2023 with the increase of 149.50%.

The Company earned Profit Before Tax (PBT) of ₹ 661.86 Lacs and Profit After Tax (PAT) of ₹ 471.64 Lacs during the year ended on March 31, 2024 as compared to previous year ended on March 31, 2023 of ₹ 120.30 Lacs and ₹ 78.83 Lacs showing rise of 450.17% and 49.83% respectively. During the year under review, there has been no change in the nature of the business of the Company which has an impact on the affairs of the company. For the further details on Company’s performance, operations and strategies for growth, please refer to Management Discussion and Analysis section which forms a part of this Annual report.

**3. TRANSFER TO RESERVES AND SURPLUS:**

During the year under review 2023-2024 , the company has transferred Rs. 471.64 lakhs to the reserves and surplus account during the financial year ended March 31,2024.

**4. DIVIDEND:**

The constant efforts add to the growth potential and improve upon previously set benchmarks add to the strong foundation and work ethos of the company. Keeping in view the growth prospects of the company the board of your company has not recommended any dividend for the financial year ended March 31,2024. Since there was no unpaid/unclaimed dividend during the year under review, the Company is not required to transfer any amount to the Investor education and protection fund (IEPF) as required under the provision of Section 125 of the Companies Act,2013.

There was no amount liable or due to be transferred to Investor Education and Protection func( IEPF) during the financial year ended March 31,2024.

As per the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements)Regulations,2015(“SEBI Listing Regulations”), your company has formulated a Dividend Distribution policy is as follows : [hecprojects.in/i/wp-content/uploads/2024/06/Dividend\\_Distribution\\_Policy.pdf](https://hecprojects.in/i/wp-content/uploads/2024/06/Dividend_Distribution_Policy.pdf)

**5. CHANGE IN THE NATURE OF BUSINESS:**

The Company is engaged in the business of Electrical and Electro-mechanical projects. During the year under review 2023-24, there has been no change in the nature of business of the Company.

**6. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

During the financial year 2023-24 under review, there are no such material changes and commitments affecting the financial position of the Company, which has occurred during the year.

Further there are no material changes or commitments occurred subsequent to the year end and upto the date of the Directors Report.

The company will continue to closely monitor any material changes to future economic conditions.

There is no occasion whereby the Company has either revised or required to revise the Financial statement or the Board’s report of the Company for any period prior to Financial year 2023-24. Hence, no specific details are required to be given or provided.

**7. SHARE CAPITAL STRUCTURE:**

During the financial year 2023-24 under review, the Issued, Subscribed and Paid-up Equity Share Capital of the Company stands increase to Rs. 10,13,81,600/- divided in to 1,01,38,160 Ordinary Shares of Rs. 10/- each.

**8. CREDIT RATING :**

During the Financial year 2023-24 under review, the Company has neither issued nor required to obtain credit rating of its securities. As such, no specific details are required to be given or provided.

**9. DISCLOSURE REGARDING SHARES:**

The Company has not issued any Sweat Equity, Bonus Shares, ESOPS, equity shares with differential rights and also not bought back any of its securities during the year under review.

**10.MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

As on March 31,2024, The Board of Directors comprises of six(6) directors which include three(3) executive directors, three(3) Independent Directors. The overall composition of Board of Directors include one women director. As on the date of this report, the Board of the company constitutes of the following Directors:

Name of Directors	Category & Designation
Mr. Gaurang Shah	Managing Director
Mrs. Rupal Shah	Executive Director
Mr. Rahul Shah	Executive Director
Mrs. Neetu Jalan	Non-Executive Independent Director
Mrs. Dipika Soni	Non-Executive Independent Director
Mrs. Raina Singh	Non-Executive Independent Director

Further during the year under review and pursuant to the applicable provisions of the Companies Act,2013, the Board of Directors of the company on recommendation of the Nomination and Remuneration committee of the Board consented to re-appoint Mrs. Rupal Shah (DIN: 01756092) and also to re-appoint Mr. Rahul Shah (DIN: 06862697) who retires by rotation and being eligible so offered for re-appointment. A brief resume and other details of the above directors seeking re-appointment

are provided in the Notice of Annual General meeting.

Further on April 24,2023 Mr. Asit Ramniklal Shah(DIN:05285162) and Mr. Nipam Chandrakant Shah (DIN:08808329) stepped down from the position of Non-Executive Independent Director and Mrs. Neetu Jalan(08719470) and Mrs. Dipika Soni (DIN:08846908) were appointed in the board meeting held on April 24,2023 and the same were regularized in the Extraordinary General meeting held by the company on July 24,2023. Whereas, Mrs.Raina Singh(DIN:09637543) was appointed as the Additional Director (Independent) w.e.f August 24,2023 and she was regularized in the 18th Annual General meeting. Mr. Yogesh Shah(DIN:06971596) resigned on August 24,2023.

During the year under review, there was a change in the Key Managerial Personnel(KMP) of the Company. In accordance with the provisions, as on March 31,2024 following are the Key Managerial Personnel of the Company:

- Mr. Gaurang Shah-Managing Director
- Mr. Arvindkumar Patel\*-Chief Financial Officer
- Ms. Khushi Bhatt-Company Secretary
- Mr.Pannalal Surti ceased from the position of Chief financial officer from 1<sup>st</sup> January 2024 and Mr.Arvindkumar Patel was appointed from 4<sup>th</sup> January 2024 as the Chief financial officer of the company.

#### **11. DECLARATION ON INDEPENDENCE GIVEN BY INDEPENDENT DIRECTORS:**

The Independent directors of the company have given declarations that they meet the criteria of the independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing regulations. None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164(2) of the Act and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014. All the Independent Directors have been registered and are members of the Independent Directors Databank maintained by Indian Institute of Corporate Affairs. None of the Independent directors are liable to retire by rotation.

According to the Rule 6 of the Companies(Appointment and Qualification of Directors)Rules,2014,as amended, the names of all the Independent directors of the company have been included in the data bank maintained by the Indian Institute of Corporate Affairs. The Independent Directors are fully kept informed of the Company's business activities. A separate meeting of Independent Directors were held on March 14,2024. All the Independent directors were present in the meeting.

#### **12. MEETINGS OF THE BOARD OF DIRECTORS:**

The Board of Directors of the company have met 08 (eight) times during the year viz (1)24<sup>th</sup> April 2023,(2) 27<sup>th</sup> May 2023, (3) 7<sup>th</sup> July 2023, (4) 11<sup>th</sup> August 2023, (5) 2<sup>nd</sup> September 2023, (6) 10<sup>th</sup> November 2023, (7) 4<sup>th</sup> January 2024 and (8) 12<sup>th</sup> February 2024. The details of the Board meetings are provided in the Corporate Governance report forming part of this Annual report.

#### **13. COMMITTEES OF THE BOARD:**

The Board has established the following committees:

1. Audit committee
2. Nomination and remuneration committee
3. Stakeholders relationship committee
4. Corporate Social responsibility committee\*

\*The company is required to form the Corporate social responsibility committee thus the same is in formation but no mandatory expenditure during the year on corporate social responsibility is envisaged as per Section 135 of the Act.

The compositions of the committees as on March 31,2024 are as detailed below:

Sr.No.	Name of committee members	Audit committee	Nomination & remuneration committee	Stakeholders relationship committee
1.	Mrs. Dipika P Soni	Chairperson	Chairperson	Chairperson
2.	Mrs. Raina Singh	Member	Member	Member
3.	Mrs. Neetu Jalan	--	Member	--
4.	Mr. Gaurang P. Shah	Member	--	Member

The detailed disclosures of all the committees of the Board of Directors are provided in the Corporate Governance report forming part of this Annual report.

There is no occasion wherein the Board of Directors of the company has not accepted any recommendations of the Audit committee of the company during the financial year 2023-24. As such, no specific details are required to be given or provided.

#### **14. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

All Independent Directors are familiarized with the operation and functioning of the Company. The details of the familiarization program are provided in the Corporate Governance Report and the same is also available on the website of the company

[https://hecprojects.in/wp-content/uploads/2024/05/Familiarization-Programme\\_IDS-2023-24.pdf](https://hecprojects.in/wp-content/uploads/2024/05/Familiarization-Programme_IDS-2023-24.pdf)

#### **15. ANNUAL PERFORMANCE EVALUATION:**

The Company has in place a criteria for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include performance evaluation of the non-executive directors and executive directors.

Pursuant to the provisions of Section 134(3)(p), 149 (8) and Schedule IV of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company is committed to get its performance evaluated in order to identify its strengths and areas in which it may improve its functioning. In terms of the framework of the Board Performance evaluation, the Nomination and Remuneration committee and the Board of Directors have carried out an annual performance evaluation of the performance of its own performance, Committee and Individual Directors.

The evaluation of the Board, Committees, Directors and Chairman of the Board was conducted based on the evaluation parameters such as Board composition and structure, effectiveness of the Board, participation at the meetings, awareness, observance of governance and quality of contribution etc.

The performance of the Board was evaluated after seeking inputs from all the directors on the basis such as knowledge and skills, professional conduct, duties, roles and function, effectiveness etc. Further board opined that the Independent directors of the company appointed during the year has requisite intergrity, expertise and experience.

#### **16. APPOINTMENT AND REMUNERATION POLICY:**

Pursuant to provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of listing Regulations and on the recommendation of the Nomination and Remuneration Committee, the Board has adopted a policy for selection, appointment and remuneration of Directors and Key Managerial Personnel.

The detailed features of Remuneration Policy are stated in the Report on Corporate Governance forming part of this Annual Report.

#### **17. PARTICULARS OF EMPLOYEES:**

During the year under review, there was no employee who has drawn remuneration in excess of the limits set out under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosure pertaining to Remuneration and other details as required under Section 197 (12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rule, 2014 is attached as **Annexure- I**.

#### **18. DIRECTOR'S RESPONSIBILITY STATEMENT:**

During the year under review 2023-24, the audited financial statements of the Company for the year under review are in conformity with the requirements of the Act read with the rules made thereunder and the Accounting Standards. To the best of the knowledge and ability, the Board of Directors makes the following statements in terms of Section 134 (5) of the Companies Act, 2013:

- in the preparation of the annual accounts for the financial year ended March 31,2024, the applicable accounting standards have been followed and there are no material departures from the same
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at March 31,2024 and of the Profit & Loss of the Company for financial year ended March 31,2024
- they have 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
- they have prepared the annual accounts on a 'going concern' basis
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **19. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE:**

During the year under review, no company has become or ceased to be subsidiary, joint venture or associate of the Company.

#### **20. DEPOSITS:**

During the year under review, the Company has not accepted any deposit within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the companies (Acceptance of Deposits) Rules, 2014.

Pursuant to Rule 2 (1) ( c ) ( viii ) of Companies ( Acceptance of Deposit ) Rules, 2014 an aggregate amount of deposit taken from the Directors is ₹ **2382.70 Lac**.

There is inter-corporate deposit of ₹ 10 lacs.

The Directors have given a declaration stating that the amount deposited is out of own funds and not by way of borrowings from others.

**21. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED:**

During the year under review, the particulars of any loan, investments, guarantee or Security for the loans availed by others, pursuant to provision of Section 186 of the Act read with the Companies (Meetings of Board and its powers) Rules, 2014 are given under notes to the Financial statements, which forms part of this Annual report. The loans given, investments made, guarantees given or security provided are for business purpose. No guarantee or security is provided for loan availed by others.

**22. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY TRANSACTIONS:**

During the financial year under review, all contracts / arrangements / transactions entered by the Company with related parties were in ordinary course of business and on arms' length basis. The details of contracts and arrangements with Related Parties of your Company for the financial year ended March 31,2024 are given in notes to the Financial Statements, forming part of this Annual Report.

All related party transactions have been approved by the Audit Committee and the Board of Directors of your Company and are reviewed by them on periodic basis. Omnibus approvals were taken for all transactions entered in to by the company with related parties. The details regarding material related party transactions in form AOC – 2 is disclosed During the year the policy is not changed and uploaded to the Company's website. The Company's Policy on Related Party Transactions is available on your Company's website <https://hecprojects.in/wp-content/uploads/2021/05/6-Related-Party-Transaction-Policy.pdf>.

**23. CORPORATE SOCIAL RESPONSIBILITY(CSR) :**

The Company is not covered under the criteria of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, and therefore it is not mandatory for the Company to have the Corporate Social Responsibility Committee. Up till now, the company was not required to have a CSR committee, but now the company is in process of constituting the committee.

**24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Particulars relating to conservation of energy and technology absorption stipulated in the Companies (Accounts), 2014 are not applicable to HEC Infra Projects Limited ("the company") are either nil or not applicable. The details regarding foreign exchange earnings and expenditure, if any, is specified in the notes to the Balance Sheet.

**25. RISK MANAGEMENT:**

In terms of the provisions of Regulation 17 of the Listing Regulations, your company has established a well-defined risk management policy to ensure that risk to the Company's continued existence as a going concern and to its development are identified and addressed on timely basis. Risk management strategy as approved by the board of directors is implemented by the company management. The Policy is available for at the Website of the Company <https://hecprojects.in/wp-content/uploads/2021/05/7-Risk-Management-Policy.pdf>

**26.VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

Pursuant to the provision of Section 177(9) of the Companies Act, 2013 read with Rule 7 of Companies (Meeting of Board and its Power) Rules, 2014 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated a vigil mechanism/ Whistle Blower Policy for directors and employees to report concern of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct.

The company affirms that no employee has been denied access to the Audit committee.

The details of the Whistle Blower Policy/ Vigil Mechanism are explained in the Corporate Governance Report and also posted on the Company's website at <https://hecprojects.in/wp-content/uploads/2023/06/Whistle-blower-and-vigil-mechanisam.pdf>

**27.DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

There are no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

**28.AUDITORS AND AUDITOR'S REPORT:****A) STATUTORY AUDITOR AND THEIR REPORTS:****In compliance with the provisions of the Companies(Audit and Auditors)Rules,2014,**

In accordance with Section 139 of the Companies Act,2013 and rules made thereunder M/S Paresh Thothawala & Co., Chartered Accountants (FRN: 114777W), Ahmedabad, were appointed as statutory auditors of the company at 18<sup>th</sup> Annual General Meeting of the Company to hold office for the term of 5 years i.e.until the conclusion of 23<sup>rd</sup> Annual General meeting.

The Auditor's report for financial year 2023-24 served is enclosed with the financial statements in this Annual report and there are no qualification, reservation or adverse remark or disclaimers made by statutory auditor in their Audit report.

During the year under review,

The auditor's report does not contain any reservation, qualification, disclaimer or adverse remark.

The Statutory Auditor has not reported any incident of fraud to the Audit committee or the Board of Directors under Section 143(12) of the Act.

**B) SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:**

The Board of Directors of the Company, in compliance with the provisions of Section 204 of the Companies Act, 2013, and rules made in this behalf, appointed M/s. Jalan Alkesh & Associates, Practicing Company Secretary, to carry out the Secretarial Audit of the Company for the financial year 2023-24. The Report of Secretarial Auditor is annexed to this Report as **Annexure-II**.

The Secretarial audit report does not contain any qualification, reservation, disclaimer or adverse remarks.

As per Regulation 24A in SEBI(LODR) regulations, the Annual Secretarial compliance certificate is posted in the website of the company <https://hecprojects.in/wp-content/uploads/2024/05/asc31032024.pdf>

**C) INTERNAL AUDITOR/INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

In accordance with the provisions of section 138 of the Companies Act, 2013 and rules framed there under, your company had appointed M/S Virendra J Sutaria & Co., as the internal auditor of the company w.e.f February 4, 2023. Whereas, M/S Virendra J Sutaria & Co. tendered his resignation on July 6, 2023 and on July 7, 2023 M/S Shah Shah & Co. (Mr. Rushin Shah) as the Internal auditor of the company w.e.f July 07, 2023.

None of the Auditors of the company have reported any fraud as specified under the second proviso of Section 143 (12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The company ensures reliability in conducting its business, precision and comprehensiveness in maintaining accounting records and anticipation and detection of frauds and errors. There are no adverse remarks or qualification on accounts of the Company marked by the Internal auditor. The Internal Auditors team carries out the extensive Audits throughout the year across all the functional area and submit its report to the Audit Committee. The Audit Committee actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them in accordance with the changes in the business dynamics, if required.

**D) COST AUDITOR:**

As per the requirement of the Central Government and pursuant to section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your company hereby confirms that the provisions of this section are not applicable, hence your company need not required to appoint Cost Auditor for the financial year 2023-24.

**29. EXPLANATION IN RESPONSE TO AUDITOR'S QUALIFICATIONS:**

The Audit report submitted by the Statutory Auditors and Secretarial auditors for the financial year 2023-24 do not contain any qualification or adverse remarks. The observations made by all the Auditors in their respective report/s are self-explanatory and as such, do not call for any explanations.

**30. SECRETARIAL STANDARD:**

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the 'Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

**31. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC):**

During the Financial year 2023-24 no application made or any proceedings are pending under the Insolvency and Bankruptcy Code, 2016 (IBC).

**32. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS/FINANCIAL INSTITUTIONS:**

During the financial year 2023-24 under review, there has been no One time settlement ('OTS') of the loans taken from Banks and Financial institutions.

**33. FAILURE TO IMPLEMENT ANY CORPORATE ACTION:**

During the financial year 2023-24 under review, there is no occasion wherein the Company failed to implement any Corporate Action. As such no specific details are required to be given or provided.

**34. ANNUAL RETURN:**

Pursuant to the Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014 The Annual Return of the Company in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at i.e. <https://hecprojects.in/wp-content/uploads/2023/05/mgt-7-fresh.pdf>

**35. OTHER DISCLOSURES:**

• **INDUSTRIAL RELATIONS:**

The Relations between the employees and management have remained cordial and harmonious during the year under review.

The Company is dedicated to enhance and retain top talent through superior learning and organizational development as this is the pillar to support the Company's growth and sustain ability in the future. The Company takes pride in the commitment, competence and dedication shown by its employees. The Company is dedicated to enhance and retain the top talent through superior learning and organizational development, as this being the pillar to support the Company's growth and sustainability in the future.

- **HEALTH AND SAFETY:**

The operations of the company are conducted in such way that it ensures safety of all concerned and a pleasant working environment.

- **CERTIFICATE BY THE CFO OF THE COMPANY:**

Pursuant to the Regulation 17(8) of SEBI(LODR)Regulations,2015the certificate as per Part B of Schedule II is annexed.

- **COMPANY'S POLICY ON DIRECTOR'S, KMP'S & OTHER EMPLOYEES APPOINTMENT & REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATION, ATTRIBUTES,INDEPENDENCE ETC:**

The Company has formulated and adopted the Remuneration Policy in accordance with the provisions of Companies Act, 2013 read with the Rules issued thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said Policy of the Company, *inter alia*, provides the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of Directors of the Company and persons in the Senior Management of the Company, their remuneration including determination of qualifications, Positive attributes, independence of Directors and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The Policy is also available on the website of the Company [www.hecprojects.in](http://www.hecprojects.in).

- **SEGMENT REPORTING:**

The Company is engaged in the EPC Electro-Mechanical Project Business as an only reportable segment in accordance with Accounting Standard on Segment Reporting AS-17.

### **36. ADDITIONAL DISCLOSURES UNDER LISTING REGULATIONS:**

- **STATEMENT OF DEVIATIONS & VARIATIONS:**

In compliance to the Regulations 32(8) of Listing regulations, there has been no deviations/variation in the utilization of the fund raised from the Initial Public officer as disclosed in the Company's prospectus for the period ended March 31,2024 as it is utilized fully for the purpose for which funds was raised.

- **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

As required under Schedule V (B) and (C) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 stipulated under Regulation 34, "Management Discussion and Analysis Report" as well as "Corporate Governance Report", is attached as a separate section forming part of this Annual Report.

- **LISTING OF SHARES:**

The equity shares of the Company have been listed and actively traded on the National Stock Exchange (Capital Market Segment-Main Board) effective December 30,2021. There was no occasion wherein the equity shares of the Company have been suspended for the trading during the financial year 2023-24.

- **CORPORATE GOVERNANCE:**

Your company continue to imbibe and emulate the best corporate governance practices aimed at building trust among the stakeholders. Your company believes that fairness, transparency, responsibility and accountability are the four key elements of corporate governance. In compliance with Regulations 17 to 22 and Regulation 34 of the Listing regulations, a separate report on Corporate governance is enclosed as **Annexure** and forms part of the Director's report.

### **37. OTHER MATTERS:**

- **DEMATERIALIZATION OF THE SHARES:**

As on March 31,2024, the entire 100% issued, subscribed and paid up share capital 10138160 equity shares of the Company were held in dematerialized form through depositories National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

- **PAYMENT OF LISTING AND DEPOSITORIES FEES:**

The Company has duly paid the requisite annual listing fees for the Financial year 2023-24 and 2024-25 to the National Stock Exchange of India Limited (NSE). The Company has also paid the requisite annual custodian and other fees for the Financial year 2023-24 to the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

- **BUSINESS RESPONSIBILITY REPORT:**

The business responsibility report under Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) Regulations,2015 is not applicable to the Company for the year under review ended March 31,2024. Therefore, there is no requirement to submit a separate report by the company.

- **CODE OF CONDUCT FOR BUSINESS PRINCIPLES & ETHICS AND PREVENTION OF INSIDER TRADING AND OTHER CODE AND POLICIES OF THE COMPANY:**

The Board of directors are pleased to report that the Company has complied with all the code/(s) and policies and are available on the Company's website which are as follows:

- a) Code of conduct - <https://hecprojects.in/wp-content/uploads/2021/05/1-Code-of-Conduct.pdf>
- b) Remuneration Policy- <https://hecprojects.in/wp-content/uploads/2021/05/5-Remuneration-Policy.pdf>
- c) Related Party Transaction policy - <https://hecprojects.in/wp-content/uploads/2021/05/6-Related-Party-Transaction->



Policy.pdf

- d) Code of Conduct to Regulate, Monitor and Reporting of Trading by Insiders- <https://hecprojects.in/wp-content/uploads/2021/05/4-Insider-Trading-Code.pdf>
- e) Whistle Blower Policy- <https://hecprojects.in/wp-content/uploads/2023/06/Whistle-blower-and-vigil-mechanisam.pdf>
- f) Risk Management Policy- <https://hecprojects.in/wp-content/uploads/2021/05/7-Risk-Management-Policy.pdf>
- g) Code of Conduct and procedure for fair disclosure of unpublished price sensitive information- <https://hecprojects.in/wp-content/uploads/2021/05/8-Code-of-Practices-and-Procedures-for-fair-disclosure-of-Unpublished-Price-Sensitive-Information.pdf>
- h) Policy of preservation of documents- <https://hecprojects.in/wp-content/uploads/2021/05/9-Policy-for-Preservation-of-Documents.pdf>
- i) Archival Policy- <https://hecprojects.in/wp-content/uploads/2021/05/10-Archival-Policy.pdf>
- j) Policy on determination of materiality of event or information- <https://hecprojects.in/wp-content/uploads/2024/06/Policy-for-Materiality-of-Events-.pdf>
- k) Contact details of officials under Regulation 30 of SEBI(LODR) Regulations- <https://hecprojects.in/wp-content/uploads/2024/06/Contact-details-of-officials-under-Regulation-30.pdf>
- l) Terms and conditions of appointment of Independent directors- <https://hecprojects.in/wp-content/uploads/2023/08/NEW-Terms-and-Condition-of-Independent-Director.pdf>
- m) Familiarization program- [https://hecprojects.in/wp-content/uploads/2024/05/Familiarization-Programme\\_IDS-2023-24.pdf](https://hecprojects.in/wp-content/uploads/2024/05/Familiarization-Programme_IDS-2023-24.pdf)
- n) Anti-Harassment policy- <https://hecprojects.in/wp-content/uploads/2021/05/14-Anti-Harassment-Policy.pdf>
- o) Code of Conduct for Insider trading- <https://hecprojects.in/wp-content/uploads/2021/05/15-COC-for-Insider-Trading.pdf>
- p) Policy and procedure for enquiry in case of leak of UPSI or suspected leak of UPSI- <https://hecprojects.in/wp-content/uploads/2021/05/17-Policy-and-Procedure-regarding-Leak-of-UPSI-30032019.pdf>
- q) Policy on board Diversity: <https://hecprojects.in/wp-content/uploads/2023/06/Final-Policy-on-Board-Diversity.pdf>
- s) Composition of Committee: <https://hecprojects.in/wp-content/uploads/2024/06/2-Composition-of-Committee-1.pdf>

The aforesaid code/s and policy(ies) are available on Company's website

• **SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT,2013:**

As per the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 (hereinafter referred to as "Prevention of Sexual Harassment Act"), the Company has formulated policy on prevention of Sexual harassment at workplace for prevention, prohibition and redressal of sexual harassment at workplace and an Internal Complaints Committee has also been set up to redress any such complaints received.

Your Company is committed to provide a conducive work environment devoid of discrimination and harassment including sexual harassment.

The policy covers all employees (permanent, contractual, temporary, trainees) irrespective of their nature of employment and also applicable in respect of all allegations of sexual harassment made by an outsider against an employee.

During the year 2023-24, no case of Sexual Harassment was reported. The following is the summary for the F.Y 2023-24

(a)Number of complaints pending at the beginning of the year	NIL
(b) Number of complaints received during the year	NIL
(c)Number of complaints disposed off during the year	NIL
(d) Number of cases pending at the end of the year	NIL

**36. CAUTIONARY STATEMENT:**

Certain statements in the Board's report describing the Company's objectives, projections, expectations or predictions may be forward looking statements within the meaning of the applicable securities laws and regulations. Actual results could differ from those expressed or implied. The company undertakes no obligation to publicly revise any forward-looking statements to reflect future events or circumstances.

**37. ACKNOWLEDGEMENT:**

The Board of Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year. The Board sincerely conveys its appreciation for its customers, shareholders, suppliers as well as vendors, bankers, business associates, regulatory and government authorities for their continued support.

Date:01/07/2024

Place: Ahmedabad

<p><b>Registered Office:</b> Sigma 1 Corporate, Corporate House No. 6, Sindhu Bhavan Road, Nr. Mahan Party Plot Cross Road, Bodakdev, Ahmedabad- 380054.</p> <p>Tel: - +91-79-40086771-74; Web: - www.hecprojects.in; Email: - elect@hecproject.com</p>	<p>By order of the Board of Directors</p> <p><b>For, HEC Infra Projects Limited</b> <b>SD/-</b> <b>Gaurang Shah</b> <b>(Chairman &amp; Managing Director)</b> <b>DIN: 01756079</b></p>
---	--

**ENCLOSURES:**

A)ANNEXURE-I	PARTICULARS OF EMPLOYEES
C)ANNEXURE-II	FORM MR-3 SECRETARIAL AUDI- TOR'S REPORT
D)ANNEXURE-III	CERTIFICATE OF NON- DISQUALIFICATION OF DIRECTORS
E)ANNEXURE-IV	FORM AOC-2

# ANNEXURES TO DIRECTORS REPORT

## ANNEXURE - I TO DIRECTOR'S REPORT

**DETAILS PERTAINING TO REMUNERATION UNDER SECTION 197(12) OF THE COMPANIES ACT,2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES,2014 AND AMENDMENTS THEREOF**

**A. Ratio of the remuneration of each director to median remuneration of employees of the company for the financial year ended March 31,2024 is as follows:**

Sr. No	Director	Designation	Remuneration	Ratio to median remuneration
1.	Mr. Gaurang Shah	Managing Director	2820000	6.45
2.	Mrs. Rupal Shah	Executive Director	2775000	6.34
3.	Mr. Rahul Shah	Executive Director	1200000	2.74
4.	Mrs. Neetu Jalan	Independent Director	0	Not Applicable
5.	Mrs. Dipika Soni	Independent Director	0	Not Applicable
6.	Mrs. Raina Singh	Independent Director	0	Not Applicable

**B. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;**

Sr. No.	Key Managerial Personnel	Designation	% increase
1.	Mr. Gaurang Shah	Managing Director	33.16%
2.	Mrs. Rupal Shah	Executive Director	92.70%
3.	Mr. Rahul Shah	Executive Director	0%
4.	Mr. Pannalal Surti (upto 31/12/2023)	Chief Financial Officer	Not Applicable as he resigned from the post of CFO before the end of year
5.	Mr. Arvindkumar Patel (with effect from 04/01/2024)	Chief Financial Officer	Not Applicable
6.	Ms. Khushi Bhatt	Company Secretary & Compliance Officer	Not Applicable because MS. Khushi Bhatt was not appointed as a Company ASecretary for the full previous year

- The percentage increase in the median remuneration of employees in the financial year; Overall there was increase in the median remuneration of the employees by 8.5%.
- The number of permanent employees on the role of the company: There were 41 Employees on the rolls of company as on March 31,2024.
- 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 managerial remuneration;
- The key parameters for any variable component of remuneration availed by the directors; None of the directors have availed any variable remuneration components.
- Affirmation that the Remuneration is as per the Remuneration Policy of the Company. It is hereby affirmed that the remuneration paid to the Directors, Key Managerial personnel and Senior Management is as per the Remuneration Policy.
- Statement containing the particulars of employees in accordance with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Information required under Section 197 of the Companies Act,2013, read with Rule 5(2) and 5(3) of :

- None of the employees of the company employed throughout the financial year 2023-24 and were paid remuneration not less than ₹ 1.02 Crores per annum.

- b) None of the employees employed for a part of the financial year 2023-24 at a rate which, in aggregate, was not less than ₹8.50 Lacs per month.
- c) None of the employees were employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

**Date:01/07/2024**

**Place: Ahmedabad**

<p><b>Registered Office:</b> Sigma 1 Corporate, Corporate House No. 6, Sindhu Bhavan Road, Nr. Mahan Party Plot Cross Road, Bodakdev, Ahmedabad- 380054.</p> <p>Tel: - +91-79-40086771-74; Web: - www.hecprojects.in; Email: - elect@hecproject.com</p>	<p>By order of the Board of Directors</p> <p><b>For, HEC Infra Projects Limited</b> <b>SD/-</b> <b>Gaurang Shah</b> <b>(Chairman &amp; Managing Director)</b> <b>DIN:01756079</b></p>
---	---

## ANNEXURE - II TO DIRECTOR'S REPORT

## FORM MR -3

## SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON MARCH 31,2024

[PURSUANT TO SECTION 204(1) OF THE COMPANIES ACT,2013 AND RULE 9 OF THE COMPANIES(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL)RULES,2014 ]

**TO,  
THE MEMBERS OF HEC INFRA PROJECTS LIMITED,**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HEC Infra Projects Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the HEC Infra Projects Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31,2024 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31,2024 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (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, 1992;-The company has installed the system of System digital database installed where proper records as per requirements of Regulation 3,4, and 6 of the SEBI (Prohibition of Insider Trading )Regulations.
- (c) The Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements ) Regulations 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – Not Applicable during the year under review. ;
- (e) The Securities and Exchange Board of India ( Issue and Listing of Debt Securities ) Regulations, 2008 ;:- Not applicable
- (f) 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;
- (g) The Securities and Exchange Board of India ( Delisting of Equity Shares ) Regulations, 2009 – Not Applicable during the year under review.
- (h) The Securities and Exchange Board of India ( Buy Back of Securities ) Regulations, 1998 – Not Applicable during the year under review.

And in general, the Company has systems, process and procedure for the compliance of Other Laws Applicable to the Company.

1. Income Tax Act, 1961
2. Goods and Sales Tax Act

3. Employees Provident Fund Act
4. Employees State Insurance Act, 1948
5. Indian Contract Act, 1872
6. Negotiable Instruments Act, 1881
7. Payment of Gratuity Act, 1972
8. Payment of Bonus Act, 1965

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

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

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

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

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

I 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.

I further report that during the audit period, there were no instances of :

- (i) Public/Rights/Preferential issue of Shares/debentures/ sweat equity of the Company.
- (ii) Redemption/buy-back of securities.
- (iii) Merger/ amalgamation/ reconstruction etc.
- (iv) Foreign technical collaborations.
- (v) Approval under Section 180 of the Companies Act, 2013.

<p><b>Place: Ahmedabad</b> <b>Date: 01/07/2024</b></p>	<p><b>For, Jalan Alkesh &amp; Associates</b> <b>Company Secretaries</b> <b>SD/-</b> <b>Alkesh Jalan</b> <b>(Proprietor)</b> <b>Membership No. – 10620</b> <b>Firm Registration No. – 4580</b> <b>UDIN:F010620F000639567</b></p>
--	---

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

## 'Annexure A'

To,  
The Members of  
HEC Infra Projects Limited

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

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. We have followed the audit practices and processes as were appropriated to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. 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 procedures on test basis.
5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
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.

<p><b>Place: Ahmedabad</b> <b>Date: 01/07/2024</b></p>	<p><b>For, Jalan Alkesh &amp; Associates</b> <b>Company Secretaries</b> <b>SD/-</b> <b>Alkesh Jalan</b> <b>(Proprietor)</b> <b>Membership No. – 10620</b> <b>Firm Registration No. – 4580</b> <b>UDIN: F010620F000639567</b></p>
--	--

## ANNEXURE - III TO DIRECTOR'S REPORT

## 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 REQUIREMENTS)REGULATIONS,2015]

To,  
The Members of  
**HEC Infra Projects Limited**  
Sigma 1 Corporates, Corporate House No. 6,  
Sindhu Bhavan Road, Nr. Mahan Party Plot Cross Road,  
Bodakdev, Ahmedabad-380054

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of HEC Infra Projects Limited having CIN: L45200GJ2005PLC046870 and having registered office at Sigma 1 Corporates, Corporate House No. 6, Sindhu Bhavan Road, Nr. Mahan Party Plot Cross Road, Bodakdev, Ahmedabad-380054 (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 clause (10) (i) of the SEBI (listing obligations and Requirements) Regulations, 2015(as amended).

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the Portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers we hereby certify that none of the Directors on the Board of the company as stated below for the Financial Year ending on March 31,2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Gaurang Shah	01756079	06/10/2005
2.	Mrs. Rupal Shah	01756092	06/10/2005
3.	Mr. Rahul Shah	06862697	25/06/2021
4.	Mrs. Neetu Jalan	08719470	24/04/2023
5.	Mrs. Dipika Soni	08846908	24/04/2023
6.	Mrs.Raina Singh	09637543	24/08/2023

Mrs.Neetu Jalan(DIN:08719470) and Ms.Dipika Soni(DIN:08846908) were appointed with effect from April 24,2023. Whereas, Mrs.Raina Singh(DIN:09637543) was appointed on August 24,2023.

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

<p>Place: Ahmedabad Date: 01/07/2024</p>	<p>For, Jalan Alkesh &amp; Associates Company Secretaries SD/- Alkesh Jalan (Proprietor) Membership No. – 10620 Firm Registration No. – 4580 UDIN:F010620F000639556</p>
--	---



## ANNEXURE - IV TO DIRECTOR'S REPORT

## FORM AOC-2

[PURSUANT TO SECTION 134(3)(H) OF THE COMPANIES ACT,2013 READ WITH RULE 8(2) OF THE COMPANIES (ACCOUNTS) RULES,2014]

FORM FOR 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 ARE AT ARM'S LENGTH BASIS

**1). DETAILS OF CONTRACTS/ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS:**

All the contracts or arrangements or transactions entered into during the year ended March 31, 2024 by the Company with related parties referred to in sub-section(1) of Section 188 of the Companies Act,2013 are at arm's length basis.

Sr.No	Name(s) of related party and nature of relationship	Nature of contract/ transactions	Transaction value (Rs.in lakhs )	Duration of contracts	Salient terms of contracts or transactions including the value, if any	Date of approval by Board if any	Amount paid as advances, if any
1	Highvolt Power and Control Systems Private Limited, Gaurang Shah and Rupal Shah are Directors and Shareholder of the company	Transaction for purchase or supply of any goods or material	50.48	N.A	The related party transaction(RPTs) entered into during the year under review were in ordinary course of business and on arm length basis.	As RPTs are in ordinary course and on arm's length basis, The necessary approvals were granted by the Audit committee from time to time	Nil
2	Swati Switchgears (India) Private Limited, Mr. Gaurang Shah and Mrs. Rupal Shah are the shareholder of the Company and also directly and indirectly interested through their relatives.	Transaction for purchase or supply of any goods or material	11.04	N.A	The related party transaction(RPTs) entered into during the year under review were in ordinary course of business and on arm length basis.	As RPTs are in ordinary course and on arm's length basis, the necessary approvals were granted by the Audit committee from time to time	Nil

**2).DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS:**

The company has entered into contracts/ arrangements with related parties as referred to in Section 188(1) of the Companies Act,2013. However all such transactions are entered into in the ordinary course of business and in the option of the Board all such transaction are at arm's length. Accordingly, by virtue of third proviso to Section 188(1) of the Act, no approval of the Board or General meeting as referred to in Section 188(1) and its first proviso is required for such transactions. However, as part of good corporate governance, all related party transactions covered under Section 188 of the Act are approved by the Audit committee. The detail of transactions between the Company and its related parties are set out in the Notes to Accounts under forming part of standalone financial statements.

<p><b>Registered Office:</b> Sigma 1 Corporate, Corporate House No. 6, Sindhu Bhavan Road, Nr. Mahan Party Plot Cross Road, Bodakdev, Ahmedabad- 380054.</p> <p>Tel: - +91-79-40086771-74;</p> <p>Web: - www.hecprojects.in;</p> <p>Email: - elect@hecproject.com</p>	<p>By order of the Board of Directors</p> <p><b>For, HEC Infra Projects Limited</b> <b>SD/-</b> <b>Gaurang Shah</b> <b>(Chairman &amp; Managing Director)</b> <b>DIN: 01756079</b></p>
---	--

# REPORT ON CORPORATE GOVERNANCE

The Company is adamant that upholding the highest standards of corporate governance is a fundamental principal that governs a management's capacity to act morally and ethically, to make decisions that are in the best interest of its shareholders and stakeholders and to generate value for all. The Company is committed to upholding the Corporate Governance Code's high standards in both letter and spirit.

Pursuant to Regulation 34 (3) read with Schedule V and Regulation 17 to 27 and 46 of SEBI (LODR) Regulations 2015 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance, the report containing the details of corporate governance system and processes at HEC Infra Projects Limited is as under:

## **1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

The Corporate Governance is an ethically driven business process that is committed to values aimed at enhancing organizational wealth generating capacity. This is ensured by taking ethical business decisions and conducting business with affirm commitment to values while meeting the stakeholder's expectations. It is imperative that our company affairs are managed in affair and transparent manner. This is vital to gain and retain the trust of our shareholders. Corporate Governance envisages commitment of the Company towards the attainment of high levels of transparency, accountability and equity with the ultimate objective of increasing long-term shareholder value, keeping in view the needs and interests of all other stakeholders.

Your Company strongly believe in adopting the best practices in the areas of Corporate Governance. The Company believes that good corporate governance is essential for achieving long-term corporate goals and enhancing stakeholder value which ensures accountability, transferability and fairness in its widest sense. The Board and Management of the Company is committed to good corporate governance and plays a critical role in over-viewing how the Company serves the short term and long-term interest of stakeholders of the company. For the company, Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success. We remain committed to maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors etc. Your Company believes in fair dealing, strengthening disclosure practices, timely and appropriate compliance of the applicable regulations and strategic guidance and monitoring by the Board.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as applicable, with regard to corporate governance. It endeavors to continuously improve its Corporate Governance performance with a view to earn trust and respect of all its stakeholders. This report details the Company's compliance with the Act's and SEBI's LODR as of March 31,2024.

This structure brings about a blend in governance as the Board sets the overall corporate objectives and provides strategic guidance and independent views to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth. A report on the compliances of Corporate Governance requirements under the Listing Regulations and practices/ procedures followed by the Company for the year ended March 31,2024 is detailed as below:

## **2. BOARD OF DIRECTORS:**

### **A. COMPOSITION AND CATEGORY OF DIRECTORS :**

The Company is in compliance with the provisions of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")(as amended from time to time) which stipulates that the Board should have optimum combination of Executive and Non-executive directors with at least 1 woman director and atleast 50% of the board should consist of independent directors, as the Chairman of the board is an executive director.

As on March 31,2024, the strength of the Board was six(6) Directors. Out of six Directors 01 (One) Managing Director, 02 (Two) Executive Directors and remaining 03 (Three) are Non-Executive Independent Director. The Chairman of the company is Managing Director. As per the declarations received by the Company from each directors, none of them are disqualified under Section 164(2) of the Companies Act,2013.

The composition of the Board is in conformity with the applicable provisions of the Companies Act, 2013 read with the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended as on March 31,2024. Further details are as follows:

**COMPOSITION/CATEGORY OF DIRECTORS/ATTENDANCE AT BOARD MEETINGS AND LAST AGM/DIRECTORSHIPS AND COMMITTEE MEMBERSHIPS IN OTHER COMPANIES:**

Name of Director	Category	Age	Number of Shares	Attendance of meetings during 2023-24		No. of Other Directorship held (including private companies) at the year end	No. of chairmanship and membership in other companies committee	
				Board meeting	Last AGM		As chairman	As member
<b>Mr. Gaurang P Shah</b> (DIN:01756079)	<b>Managing Director</b>	<b>61</b>	<b>5724910</b>	<b>8</b>	<b>YES</b>	<b>1*</b>		
<b>Mrs. Rupal G Shah</b> (DIN:01756092)	<b>Executive Director</b>	<b>59</b>	<b>1217000</b>	<b>8</b>	<b>YES</b>	<b>1*</b>		
<b>Mr. Rahul G Shah</b> (DIN:06862697)	<b>Executive Director</b>	<b>32</b>	<b>11590</b>	<b>8</b>	<b>YES</b>	<b>3*</b>	<b>NIL</b>	<b>NIL</b>
<b>Mrs. Neetu Jalan</b> (DIN:08719470)	<b>Non-executive Director-Independent</b>	<b>42</b>	<b>0</b>	<b>7</b>	<b>YES</b>	<b>1#</b>	<b>NIL</b>	<b>3</b>
<b>Mrs. Dipika P Soni</b> (DIN:08846908)	<b>Non-executive Director-Independent</b>	<b>37</b>	<b>0</b>	<b>7</b>	<b>YES</b>	<b>1#</b>	<b>NIL</b>	<b>1</b>
<b>Mrs. Raina Singh</b> (DIN:09637543)	<b>Non-executive Director-Independent</b>	<b>33</b>	<b>0</b>	<b>4</b>	<b>YES</b>	<b>2!</b>	<b>1</b>	<b>NIL</b>

**Note:**

After the financial year under review, Mr. Asit Ramniklal Shah (DIN: 05285162) and Mr. Nipam Chandrakant Shah (DIN: 08808329) stepped down from the position of Independent Director w.e.f 24<sup>th</sup> April 2023 and resultantly Mrs. Neetu Jalan (DIN:08719470) and Mrs. Dipika Soni (DIN:08846908) was appointed w.e.f 24<sup>th</sup> April 2023 and they were regularized in the Extraordinary General meeting held by the company on 24<sup>th</sup> July 2023. Whereas, Mr. Yogesh Popatlal Shah (DIN:06971596) stepped down from the position of Independent Director and Mrs. Raina Singh (DIN:09637543) was appointed on 24<sup>th</sup> August 2023.

\*Directorship in a Private Company # Directorship in a Public Listed Company. ! Unlisted public company

\*\* Memberships and chairmanship of Audit committee and Stakeholders Relationship committee and Nomination and Remuneration committee of public companies considered.

Note: At the end of financial year 2023-24, none of our Directors holds directorships in excess of the limits prescribed there-under. None of the Non-executive Independent directors have any material pecuniary relationship transactions with the Company.

**B. DETAILS OF NUMBER OF MEETING OF BOARD OF DIRECTOR HELD AND DATE ON WHICH HELD IN THE FINANCIAL YEAR:**

During the financial year 2023-24, there were eight(8) Board meetings held on following dates:

24<sup>th</sup> April 2023, 27<sup>th</sup> May 2023, 7<sup>th</sup> July 2023, 11<sup>th</sup> August 2023, 2<sup>nd</sup> September 2023, 10<sup>th</sup> November 2023, 4<sup>th</sup> January 2024 and 12<sup>th</sup> February 2024

**Attendance of Board of directors of the Board meeting held during the year:**

Sr. No.	Name of Director	24 <sup>th</sup> April 2023	27 <sup>th</sup> May 2023	7 <sup>th</sup> July 2023	11 <sup>th</sup> August 2023	2 <sup>nd</sup> Sep-tember 2023	10 <sup>th</sup> No- vember 2023	4 <sup>th</sup> Janu- ary 2024	12 <sup>th</sup> Feb- ruary 2024
1.	Mr. Gaurang Shah	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Mrs. Rupal Shah	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Mr. Rahul Shah	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Mrs. Neetu Jalan	N.A	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5.	Mrs. Dipika Soni	N.A	Yes	Yes	Yes	Yes	No	Yes	Yes
6.	Mrs.Raina Singh	N.A	N.A	N.A	N.A	Yes	Yes	Yes	Yes
7	Mr. Asit Shah ( upto 24 <sup>th</sup> April , 2023 )	Yes	N.A	N.A	N.A	N.A	N.A	N.A	N.A.
8	Mr. Nipam Shah ( upto 24 <sup>th</sup> April , 2023 )	Yes	N.A	N.A	N.A	N.A	N.A	N.A	N.A.
9	Mr. Yogesh Shah ( upto 24 <sup>th</sup> August, 2023 )	Yes	Yes	Yes	Yes	N.A	N.A	N.A	N.A.

\*Mrs. Neetu Jalan and Mrs.Dipika Singh were appointed on 24<sup>th</sup> April 2023 whereas Mrs. Raina Singh was appointed on 24<sup>th</sup> August 2023.Prior to the appointment of Mrs.Raina Singh, Mr. Yogesh Shah was independent director who had attended the meeting.

**C. DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE:**

As on the date of this report, Mr. Gaurang Shah, Managing Director and Mrs. Rupal Shah, Director are relative to each other as Husband & Wife. Mr. Rahul Shah, Director of the Company is son of the directors namely Mr. Gaurang Shah and Mrs. Rupal Shah. None of the other director is related to any other director of the Company.

**D. INSIDER TRADING CODE:**

The Company has adopted Code of Conduct for Prevention of Insider Trading (“the Code”) in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading)Regulation,2015. The Code is applicable to Promoters and Promoter Group, all Directors and such Designated employees who are expected to have access to unpublished price sensitive information relating to the Company.

**E. DETAILS OF SHAREHOLDING OF NON-EXECUTIVE DIRECTORS:**

The number of shares held by Non-Executive Director as at 31<sup>st</sup> March, 2024:

Name of the Director	Number of Equity Shares held
Mrs.Neetu Jalan	Nil
Mrs.Dipika Soni	Nil
Mrs.Raina Singh	Nil

**F. FAMILIARIZATION PROGRAMME:**

Pursuant to the Code of Conduct for Independent Directors specified under the Act and the SEBI Listing Regulations, your company has conducted the familiarization program for Independent Directors of the Company. The program was designed to familiar the directors with their roles, rights, responsibilities in the company, nature of the industry in which the company operates and Companies plans and operations and Business operations and functioning of various departments of the Company etc.

The detailed familiarization program for Independent Directors is available on the website of the company at [https://hecprojects.in/wp-content/uploads/2024/05/Familiarization-Programme\\_IDS-2023-24.pdf](https://hecprojects.in/wp-content/uploads/2024/05/Familiarization-Programme_IDS-2023-24.pdf)

**G. SKILLS, EXPERTISE AND COMPETENCE OF THE BOARD OF DIRECTORS:**

The Company is in the Business of providing Services relating to Electro-Mechanical Project Sector. The Company is providing engineering, Procurement and Construction in connection with projects such as Transmission Projects, Water Pumping Station, Solar, Lighting and ELV System.

In terms of requirement of Listing Regulations, the Board has identified the following skills/expertise/competencies of the Di-

rectors to govern the company and those available with Board are as given below:

Names of the Directors	Educational Qualification	Corporate Experience in diverse field (in years)	Skills/ Expertise/ competencies they have
Mr. Gaurang P. Shah	B.E. (Mechanical)	39	Commercial, Finance, General Management, Marketing, Domain Industry and Operations
Mrs. Rupal G. Shah	M. Com	35	Commercial, Finance, General Management, Accounts, Taxation, Valuation and developing business.
Mr. Rahul G. Shah	Master in Construction Management	10	Commercial, Finance including Audit, Marketing, Domain Industry and administration
Mrs. Dipika Soni	Company Secretary	11	Vast experience in in the field of corporate laws namely Companies Act,2013, Income Tax laws and accounting matters and Secretarial Matters. She has experience of about 10 years in Secretarial matters and other corporate affairs matters.
Mrs. Neetu Jalan	Bachelor of Arts	5	Communication and Marketing Skill.
Mrs. Raina Singh	Company Secretary	5	Corporate laws namely Companies Act,2013,Income tax and Accounting matters and Secretarial matters

Further the Independent Directors of the Company in the opinion of the Board, fulfils the conditions of the Independence as specified in the provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and that the independent directors are independent of the management of the Company.

None of the Independent Directors have resigned before the expiry of their tenure.

#### H. CONFIRMATION BY THE INDEPENDENT DIRECTOR:

The Independent Directors have confirmed that they fulfill the criteria prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations regarding Independence of the Director. Certificates have also been obtained from the Independent Directors confirming their position as Independent Directors on the Board of the Company and your company has also issued formal appointment letters to all the Independent Directors in the manner provided under Section 149 of the Companies Act,2013.

The Board of directors hereby confirms that in their opinion, the independent directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015, and are Independent of the management.

A Separate Meeting of Independent Directors was held on 14<sup>th</sup> March 2024 which was attended by all the Independent Directors namely Mrs. Neetu Jalan, Mrs. Raina Singh and Mrs. Dipika Pradeep Soni. The same was Chaired by Mrs. Dipika Pradeep Soni

The Independent Directors expressed satisfaction on the overall performance of the Directors and the Board as a whole.

#### I. REVIEW OF LEGAL COMPLIANCE REPORTS:

The Board periodically reviews compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the management.

#### 3. BOARD COMMITTEES:

The Board committees constituted by the Board play a very pivotal role in governance structure of the company. The terms of the reference of these committees are approved by the Board and are in line with the requirements of the Companies Act,2013 and Listing regulations.

During the year, all recommendations of the committees of the Board which are mandatorily required have been accepted by the Board. The Board has established the following statutory committees:

##### A) AUDIT COMMITTEE:

The audit committee has played an important role in ensuring financial integrity of the Company. The primary objective is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate timing and proper disclosures, transparency integrity and quality financial reporting. As required under Section 177 of the Companies Act,2013 and Regulation 18 of the SEBI(LODR) Regulation,2015 the Board has constituted an Audit committee. The brief terms of reference of the Audit committee are as provided under Companies Act,2013 and SEBI(LODR)

Regulation,2015.

**a) COMPOSITION, MEETINGS AND ATTENDANCE OF THE AUDIT COMMITTEE:**

During the year under review, the Audit committee comprises of three (3) directors as of March 31,2024 i. e Mrs.Dipika Soni, Mrs.Raina Singh and Mr.Gaurang Shah. Mrs. Dipika Singh is the Chairperson of the Audit CommitteeThe maximum time gap between any 2 meetings is not more than one hundred twenty days (120).

During the Financial Year 2023-24, 08 (eight) meetings of the Audit Committee were held on 24<sup>th</sup> April 2023,27<sup>th</sup> May 2023,7<sup>th</sup> July 2023,11<sup>th</sup> August 2023,2<sup>nd</sup> September 2023,10<sup>th</sup> November 2023,4<sup>th</sup> January 2024 and 12<sup>th</sup> February 2024 and necessary quorum was present at all the meetings. The details of attendance of members of the committee at the meetings are given as under:

**b) Attendance of each Member at the Audit Committee meeting held during the year:**

Sr. No	Date of Audit Committee Meeting	Mrs. Dipika Soni	Mrs.Raina Singh	Mr.Gaurang Shah	Mr.Asit Shah	Mr.Nipam Shah	Mr.Yogesh Shah
1.	24 <sup>th</sup> April 2023	N.A	N.A	N.A	Yes	Yes	Yes
2.	27 <sup>th</sup> May 2023	Yes	N.A	Yes	N.A	N.A	Yes
3.	7 <sup>th</sup> July 2023	Yes	N.A	Yes	N.A	N.A	Yes
4.	11 <sup>th</sup> August 2023	Yes	N.A	Yes	N.A	N.A	Yes
5.	2 <sup>nd</sup> September 2023	Yes	Yes	Yes	N.A	N.A	N.A
6.	10 <sup>th</sup> November 2023	Yes	Yes	Yes	N.A	N.A	N.A
7.	4 <sup>th</sup> January 2024	Yes	Yes	Yes	N.A	N.A	N.A
8.	12 <sup>th</sup> February 2024	Yes	Yes	Yes	N.A	N.A	N.A

The Audited annual accounts for the year ended March 31, 2023, were placed before the committee for its consideration in the Audit committee meeting held on 27<sup>th</sup> May 2023.

The Head of Finance and accounts, Statutory auditor and Internal auditor attend the Audit committee meetings on invitation and the Company Secretary acts as the Secretary of the committee.

The Chairman of the Audit committee was present at the Last Annual General meeting. The board notes the minutes of the Audit committee meetings. All recommendations made by the Audit committee during the year under review were accepted by the Board.

Whereas, with the effect of resignation Mr.Asit R Shah and Nipam C Shah on 24<sup>th</sup> April 2023 and the appointment of Mrs. Neetu Jalan and Mrs. Dipika Soni, the committee was reconstituted resultantly the composition is as follows:

- Mrs.. Dipika Soni-Chairperson
- Mr. Yogesh Shah-Member
- Mr. Gaurang Shah-Member

Whereas, as Mr. Yogesh Shah has resigned with effect from 24<sup>th</sup> August 2023 and Mrs. Raina Singh was appointed, the committee was reconstituted as follows:

- Mrs. Dipika Soni -Chairperson
- Mrs. Raina Singh -Member
- Mr. Gaurang Shah-Member

**B) NOMINATION AND REMUNERATION COMMITTEE**

The role of Nomination and remuneration committee is governed by its charter and its composition complies with the provisions of Section 178 of the Companies Act,2013 and Regulation 19 of the Listing regulations,2015 as amended, the Board has constituted the Nomination and remuneration committee. Nomination and remuneration meetings are generally held responsible for identifying the persons who are qualified to become directors, their remuneration and appointment of personnel at senior level management and their removal. The brief terms of reference of Nomination and remuneration committee are as provided under Companies Act,2013 and SEBI(LODR) Regulation,2015.

**a) COMPOSITION, MEETINGS AND ATTENDANCE OF NOMINATION AND REMUNERATION COMMITTEE:**

During the year under review, the Nomination and Remuneration Committee of the Board, comprises of three (3) directors as of March 31,2024 i. e Mrs.Dipika Soni, Mrs.Raina Singh and Mrs.Neetu Jalan. Mrs.Dipika Soni is the Chairperson of the Nomination and Remuneration Committee.

During the financial year 2023-24, the committee met 6 times i.e., 24<sup>th</sup> April 2023,27<sup>th</sup> May 2023,7<sup>th</sup> July 2023,2<sup>nd</sup> September 2023,4<sup>th</sup> January 2024 and 12<sup>th</sup> February 2024. All members of Nomination and Remuneration Committee are Non-Executive Independent Directors. The Company Secretary of the Company acts as Secretary to the Committee. The Chairman of the committee was present at the last annual General meeting.

The Nomination and Remuneration Committee's composition and terms of reference are in compliance with the provisions of

the Companies Act, 2013 and Regulation 19 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**b) ATTENDANCE OF EACH MEMBER AT THE NOMINATION AND REMUNERATION COMMITTEE MEETING HELD DURING THE YEAR:**

Sr. No.	Date of Nomination and Remuneration Committee Meeting	Mrs. Dipika Soni	Mrs. Neetu Jalan	Mrs. Raina Singh	Mr. Yogesh Shah	Mr. Asit Shah	Mr. Nipam Shah
1.	24 <sup>th</sup> April 2023	N.A	N.A.	N.A	Yes	Yes	Yes
2.	27 <sup>th</sup> May 2023	Yes	Yes	N.A	Yes	N.A	N.A
3.	7 <sup>th</sup> July 2023	Yes	Yes	N.A	Yes	N.A	N.A
4.	2 <sup>nd</sup> September 2023	Yes	Yes	Yes	N.A	N.A.	N.A.
5.	4 <sup>th</sup> January 2024	Yes	Yes	Yes	N.A	N.A.	N.A.
6.	12 <sup>th</sup> February 2024	Yes	Yes	Yes	N.A	N.A.	N.A.

- Whereas, with the effect of resignation Mr.Asit R Shah and Nipam C Shah on 24<sup>th</sup> April 2023 and the appointment of Mrs.Neetu Jalan and Mrs.Dipika Soni, the committee was reconstituted resultantly the composition is as follows:  
Mrs.. Dipika Soni-Chairperson  
Mr. Yogesh Shah-Member  
Mrs. Neetu Jalan-Member
- Whereas, as Mr. Yogesh Shah has resigned with effect from 24<sup>th</sup> August 2023 and Mrs. Raina Singh was appointed, the committee was reconstituted as follows:  
Mrs. Dipika Soni -Chairperson  
Mrs. Raina Singh -Member  
Mrs. Neetu Jalan-Member

**c) PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:**

Pursuant to the provisions of the Companies Act,2013 the nomination and remuneration committee has laid down the evaluation of the performance of the individual directors and the board as a whole. Based on the criteria the exercise of evaluation was carried out through structured process covering various aspects of the board functioning such as composition of the board and committees, expertise and experience, performance of specific duties & obligations, attendance, contribution at meetings etc. The performance evaluation of the Chairman and Non-independent directors were carried out by the entire board (excluding the director being evaluated). The Director expressed their satisfaction with the evaluation process.

**C) STAKEHOLDER RELATIONSHIP COMMITTEE:**

Pursuant to provision of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Stakeholders Relationship Committee of the Board of Directors of the Company consists of Mrs.Dipika Soni, Mrs. Raina Singh and Mr. Gaurang P. Shah. Mrs.Dipika Soni is the Chairperson of the Stakeholder Relationship Committee. The brief terms of reference of Stakeholder Relationship Committee are as provided under Companies Act,2013 and SEBI(LODR) Regulation,2015.

**a) COMPOSITION, MEETINGS AND ATTENDANCE OF STAKEHOLDER RELATIONSHIP COMMITTEE:**

During the year under review, the Stakeholder Relationship committee of the Board, comprises of three(3) directors as of March 31,2024 i.e., Mrs.Dipika Soni, Mrs. Raina Singh and Mr. Gaurang P. Shah. Mrs.Dipika Soni is the Chairperson of the Stakeholder Relationship Committee.

During the financial year 2023-24, the committee met five times i.e. 24<sup>th</sup> April 2023,27<sup>th</sup> May 2023,7<sup>th</sup> July 2023,2<sup>nd</sup> September 2023,12<sup>th</sup> February 2024. The Company Secretary of the Company acts as Secretary to the Committee. The Chairman of the committee was present at the last annual General meeting.

The Stakeholder relationship Committee's composition and the terms of reference are in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The terms of reference are available at the website of the Company [www.hecprojects.in](http://www.hecprojects.in).

**b) ATTENDANCE OF EACH MEMBER AT THE STAKEHOLDER RELATIONSHIP COMMITTEE AND REMUNERATION COMMITTEE MEETING HELD DURING THE YEAR:**

Sr. No.	Date of Nomination and Remuneration Committee Meeting	Mrs. Dipika Soni	Mrs. Raina Singh	Mr. Gaurang Shah	Mr. Yogesh Shah	Mr. Asit Shah	Mr. Nipam Shah
1.	24 <sup>th</sup> April 2023	N.A	N.A	Yes	Yes	Yes	Yes
2.	27 <sup>th</sup> May 2023	Yes	N.A	Yes	Yes	N.A	N.A
3.	7 <sup>th</sup> July 2023	Yes	N.A	Yes	Yes	N.A	N.A
4.	2 <sup>nd</sup> September 2023	Yes	Yes	Yes	N.A	N.A	N.A
5.	4 <sup>th</sup> January 2024	Yes	Yes	Yes	N.A	N.A	N.A
6.	12 <sup>th</sup> February 2024	Yes	Yes	Yes	N.A	N.A	N.A

•Whereas, with the effect of resignation Mr.Asit R Shah and Nipam C Shah on 24th April 2023 and the appointment of Mrs.Neetu Jalan and Mrs.Dipika Soni, the committee was reconstituted resultantly the composition is as follows:

Mrs. Dipika Soni-Chairperson

Mr. Yogesh Shah-Member

Mr. Gaurang Shah-Member

•Whereas, as Mr. Yogesh Shah has resigned with effect from 24th August 2023 and Mrs. Raina Singh was appointed, the committee was reconstituted as follows:

Mrs. Dipika Soni -Chairperson

Mrs. Raina Singh –Member

Mr. Gaurang Shah-Member

**c) SUMMARY OF INVESTOR GRIEVANCE REDRESSAL STATUS:**

The status of Investors' Complaints as on MARCH 31,2024, is as follows:

No. of complaints as on April 01,2023	0
No. of complaints received during the Financial Year 2023-24	0
No. of complaints resolved up to March 31,2024	0
No. of complaints pending as on March 31,2024	0

The investor complaints are processed in a centralized web-based complaints redressal system through SCORES. The action taken reports are uploaded online by the company if any complaints received on the SCORES platform, thereby making it convenient for the investors to view their status online.

**d) NAME, DESIGNATION, ADDRESS AND CONTACT DETAILS OF THE COMPLIANCE OFFICER:**

Ms. Khushi Rajendra Bhatt

Company Secretary and Compliance Officer

Sigma-1 Corporates, Corporate House No. 6,

Nr. Mann Party Plot Cross Road

Sindhu Bhavan Road, Bodakdev,

Ahmedabad- 380054

Email Id: [elect@hecproject.com](mailto:elect@hecproject.com)

**D) RISK MANAGEMENT COMMITTEE:**

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015, the composition of Risk management committee shall be applicable to top 1000 listed entities, determined on the basis of market capitalization, as at the end of immediate previous financial year. The company doesn't come under purview of the above regulation and accordingly have not constituted committee.

**4. INDEPENDENT DIRECTORS:**

During the year under review, one meeting of independent directors of the company without the presence of non-independent directors and members of management was held on March 14,2024 as required under Schedule IV of the Act (Code of Independent Directors) and Regulation 25(3) of the Listing Regulations. The meeting was attended by all the Inde-



pendent Directors and Mrs.Dipika Soni chaired the said meeting.

**a) THE INDEPENDENT DIRECTORS REVIEWED THE FOLLOWING MATTERS:** Review of the performance of the non-independent directors and the Board of Directors as a whole.

Review of the Chairman of the company, taking into the account of the views of the Executive and non-executive directors. Assess the quality, content and timeliness of the flow of information between the management and the board that is necessary for the Board to effectively and reasonable perform its duties.

In terms of Section 150 of the Companies Act,2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules,2014, Independent directors of the company have confirmed that they have registered themselves with the data-bank maintained by the Indian Institute of Corporate Affairs("IICA"). The independent directors are also required to undertake online proficiency self-assessment test conducted by the IICA within a period of 2 years from the date of inclusion of their names in the data bank, unless they meet the criteria specified for exemption. All the independent director would be undertaking the said test in due course.

#### **5. REMUNERATION POLICY ON DIRECTORS' APPOINTMENT:**

In accordance with the provisions of Section 178 of the Companies Act,2013 the Company has Remuneration Policy for Directors, Key Managerial Personnel and other employees, recommended by the Nomination and Remuneration Committee and approved by the Board of Director, and is available at the Website of the Company: [www.hecprojects.in/wp-content/uploads/2021/05/5-Remuneration-Policy.pdf](http://www.hecprojects.in/wp-content/uploads/2021/05/5-Remuneration-Policy.pdf)

Further, the Company has also devised criteria for performance evaluation of Independent Directors, Board and Committees. There are no pecuniary relationship or transaction entered into by the Company with any of the Directors of the Company except as disclosed herein below as regards the remuneration. The nomination and remuneration committee makes a yearly appraisal of the performance of the executive directors the annual compensation of the executive directors is approved by the nomination and remuneration committee within the parameter set by the shareholders at the shareholder's meetings. No remuneration or sitting fees was paid to the Independent Directors. The performance of the independent directors is reviewed by the board on annual basis.

#### **A) DETAILS OF REMUNERATION FOR THE YEAR ENDED MARCH 31,2024:**

Sr.No.	Name of the Director	Remuneration	Perquisites	Total (Rs. In lakhs)
1	Gaurang Shah	25.31	Nil	25.31
2	Rupal Shah	27.75	Nil	27.75
3	Rahul Shah	12.00	Nil	12.00

The appointment of Executive directors, Key Managerial Personnel and other employees is by the virtue of their employment with the Company therefore, their terms of employment, vis-à-vis salary, variable pay, service contract, notice period and severance fee, if any, are governed by the applicable policies at the relevant point in time. The Letter of Appointment were issued to all Executive Directors of the Company; Besides, the Appointment Letter were also issued to all Independent Directors of the Company, a copy of the standard term & conditions thereof is posted on the website of the Company under "Investors" Section.

**6. GENERAL BODY MEETING:****a) ANNUAL GENERAL MEETING (“AGM”):**

The location and time of the Annual General meetings held during the last three years are as follows:

Financial Year	Date	Time	Venue	Whether any special resolutions passed at AGM and (No. of such resolution passed)
2020-21	29 <sup>th</sup> September, 2021	12:00 pm	through Video Conferencing (“VC”) / Other Audio- Visual Means (“OAVM”)	Yes -Re-appointment of Mr. Asit Ramniklal Shah (DIN:05285162) as an Independent Director
2021-22	29 <sup>th</sup> September, 2022	11.00 am	At the registered office of the Company. Sigma-1 Corporates, Corporate House No. 6, Nr. Mann Party Plot Cross Road, Sindhu Bhavan Road, Bodakdev, Ahmedabad-380054	Yes - Approval of Loans, Investments, Guarantee or Security under Section 185 of the Companies Act, 2013- Special resolution - Approval of Members for making Investments/ Extending Loans and Giving Guarantees or Providing Securities in connection with Loans to persons/Body Corporates Under Section 186 of the Companies Act, 2013- Special resolution - Approval of Related Party Transactions- Ordinary resolution
2022-23	29 <sup>th</sup> September, 2023	11:00 am	At the registered office of the Company. Sigma-1 Corporates, Corporate House No. 6, Nr. Mann Party Plot Cross Road, Sindhu Bhavan Road, Bodakdev, Ahmedabad-380054	Yes To regularize Mrs. Raina Singh (DIN:09637543) as the director of the company designated as the non-executive director

**b) EXTRAORDINARY GENERAL MEETING (“EGM”):**

The Company had convened Extraordinary General Meeting (EGM/2023-2024/01) of the members of HEC Infra Projects Limited (hereinafter referred to as ‘the Company’) on Monday, 24<sup>th</sup> July 2023 at 11.00 am at the Registered Office of the Company at Sigma-1 Corporate, Corporate House No.6, Sindhubhavan Road, Nr. Mahan Party Plot Crossroad, Bodakdev, Ahmedabad-380054. The resolutions passed were

- 1) Regularization of Mrs. Neetu Jalan from Additional Independent Director to Independent Director.
- 2) Regularization of Mrs. Dipika Pradeep Soni from Additional Independent Director to Independent Director.

**c) DETAILS OF THE SPECIAL RESOLUTION PASSED THROUGH THE POSTAL BALLOT:**

During the financial year 2023-24 the Company has not passed any resolution through Postal Ballot.

**7. MEANS OF COMMUNICATION:****a. QUARTERLY FINANCIAL RESULT:**

The quarterly financial results of the company were published in accordance with the requirements of the Listing regulations as described in the prescribed formats. The quarterly/ half yearly and yearly Financial Result of the company are submitted to stock exchange and also disclosed at the website of the company i.e.: [www.hecprojects.in/investor](http://www.hecprojects.in/investor).

The financial results and other statutory information are communicated to the shareholders by the way of advertisement in Financial Express — English & Gujarati — Ahmedabad Edition as per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company information, policies, various announcements Annual reports are also displayed on Company’s website [www.hecprojects.in](http://www.hecprojects.in) under a separate dedicated section under “Investors” in compliance of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sr. No	Particulars	Date of meeting
1.	Unaudited financial results for the quarter ended June 30,2023	11.08.2023
2.	Unaudited financial result for half year and quarter ended on September 30,2023	10.11.2023
3.	Unaudited financial results for the quarter ended December 31,2023	12.02.2024
3.	Audited financial results for the financial year ended March31,2024	29.05.2024

**RESULTS ANNOUNCED FOR THE FINANCIAL YEAR 2023-24(APRIL 01,2023-MARCH 31,2024):**

a.	<b>Corporate Identification Number</b>	L45200GJ2005PLC046870
b.	<b>Registered Office</b>	HEC Infra Projects Limited Sigma-1 Corporates, House No. 6, Sindhu Bhavan Road, Nr. Mann Party Plot Cross Road, Bodakdev, Ahmedabad-380054
c.	<b>19<sup>th</sup> Annual General Meeting:</b>	
	<b>Day &amp; Date</b>	Tuesday, 30 <sup>th</sup> July 2024
	<b>Time</b>	11:00 am (IST)
	<b>Venue</b>	The Company is conducting meeting at the registered office of the company. The venue is as under: Sigma-1 Corporates, House No. 6, Sindhu Bhavan Road, Nr. Mann Party Plot Cross Road, Bodakdev, Ahmedabad-380054 For details, please refer to the Notice of this AGM.
d.	<b>Financial Year</b>	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024 every year
e.	<b>Dividend Payment Date:</b>	The board has not recommended any dividend for the year.
g.	<b>Listing of shares on Stock Exchange</b>	National Stock Exchange of India Limited NSE-Corporate Office Exchange Plaza, Plot no. C/1, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051,
h.	<b>Stock Code/ISIN:</b>	Code: HECPROJECT ISIN: INE558R01013
i.	<b>Payment of Listing fees:</b>	Annual listing fees as applicable have been duly paid
j.	<b>Whether S &amp; P BSE index</b>	Not Applicable
k.	<b>In case the securities are suspended from trading, the directors report shall explain the reason thereof</b>	Not Applicable
l.	<b>Registrar to an issue and Share Transfer Agent:</b>	Cameo Corporate services Limited Subramanian Building No.1, Club House Road, Chennai-600002, Tamil Nadu Tel: +91-44-28460390, Fax: +91-44-28460129 E-mail: <a href="mailto:cameo@cameoindia.com">cameo@cameoindia.com</a>
m.	<b>Share Transfer System:</b>	All the shares of the company are in demat mode so transfer through demat takes place instantly between the transferor, transferee and depository.

n.	<b>Dematerialization of the shares and liquidity:</b>	1,01,38,160 shares were held in dematerialized mode, as at March 31,2024. The company's equity shares are traded on NSE.
o.	<b>Outstanding ADRs/ GDRs/ Warrants/ Convertible instruments and their impact on equity:</b>	Not Applicable
p.	<b>List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad</b>	The Company has not obtained its credit rating
q.	<b>Plant Location</b>	Not Applicable
r.	<b>Address for Correspondence:</b>	<b>HEC INFRA PROJECTS LIMITED</b> CIN: L45200GJ2005PLC046870 Sigma 1 Corporate, Corporate House No. 6, Sindhu Bhawan Road, Nr. Mahan Party Plot Crossroad, Bodakdev, Ahmedabad-380 054. Tel No: +91-79-40086771 - 74; Fax No: +91-79-40086771
s.	<b>Commodity price risk or foreign exchange risk and hedging activities:</b>	<b>Not Applicable</b>
t.	<b>Compliance Officer/Company Secretary:</b>	<b>Ms. Khushi Bhatt</b> Sigma 1 Corporate, Corporate House No. 6, Sindhu Bhawan Road, Nr. Mahan Party Plot Crossroad, Bodakdev, Ahmedabad-380 054. Tel No: +91-79-40086771 - 74; Fax No: +91-79-40086771 <b>E-mail: cs@hecproject.com</b>
u.	<b>Bank details for electronic shareholding:</b>	Members are requested to notify their depository participant (DP) about the changes in the bank details. Members are requested to furnish complete details of their bank details, including MICR codes of their banks.
v.	<b>Change in shareholders details:</b>	As all the shares are in demat mode the communication regarding change in address, bank account details, change in nomination, dematerialization of your share certificates or other inquiries should be addressed to your depository participant (DP) where you have opened your demat account, quoting your client ID number.
t.	<b>Nomination facility:</b>	It is in interest of the shareholders to appoint nominee for their investments in the company.

**8. GENERAL SHAREHOLDER INFORMATION:****Fund Raising:**

During the year under review the Company has not made any preferential issue of shares or Qualified Institutional Placement and therefore no fund raising activity was carried out.

**Financial Calendar (2024-25)**

Quarterly Results	Tentative Schedule
Quarter ended on 30 <sup>th</sup> June, 2024	On or before 15 <sup>th</sup> August, 2024
Quarter ended on 30 <sup>th</sup> September, 2024	On or before 14 <sup>th</sup> November, 2024 (tentative)
Quarter ended on 31 <sup>st</sup> December, 2024	On or before 14 <sup>th</sup> February, 2025 (tentative)
Quarter ended on 31 <sup>st</sup> March, 2025	On or before 30 <sup>th</sup> May, 2025 (tentative)

Month(s)	High Price	Low Price	Traded Volume ( Lakhs )	Traded Value ( Lakhs )
April 2023	36.45	27.05	1.42	46.74
May 2023	42.60	30.85	4.23	162.14
June 2023	42.00	34.05	2.05	79.73
July 2023	40.20	33.35	0.94	34.01
August 2023	48.45	34.45	2.78	119.64
September 2023	50.70	42.55	1.97	91.96
October 2023	59.80	44.30	4.72	246.58
November 2023	58.40	47.05	3.48	181.83
December 2023	105.85	53.60	7.43	595.98
January 2024	95.30	67.05	4.12	339.62
February 2024	91.35	76.70	1.79	152.91
March 2024	86.95	66.70	0.98	74.84

**MARKET PRICE DATA-THE MONTHLY HIGH AND LOW PRICES OF THE COMPANY'S SHARES AT NSE PLATFORM FOR THE YEAR ENDED ON MARCH 31,2024:**

Source: NSE website]

**THE DISTRIBUTION OF SHAREHOLDINGS AS ON MARCH 31,2024:**

No. of Equity Shares	No. of Share-holders	% To total Share-holder	No. of shares held	% To total Share-holding
Up to 5000	2050	90.6277	1614620	1.5926
5001-10000	83	3.6693	683410	0.6740
10001-20000	39	1.7241	601040	0.5928
20001-30000	16	0.7073	416570	0.4108
30001-40000	5	0.2210	171230	0.1688
40001-50000	8	0.3536	399750	0.3943
50001-100000	33	1.4588	2176030	2.1463
100001 & above	28	1.2378	95318950	94.0199
<b>Total</b>	<b>2262</b>	<b>100.00</b>	<b>101381600</b>	<b>100.00</b>

**PATTERN OF HOLDINGS-NSDL, CDSL & PHYSICAL**

Client Type	NSDL		CDSL		PHYSICAL		NSDL, CDSL & PHYSICAL		
	No. of Holders	Total Position	No. of Holders	Total Position	No. of Holders	Total Position	No. of Holders	Total Position	% Of holdings
<b>Resident</b>	599	424293	1622	862720	0	0	2221	1287013	12.69%
<b>NRI</b>	11	13816	8	4641	0	0	19	18457	0.18%
<b>Corporate Body</b>	3	51	12	1411139	0	0	15	1411190	13.92%
<b>Clearing member</b>	0	0	0	0	0	0	0	0	0.00
<b>Promoters</b>	1	11090	6	7410410	0	0	7	7421500	73.20%
<b>Total</b>	<b>614</b>	<b>449250</b>	<b>1648</b>	<b>9688910</b>	<b>0</b>	<b>0</b>	<b>2262</b>	<b>10138160</b>	<b>100</b>

**SHAREHOLDING PATTERN AS ON MARCH 31,2024:**

Category	No. of Shares held	%
A) Promoters and Promoter Group		
Individual	6954000	68.59%
Body Corporate	467500	4.61%
<b>Total Shareholding of Promoter &amp; Promoter Group (A)</b>	<b>7421500</b>	<b>73.2</b>
B) Public Shareholding		
I) Institutions:		
a) Market Maker	864135	8.52%
<b>Sub-total (B) (I)</b>	<b>864135</b>	<b>8.52%</b>
II) Non-Institutions:		
a) Body Corporate	547055	5.40%
b) Individual		
-shares up to Rs. 2 Lakh	643252	6.34%
-shares in excess of Rs. 2 Lakh	633716	6.25%
c) Hindu Undivided Family	10045	0.1%
4) Nonresident Indians	18457	0.18
<b>Sub-total (B) (II)</b>	<b>1852525</b>	<b>18.27</b>
<b>Total Public Shareholding (B)= (B)(I) + (B)(II)</b>	<b>2716660</b>	<b>26.80</b>
<b>Total Shareholding (A+B)</b>	<b>10138160</b>	<b>100</b>

**9. OTHER DISCLOSURES:****I. DISCLOSURE ON RELATED PARTY TRANSACTIONS:**

All transaction entered into by the Company with related parties, during the financial year 2023-24 with related parties were in its ordinary course of business and on arm's length basis. The details about the same is stated in Form AOC-2.

Also, the Related Party Transactions undertaken by the Company were in compliance with the provisions set out in the Companies Act, 2013 read with the Rules issued thereunder and Regulation 23 of the SEBI (Listing Obligations and Disclosure Regulations) Regulations, 2015.

The Audit Committee, during the financial year 2023-24, has reviewed Related Party Transactions along with granting omnibus approval in line with the Policy of dealing with Related Party Transactions and the applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

**II. DETAILS OF NON-COMPLIANCE BY THE COMPANY:**

There has been no instance of non-compliance by the Company on any matter related to capital markets during last three years, and hence, no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authority.

**III. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

In accordance with the provisions of Section 177(9) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, The Company has a Vigil Mechanism/ Whistle Blower Policy pursuant to provision of in which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee. During the year under review, no protected disclosure concerning any reportable matter in accordance with the Vigil Mechanism/Whistle Blower Policy of the Company was received by the Company.

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. It is devised in such a manner that would enable the stakeholders, including individual employees and their representative bodies to freely communicate their concerns about illegal or unethical practices. As per policy no person has denied the access to the Audit committee.

The details of Vigil Mechanism/ Whistle Blower Policy are available on the website of the Company at the link: <https://hecprojects.in/wp-content/uploads/2023/06/Whistle-blower-and-vigil-mechanisam.pdf>

**IV. DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS:**

The company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance.

**V. POLICY OF DETERMINING MATERIAL SUBSIDIARIES:**

The policy for determining "material subsidiaries" is available on the website of the company at link: <https://hecprojects.in/wp-content/uploads/2022/04/Policy-for-Materiality-of-Events-030122.pdf>

**VI. POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS:**

The Company has formulated a Policy on Related Party Transactions and put up on its website and can be accessed at the link: <https://hecprojects.in/wp-content/uploads/2021/05/6-Related-Party-Transaction-Policy.pdf>

**VII. DISCLOSURE OF COMMUNITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES:**

The company is not carrying any commodity business and has not undertaken any hedging activities, hence same are not applicable to the company.

**VIII. UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT:**

The Company has not raised funds through preferential allotment or qualified institutions placement as specified under regulation 32 (7A).

**IX. CERTIFICATE FROM A PRACTICING COMPANY SECRETARY ON THE BOARD:**

A Certificate received from Jalan Alkesh & Associates, Company Secretaries, as required under Part C of Schedule V of Listing regulations stating that none of the Directors of the company are debarred or disqualified from being appointed or continuing as a Directors of the Companies is annexed to this report.

**X. CONFIRMATION BY THE BOARD OF DIRECTORS ACCEPTANCE OF RECOMMENDATIONS OF COMMITTEE:**

In terms of amendments made to the Listing regulations, the Board of Directors confirms that during the year, it has accepted all the recommendations received from all its committees.

**XI. OTHER POLICIES:**

The other policies required to be adopted by the Company is available on the website of the Company namely [www.hecprojects.in](http://www.hecprojects.in)

**XII. PAYMENT TO THE STATUTORY AUDITOR:**

As per the Schedule V (c) 10(k) of SEBI(LODR)Regulations,2015, the particulars of payment of statutory auditors' fees for F.Y 2024 is given as below:

Description of Services	Amount (in lacs)
Audit Fees	2.00
Other Services	--
<b>Total</b>	<b>2.00</b>

**For the year 2023-24 members are requested to refer the Balance Sheet and Income and Expenditure and notes attached hereto**

**XIII. RECONCILIATION OF SHARE CAPITAL AUDIT REPORT:**

As per the Regulation 74 of Securities and Exchange Board of India (Depositories and Participants) Regulations,2018 and the amended circular, Practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with National Securities Depository Limited (NSDL) and Central Depository (India) Services Limited (CDSL) and total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and total number of dematerialized shares held with NSDL and CDSL.

**XIV. DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT,2013:**

The Company has in place a policy on prevention of Sexual Harassment in line with the requirements of the Sexual Harassment

of Women at Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for prevention, prohibition and redressal of sexual harassment at workplace.

During the year 2023-24, no Complaint of Sexual Harassment was reported.

**XV. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF SHALL BE DISCLOSED:**

There is no non-compliance being observed.

**XVI. DISCRETIONARY REQUIREMENTS:**

As per the Schedule II Para E of SEBI(LODR) regulations,2015 – the Company has an executive chairman The company does not send half-yearly financial performance to each shareholder, as it is displayed on company’s website along with the stock exchange. The auditor’s report on financial statements of the company is unmodified. Internal auditors of the company make quarterly presentations to Audit committee on their reports.

**XVII. DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSE(B) TO 9I) OF SUB-REGULATION (2) OF REGULATION 46 SHALL BE MADE IN SECTION ON CORPORATE GOVERNANCE OF THE ANNUAL REPORT:**

Corporate Governance compliance certificate is attached in Annexure

**XVIII. CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT:**

The Board of Directors has laid down the Code of Conduct for all the Board Members and members of the senior management. The Code is also placed on the Company’s website i.e., [www.hecprojects.in/investors/](https://hecprojects.in/investors/). A certificate from the Managing Director, affirming compliance of the said Code by all the Board Members and members of the senior management to whom the Code is applicable, is annexed separately to this report. The code of conduct is also posted on the website of the company i.e., <https://hecprojects.in/wp-content/uploads/2021/05/1-Code-of-Conduct.pdf>

**XIX. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:**

Not Applicable

**XX: CEO/CFO CERTIFICATION:**

As required under Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO/CFO certificate for the financial year 2023-24 signed by Mr. Arvindkumar Patel, Chief Finance Officer of the Company forms part of this report.

**XXI. DISCLOSURE OF ACCOUNTING TREATMENT:**

The standalone financial statements for the financial year 2023-24 have been prepared in accordance with the applicable Indian Accounting Standards (IND-AS) and the provisions of the Companies Act,2013 and the rules framed thereunder.

**XXII. ORDERLY SUCCESSION TO BOARD AND SENIOR MANAGEMENT**

One of the key functions of the Board of Directors is selecting, compensating, monitoring and when necessary, replacing the members of the Board of Directors and the Senior Managerial Personnel including the KMPs and overseeing their succession planning. Pursuant to regulation 17(4) of the Listing Regulations, 2015, the framework of succession planning for the Board and senior management was placed before the Board for its review. During the year under review, the Board of the Company has satisfied itself that the plans are in place for orderly succession of such appointments.

**Address for correspondence: Shareholder’s correspondence should be addressed at Registered Office of the Company at: COMPLIANCE OFFICER, HEC INFRA PROJECTS LIMITED, SIGMA 1 CORPORATE, CORPORATE HOUSE NO.6, SINDHU BHAWAN ROAD, NR. MAHAN PARTY PLOT CROSSROAD, BODAKDEV AHMEDABAD – 380054.**

**Date: 01/07/2024**

**Place: Ahmedabad**

<p><b>Registered Office:</b> Sigma 1 Corporate, Corporate House No. 6, Sindhu Bhawan Road, Nr. Mahan Party Plot Cross Road, Bodakdev, Ahmedabad- 380054.</p> <p>Tel: - +91-79-40086771-74; Web: - <a href="http://www.hecprojects.in">www.hecprojects.in</a>; Email: - <a href="mailto:elect@hecproject.com">elect@hecproject.com</a></p>	<p>By order of the Board of Directors</p> <p><b>For, HEC Infra Projects Limited</b> <b>SD/-</b> <b>Gaurang Shah</b> <b>(Chairman &amp; Managing Director)</b> <b>DIN: 01756079</b></p>
---	--



**DECLARATION FROM MANAGING DIRECTOR REGARDING COMPLIANCE OF CODE OF CONDUCT**

To,  
**The Members of HEC Infra Projects Limited**

Pursuant to Regulations 15(2) and Schedule V(D) of Listing Regulations, I hereby confirm that the Board of Directors and Senior Management have affirmed complied with the Code of Conduct and ethics laid down by the board of directors of the company for the financial year ended March 31,2024

**Date: 01/07/2024**

**Place: Ahmedabad**

<p><b>Registered Office:</b>  Sigma 1 Corporate, Corporate House No. 6,  Sindhu Bhavan Road, Nr. Mahan Party Plot  Cross Road, Bodakdev, Ahmedabad- 380054.</p> <p>Tel: - +91-79-40086771-74;  Web: - www.hecprojects.in;  Email: - elect@hecproject.com</p>	<p>By order of the Board of Directors</p> <p><b>For, HEC Infra Projects Limited</b>  SD/-  <b>Gaurang Shah</b>  <b>(Chairman &amp; Managing Director)</b>  <b>DIN: 01756079</b></p>
--	---

## CEO / CFO CERTIFICATION

To the board of Directors  
HEC Infra Projects Limited

Compliance Certificate as required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby certify that:

1. We have reviewed the Balance Sheet as at March 31, 2024, Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information of the Company, and the Board's report for the year ended March 31, 2024.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
  - a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Indian Accounting Standards (Ind AS).
  - c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
  - d. Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the Audit Committee of the Company's Board and persons performing the equivalent functions:
  - a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
  - b. Any significant changes in internal controls during the year covered by this report.
  - c. All significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements.
  - d. Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
7. We affirm that we have not denied any personnel access to the Audit Committee of the Company in respect of matters involving alleged misconduct and we have provided protection to Whistleblowers from unfair termination and other unfair or prejudicial employment practices.
8. We further declare that all Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report

<b>Place: Ahmedabad</b>  <b>Date: 29-05-2024</b>	<b>For, HEC Infra Projects Limited,</b> <b>SD/-</b> <b>Arvindkumar Patel</b> <b>Chief Financial Officer</b>
--	--

# AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,  
 The Members of  
**HEC INFRA PROJECTS LIMITED**  
**CIN: L45200GJ2005PLC046870**  
**SIGMA 1 CORPORATE, CORPORATE HOUSE NO.6,**  
**SINDHU BHAWAN ROAD, NR. MANN PARTY PLOT CROSSROAD,**  
**BODAKDEV AHMEDABAD - 380054**

We have examined the compliance of conditions of corporate governance by HEC Infra Projects Limited ('the Company'), for the year ended March 31,2024, as stipulated under Regulations 17 to 27,clause(b) to(i) of sub-regulation (2) of Regulation 46 and para C,D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015,as amended from time to time, pursuant to the Listing agreement of the said Company with stock exchanges for the period ended March 31,2024.

The compliance of the conditions of the corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of the opinion of 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 based on the representation made by the Directors and the management, we certify that the Company has complied, with the mandatory conditions as stipulated in abovementioned Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015, pursuant to the Listing agreement of the said company with stock exchange.

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

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

<p><b>Place:Ahmedabad</b></p> <p><b>Date:01-07-2024</b></p>	<p><b>For, Jalan Alkesh &amp; Associates</b>  <b>Company Secretaries</b>  <b>SD/-</b>  <b>Alkesh Jalan</b>  <b>(Proprietor)</b>  <b>Membership No. – 10620</b>  <b>Firm Registration No. – 4580</b>  <b>UDIN : F010620F000639578</b></p>
---	--

# MANAGEMENT DISCUSSION ANALYSIS REPORT

## **OVERVIEW OF GLOBAL ECONOMY:**

In 2023, the global economy grew by 3.2% exhibiting resilient growth with signs of improved global outlook. The impact of tighter monetary conditions continues. As per the IMF, global growth in 2024 and 2025 is estimated to remain persistent at 3.2% supported by robust government and private spending in several economies. Emerging markets and developing economies grew by 4.1% in 2023 and are expected to continue this consistent growth rate at 4.1% in 2024 and 4.2% in 2025. Meanwhile, the growth in advanced economies slowed down from 2.6% in 2022 to 1.6% in 2023. It is anticipated to stabilize at around 1.5% in 2024 and increase to 1.8% in 2025.

The global economy remains remarkably resilient with the growth holding steady as inflation returns to the target. Global growth is projected to hold steady at 2.6% in 2024 before edging up to an average of 2.7% in 2025-26. That is well below the 3.1% average in the decade before COVID-19. The forecast implies that over the course of 2024-26 countries that collectively account for more than 80% of the world's population and global GDP would still be growing more slowly than they did in the decade before COVID-19.

## **OVERVIEW OF INDIAN ECONOMY:**

As per the latest World Bank's Global Economic Prospect (GEP), January 2024; economic growth projection for India is at 6.4% for FY2025. India grew at 6.3% in FY2024 mainly on account of strong domestic demand, rising public infrastructure spending and strong private sector credit growth. However, World Bank projected that the private consumption growth might taper off due to high food inflation and diminishing pent-up demand. India will remain the fastest-growing major economy with FY2026 real GDP growth rate forecasted at 6.5% as per World Bank.

Gross value-add in the construction sector increased from INR 7.8 trillion in FY2012 to INR 12.4 trillion in FY2023. Construction Gross Value Added (GVA) witnessed growth of 10% in FY2023. It is expected to grow at 9-11% in FY2025 owing to the government's emphasis on infrastructure development and a robust order book. Emerging markets in the region will lead growth in the region with India, Indonesia, Vietnam, Philippines and Bangladesh amongst markets that will see the highest growth rates in the region over the coming decade. Mainland China's construction growth will also continue to play a strong role in shaping growth trends in the region.

## **OUTLOOK:**

**The global Power EPC market was valued at USD 690 billion in 2023 and growing at a CAGR of 4.8% from 2024 to 2033. The market is expected to reach USD 1,103 billion by 2033.**

The companies face a multidimensional challenge on this front as they adapt to evolving market trends and environmental regulations and meet customer demands for greener buildings, while also preventing construction costs from accelerating too rapidly.

The Engineering Procurement Construction (EPC) Market report combines extensive quantitative analysis and exhaustive qualitative analysis, ranges from a macro overview of the total market size, industry chain, and market dynamics to micro details of segment markets by type, application and region, and, as a result, provides a holistic view of, as well as a deep insight into the Engineering Procurement Construction (EPC) market covering all its essential aspects.

## **OVERVIEW OF EPC ELECTRO-MECHANICAL SECTOR:**

The EPC sector is considered the second largest segment in the Indian Economy, which is playing a big role in introducing more employment opportunities in the nation. EPC companies and India's smart city mission are connected to help the nation reap outstanding benefits. India is putting up a very fast-paced call for boosting urbanisation and taking it to the next level through the introduction of smart cities.

The engineering sector in India attracts immense interest from foreign players as it enjoys a comparative advantage in terms of manufacturing cost, technology, and innovation. The above, coupled with favorable regulatory policies and growth in the manufacturing sector, has enabled several foreign players to invest in India.

The Indian engineering sector is of strategic importance to the economy owing to its intense integration with other industry segments. The sector has been de-licensed and enjoys 100% FDI. With the aim to boost the manufacturing sector, the Government has relaxed the excise duties on factory gate tax, capital goods, consumer durables and vehicles.

## **ENGINEERING SERVICES:**

- HEC is a prominent EPC (Engineering, Procurement, and Construction) company specializing in Electro-Mechanical systems, Solar Projects, Lighting, and ELV Systems. We provide comprehensive solutions and full-service capabilities encompassing design, supply, installation, and commissioning. Our expertise spans overhead transmission lines, substations, underground cable laying, switchyards, water pumping stations, lighting systems, industrial and commercial electrification, solar PV plants, battery energy storage systems, as well as mini/micro grid solar projects.

- **TRANSMISSION & DISTRIBUTION PROJECTS:**

HEC specializes in EPC solutions for transmission projects, leveraging its core strengths in engineering across procurement and construction services. Our expertise encompasses switchyards, overhead transmission lines, and cable laying within the transmission sector.

In the substation domain, HEC offers turnkey solutions for high voltage air insulated substations tailored for utilities and power plants. We also excel in EHV cable and communication backbone networks, as well as providing comprehensive electrical and instrumentation solutions for various infrastructure projects.

With extensive experience, HEC undertakes turnkey projects for switchyards up to 220 KV, overhead transmission lines up to 220 KV, and underground cable laying up to 66 KV. Additionally, our capabilities extend to air insulated substations up to 220 KV and the implementation of SCADA systems.

Since last financial year, the company has decided to focus and boost projects majorly in this sector only as this type of project type has 3 contractual advantages namely faster completion time, lesser duration of performance guarantee and zero dependence on other contractors for securing orders unlike building projects.

- **WATER PUMPING STATIONS:**

HEC excels in providing turnkey solutions to clients seeking a streamlined approach to project design and implementation. Our extensive expertise in water pumping stations connects us with globally renowned companies capable of executing comprehensive package projects. The company undertakes diverse projects on a turnkey basis, encompassing mechanical, electrical, and instrumentation aspects across government, private, and industrial pumping schemes.

With in-house manufacturing capabilities through affiliated companies, HEC produces HT panels, LT panels, and Distribution Boards (DB), offering significant advantages to our clients. Our portfolio includes successfully executed pumping projects featuring HT Motors up to 6.6 KV, integrated with advanced PLC, SCADA, and Automation systems, ensuring efficient and reliable operations.

During the year the company has received and executed Electro-Mechanical & instrumentation works along with Operation and Comprehensive repair & Maintenance work for Ahmedabad Municipal Corporation and also that of Augmentation work for Supply of HT panel and transformer of different size for various sewage & storm water pumping station and also that of dismantling of existing old HT panel & transformer of AMC. Moreover, new orders for the coming year have also been booked. This sector provides us greater margins and minimal involvement of manpower and resources.

- **LIGHTING:**

The Company specializes in providing comprehensive EPC solutions for both indoor and outdoor lighting requirements across various sectors such as airports, hotels, industrial plants, and hospitals. Our dedicated EPC team possesses exceptional expertise and efficiency in executing projects, particularly in outdoor lighting installations.

We offer a wide range of outdoor lighting solutions, including Solar Lighting, Smart Street Lighting, Industrial Plant Lighting, River Front Lighting, and Highway Lighting, among others. These solutions are designed to enhance safety, visibility, and aesthetic appeal while ensuring energy efficiency and sustainability.

During the year under review, the company has received and executed work for construction of Street lighting projects from Ahmedabad Municipal Corporation.

#### **RISK AND CONCERN:**

The Company recognizes that risk is inherent in every business activity. Effectively managing these risks is key to achieving our strategic objectives and the long-term sustainable growth of the business. At industries, risk management encompasses an organized and coherent process of identifying, assessing and managing the existing and potential risks in a planned manner. The Company has framed a comprehensive Risk Management Policy which inter-alia lays down detailed process and policies in the various facets of the risk management function.

The management strives hard to balance business risks and opportunities and analyses potentially negative or positive outcomes. The risk management function is integral to the company and its objectives includes ensuring that critical risk is identified continuously, monitored and managed effectively in order to protect the company's business.

However, the changes in the tax laws, Government policies and regulatory requirement might affect the company's business. Uncontrolled variation in price of input materials could impact the company's profitability to the extent that the same are not absorbed by the market through price increase and / or could have a negative impact on the demand in the market.

The company has started being selective towards its project and client selection. The majority of the growth story in company's overall portfolio is now attributed majorly to its project selection and India's growing economy.

#### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company implemented suitable controls to ensure its operational, compliance and reporting objectives. The Company has adequate policies and procedures in place for its current size as well as the future growing needs. These policies and procedures play a pivotal role in the deployment of the internal controls. They are regularly reviewed to ensure both relevance and

comprehensiveness and compliance is in grained into the management review process.

The Board has adopted policies and procedures for ensuring that all transactions are authorized, recorded and correctly reported, all assets are safeguarded and protected against loss from unauthorized use or disposition, reducing wastage and maintenance of proper accounting records for ensuring accuracy and reliability of its financial information. The Board has constituted an Audit Committee which meets periodically to review the financial performance and the accuracy of financial records and accordingly appropriate actions are taken by the management. The significant findings, along with management response and status of action plans are also periodically shared with and reviewed by the Audit Committee.

Adequacy of controls of the key processes is also being reviewed by the Internal Audit team. Suggestions to further strengthen the process are shared with the process owners and changes are suitably made. Significant findings, along with management response and status of action plans are also periodically shared with and reviewed by the Audit Committee. It ensures adequate internal financial control exist in design and operation financial disclosures. When found necessary, the Committee also gives suggestions on this matter. The audit committee regularly evaluates the execution of the Audit plan, the relevance and impact of the internal audit systems, oversees the implementation of internal audit recommendations including those which help reinforce the company's risk management policies and systems.

#### **FINANCIAL PERFORMANCE:**

Particulars	For the year ended on (₹ In Lakhs)	
	March 31,2024	March 31,2023
Revenue from Operations	7378.95	5173.39
Other Income	334.84	134.20
<b>Total Revenue</b>	<b>7713.79</b>	<b>5307.59</b>
Purchase of Stock-in-Trade	3003.27	2356.45
Changes in Inventories of Finished Goods, WIP and Stock-in-Trade	569	(20.93)
Employee Benefit Expenses	340.02	333.29
Other Expenses	2940.77	2173.76
<b>Total Expenditure</b>	<b>7051.93</b>	<b>5187.29</b>
EBIDT	860.73	465.02
Finance Cost	182.23	322.68
Depreciation and Amortization	16.64	22.04
Profit Before Extraordinary Item and Tax	661.86	120.30
Extraordinary Items	0.00	0.00
Profit Before Tax	661.86	120.30
Current tax	189.72	38.50
Taxation in respect of earlier year	--	2.74
<b>Profit for the year</b>	<b>471.64</b>	<b>78.83</b>

#### **Senior Management:**

During the year 2023-2024 the particulars of senior management and changes there in as under:

Name of Senior Management Personnel	Designation
Pannalal Surti (upto 31/12/2023)	C.F.O
Arvind Kumar Patel (with effect from 4th Jan 2024)	C.F.O
Sunil Nair	Vice President
Nitin Patel	Senior Project Manager - Water pumping and Lighting division
Nilesh Pansariya	Senior Project Manager - Water pumping and Lighting division
Khushi Bhatt	C.S

**KEY FINANCIAL RATIOS:**

Details of significant changes (i.e., change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios and any changes in return on net worth of the Company (on standalone basis) are given below:

Particulars	March 31,2024	March 31,2023	Changes
Debt service coverage ratio (in times)	3.45	0.86	-300.02
Current ratio	3.60	2.34	-53.98
Return on equity ratio(%)	0.47	0.03	-1679.03
Inventory turnover ratio (in times)	2.76	1.49	-85.33
Trade receivables turnover ratio (in times)	3.14	1.75	-79.41
Trade payables turnover ratio (in times)	1.83	1.17	-56.82
Net capital turnover ratio (in times)	1.47	1.17	-25.46
Net profit ratio (in %)	0.06	0.02	-219.58

**OPPORTUNITY AND THREATS****OPPORTUNITY:**

- Strategic Joint Venture strengthening business
- Entering in to a new project
- Favorable contract terms
- Reliable Investors
- Favorable financing method according to the advance rate and payment dynamics
- Developing a Functional and coordinated Project team

**THREAT:**

- Economic Uncertainty
- Rise in cost of material, cost of transportation may affect the margin
- Changes in Government Policies
- Intense competition may reduce profitability
- Act of God
- Client Dissatisfaction
- Customer's inability to pay

**HUMAN CAPITAL:**

Our Company believes that the human capital is key to bring in progress. The Company believes in maintain cordial relation with its employees which is one of the key pillars of the Company's business. The Company's HR policies and practices are built on core values of Integrity, Passion, Speed, and Commitment. The Company's focus is on recruitment of good talent and retention of the talent pool. The Company is hopeful and confident of achieving the same to be able to deliver results and value for our shareholders. Our company is having on roll 41 employees as on March 31,2024. Company maintains smooth relations with whole of the workforce and incentives are provided from time to time to ensure that employees remain devoted to the organization for a long term.

**SEGMENT GROWTH DRIVERS:**

The major and material activities of the company are restricted to only one segment i.e., EPC Engineering Designing & Construction, hence the secondary segment disclosures are not applicable.

**DISCLOSURE OF ACCOUNTING TREATMENT:**

The Company adopted Indian accounting standard ("Ind as") prescribed under section 133 of the companies act, 2013 read with relevant rules issued there under and in terms of Regulation 33 of the SEBI (LODR) Regulations, 2015 and the Companies (Indian accounting Standards) (Amendment) Rules, 2016. Beginning April 1, 2021, the company has for the first time adopted IND AS with the transition date of April 1, 2020.

**CAUTIONARY STATEMENT:**

Certain statements in the reports of the Board of Directors and Management's Discussions and Analysis may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results may vary from those expressed or implied depending upon economic conditions, Government policies and other incidental factors. Taxation laws, economic

# INDEPENDENT AUDITORS REPORT

To,  
THE MEMBERS OF,  
**HEC INFRA PROJECTS LIMITED**

Ahmedabad

CIN - L45200GJ2005PLC046870

## **Report on the Audit of the Standalone Financial Statements**

### **Opinion**

We have audited the standalone financial statements of **HEC INFRA PROJECTS LIMITED** (“the Company”), which comprise the Balance Sheet as at 31<sup>st</sup> March 2024, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of Significant Accounting Policies and other Explanatory Information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the 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, 2024, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016;

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 and the Rules 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the



audit of the 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 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 financial statements.

Key audit matters	How our audit addressed the key audit matter
a) Revenue Recognition for Construction contracts	
<p>The Company generates significant revenue from contracts and long-term agreements. Revenue from these contracts is recognized over the period of time in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers. For majority of its contracts, the Company recognizes revenue and profit on the stage of completion based on the proportion of contract costs incurred for the work performed to the balance sheet date, relative to the estimated costs on the contract at completion. The recognition of revenue and profit / loss therefore are based on estimates in relation to the estimated total costs of each contract, which involves significant judgments, identification of contractual obligations and the Company's rights to receive payments for performance completed, scope amendments and price escalations resulting in revised contract price. There are various areas involving complexities, judgements and estimates involved in accounting for revenue recognized on "over the time" basis. In view of the above and because the Company and its external stakeholders focus on revenue as a key performance indicator, we determined this area to be an area involving significant risk, an area of audit focus, and accordingly a key audit matter. Refer Note No. 1.6 of the standalone financial statements.</p>	<p>Our revenue testing included both testing of the Company's internal controls as well as substantive audit procedures targeted at selected major long-term projects. Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of company's revenue recognition policies and reviewed compliance in terms of provisions of Ind-AS 115.</li> <li>• Performed assessment that the revenue recognition method applied was appropriate based on the terms of the arrangement and contract.</li> <li>• Obtained an understanding of the revenue recognition processes including documentation maintained and tested key internal controls impacting revenue, on sample basis.</li> <li>• Assessed the reliability of management's estimates by comparing the actual outcome of completed projects with previous estimated timelines.</li> </ul>

### Information Other than the Standalone Financial Statements and Auditor's Report thereon (Other Information)

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Corporate Overview, Board's Report, Management Discussion and Analysis Report and Report on Corporate Governance in the Annual Report of the Company for the financial year 2023-24, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements or our knowledge obtained in the 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.

## **Responsibilities of Management and those charged with governance for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As a part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

(a) Identify and assess the risks of material misstatement of the 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.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) 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 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.

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 standalone 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 current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure - A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

### **As required by Section 143(3) of the Act, 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, 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, Except Ind AS-19 on retirement benefits as provision for gratuity is not based on actuarial valuation but on other rational basis while provision for other benefits such as leave encashment has not been made, the effect of the same cannot be quantified, to that extent profit for the year and balance of Profit & Loss account is overstated.

(e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure - 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 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 Company to its directors during the year is in accordance with the provisions of section 197 of the Act

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

(i) The Company does not have any pending litigations which would impact its financial position in its Standalone Ind AS financial statements;

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

(iv)

a) The management has represented that, to the best of its knowledge and belief, no funds 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 have been received by the Company from any person or entity, including foreign entities (“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; and

c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.

(v) The Company has not declared or paid any dividend during the year ended 31 March 2024.

(vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which have a feature of audit trail (edit log) facility.

<p><b>Place: Ahmedabad</b>  <b>Date: 29-05-2024</b></p> <p><b>UDIN:24048435BKAOZH1404</b></p>	<p><b>For Paresk Thothawala &amp; Co.</b>  <b>CHARTERED ACCOUNTANTS</b>  <b>[FRN: 114777W]</b></p> <p><b>SD/-</b>  <b>Paresk K Thothawala</b>  <b>Partner</b>  <b>Membership No: 048435</b></p>
---	---

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

(The Annexure referred to in Independent Auditors’ Report to the members of the HEC Infra Projects Limited on the standalone financial statements for the year ended March 31, 2024.)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Standalone financial statements of the Company and taking into consideration the information and explanations given to us, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(b) Property, Plant and Equipment have been physically verified by the Management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the Management, the title deeds of immovable properties included in property, plant and equipment/fixed assets are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended 31 March, 2024.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a working capital limit in excess of Rs. 50 million sanctioned by banks or financial institutions based on the security of current assets. However, we are unable to comment on the same as the details of the same are yet to be presented to us. The management has confirmed about correctness of the same.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships, or other parties covered in the register maintained under section 189 of the Companies Act 2013 during the year. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the services rendered by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, Cess and other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2023, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Sales tax, Service tax, duty of Excise, Value Added tax, Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, Cess and other statutory dues, which have not been deposited by the Company on account of disputes, except for the following:

<b>Nature of Dues</b>	<b>Amount (Rs.)</b>
Value Added Tax (at Tribunal Stage)	63,14,461/-

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of accounts, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) According to the information and explanations given to us, in respect of borrowings:

(a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company does not have any subsidiary or associate or joint venture and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) According to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under section 143(12) of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence, reporting under clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements, etc. as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 31, 2024.

(xv) According to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence, provisions of section 192 of the Act are not applicable.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company. Hence, reporting under 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, Asset Liability Maturity (ALM) pattern, 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 the 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) Corporate Social Responsibility (CSR) clause as per Companies Act, 2013 is not applicable to the company. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

(xxi) According to the information and explanations given to us, the Company does not have subsidiary, associate and joint venture. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

<b>Place: Ahmedabad</b> <b>Date: 29-05-2024</b>  <b>UDIN:24048435BKAOZH1404</b>	<b>For Paresh Thothawala &amp; Co.</b> <b>CHARTERED ACCOUNTANTS</b> <b>[FRN: 114777W]</b>  <b>SD/-</b>  <b>Paresh K Thothawala</b>  <b>Partner</b>  <b>Membership No: 048435</b>
--	--



## “ANNEXURE B” TO THE INDEPENDENT AUDITORS’ REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of HEC Infra Projects Limited (“the Company”) as of March 31, 2024 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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the ‘Guidance Note’) and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 standalone Ind AS 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 over financial reporting with reference to these standalone Ind AS 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 Ind AS 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 judgment, 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 internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

### **Meaning of internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements**

A Company’s internal financial control over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting

principles. A Company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS 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, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at 31 March 2024, 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 Institute of Chartered Accountants of India.

<p>Place: Ahmedabad Date: 29-05-2024</p> <p><b>UDIN:24048435BKAOZH1404</b></p>	<p><b>For Paresh Thothawala &amp; Co.</b> <b>CHARTERED ACCOUNTANTS</b> <b>[FRN: 114777W]</b></p> <p>SD/-</p> <p><b>Paresh K Thothawala</b></p> <p><b>Partner</b> <b>Membership No: 048435</b></p>
--	---

# BALANCE SHEET AS ON MARCH 31, 2024

(` in lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant & Equipment	2	145.79	192.88
(b) Financial Assets			
(i) Other Financial Assets	3	790.92	347.83
		<b>936.71</b>	<b>540.71</b>
<b>2. Current Assets</b>			
(a) Inventories	4	1,010.20	1,579.19
(b) Financial Assets			
(i) Trade Receivables	5	1,503.73	3,199.38
(ii) Cash and Cash Equivalents	6A	370.95	294.31
(iii) Bank balances other than (ii) above	6B	778.06	-
(iv) Other Financial Assets	3	2,333.38	2,739.00
(c) Other Current Assets	7	966.54	127.28
		<b>6,962.86</b>	<b>7,939.16</b>
<b>Total Assets</b>		<b>7,899.57</b>	<b>8,479.88</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	8	1,013.82	1,013.82
(b) Other Equity	9	2,472.37	2,000.63
		<b>3,486.19</b>	<b>3,014.45</b>
<b>Liabilities</b>			
<b>1. Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	10	2,461.85	2,126.06
(b) Deferred tax Liabilities (Net)	11	15.61	15.11
(c) Other Non Current Liabilities	12	-	6.01
		<b>2,477.47</b>	<b>2,147.19</b>
<b>2. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	10	559.20	1,003.75
(ii) Trade Payables	13		
- Total outstanding dues of Small Enterprises and Micro enterprises		101.55	247.00
- Total outstanding dues of creditors other than small enterprises and micro enterprises.		862.67	2,067.50
(b) Other Current Liabilities	14	359.86	-
(c) Provisions	15	52.63	-
		<b>1,935.92</b>	<b>3,318.24</b>
<b>Total Equity and Liabilities</b>		<b>7,899.57</b>	<b>8,479.88</b>

Statement of Significant Accounting Policies

1

See accompanying notes forming part of the financial statements

2 to 50

In terms of our report of even date attached

For Paresh Thothawala &amp; Co.

For and on behalf of HEC Infra Projects Limited

Chartered Accountants

Firm Registration No: 114777W

Gaurang P Shah  
Managing Director  
DIN- 01756079

Rupal G Shah  
Director  
DIN- 01756092

Paresh K Thothawala

Partner

Membership No. 048435

UDIN: 24048435BKA0ZH1404

Arvind Patel  
Chief Financial Officer

Khushi Bhatt  
Company Secretary

# STATEMENT OF PROFIT AND LOSS

Particulars	Note No.	Year Ended March 31, 2024	Year Ended March 31, 2023
(I) Revenue from Operations	16	7,378.95	5,173.39
(II) Other Income	17	334.84	134.20
<b>(III) Total Income (I+II)</b>		<b>7,713.79</b>	<b>5,307.59</b>
<b>(IV) Expenses</b>			
Purchase of stock-in-trade		3,003.27	2,356.45
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	18	569.00	(20.93)
Employee Benefits Expenses	19	340.02	333.29
Finance Costs	20	182.23	322.68
Depreciation and Amortization Expense	2	16.64	22.04
Other Expenses	21	2,940.77	2,173.76
<b>Total expenses (iv)</b>		<b>7,051.93</b>	<b>5,187.29</b>
<b>(V) Profit/(loss) before Exceptional items and Tax (III- IV)</b>		<b>661.86</b>	<b>120.30</b>
<b>(VI) Exceptional Items</b>		-	-
<b>(VII) Profit/(loss) before Tax(V+VI)</b>		<b>661.86</b>	<b>120.30</b>
<b>(VIII) Tax expense:</b>			
Current tax		189.72	38.50
Deferred tax		0.50	0.23
Provision for taxes related to earlier periods		-	2.74
<b>Total tax expenses</b>	11	<b>190.23</b>	<b>41.47</b>
<b>(IX) Profit (Loss) for the period from Continuing Operations (VII-VIII)</b>		<b>471.64</b>	<b>78.83</b>
<b>(X) Profit/(loss) from Discontinued Operations</b>		-	-
(XI) Tax expense of Discontinued Operations		-	-
<b>(XII) Profit/(loss) from Discontinued Operations After Tax (X-XI)</b>		-	-
<b>(XIII) Profit/(loss) for the period (IX+XII)</b>		<b>471.64</b>	<b>78.83</b>
<b>(XIV) Other Comprehensive Income</b>		-	-
<b>(XV) Total Comprehensive Income for the year (XIII+XIV)</b>		<b>471.64</b>	<b>78.83</b>
<b>(XVI) Earnings per equity share (for continuing operation):</b>	22		
Basic		4.65	0.78
Diluted		4.65	0.78
<b>(XVII) Earnings per equity share (for discontinued operation):</b>			
Basic		-	-
Diluted		-	-
<b>(XVIII) Earnings per equity share (for discontinued &amp; continuing operations)</b>			
Basic		4.65	0.78
Diluted		4.65	0.78

Statement of Significant Accounting Policies

1

See accompanying notes forming part of the financial statements

2 to 50

In terms of our report of even date attached

For Paresh Thothawala & Co.  
Chartered Accountants  
Firm Registration No: 114777W

Paresh K Thothawala  
Partner  
Membership No. 048435  
UDIN: 24048435BKA0ZH1404

Gaurang P Shah  
Managing Director  
DIN- 01756079

Arvind Patel  
Chief Financial Officer

For and on behalf of  
the Board of Directors  
of  
HEC Infra Projects  
Limited

Rupal G Shah  
Director  
DIN- 01756092

Khushi Bhatt  
Company Secretary

# CASH FLOW STATEMENT 2023-2024

(` in lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	661.86	120.30
<b>Adjustments for :</b>		
Depreciation and amortisation	16.64	22.04
Interest Paid (Net)	100.44	322.68
(Profit)/Loss On Sale Of Fixed Assets	(313.63)	-
Rent Received	(16.00)	(32.26)
Interest Income	-	(37.71)
<b>Operating profit before working capital changes</b>	<b>449.31</b>	<b>395.04</b>
<b>Adjustment for Changes in Working Capital:</b>		
(Increase)/Decrease in Inventories	569.00	(20.93)
(Increase)/Decrease in Trade Receivables	1,695.65	(105.19)
(Increase)/Decrease in Other Financial Assets	405.62	-
(Increase)/Decrease in Other Current Assets	(839.27)	(0.90)
(Increase)/Decrease in Other Non-Current Assets	(443.09)	(150.42)
Increase/(Decrease) in Trade Payables	(1,350.28)	594.56
Increase/(Decrease) Other Current Liabilities	359.86	19.62
Increase/(Decrease) Provisions	52.63	-
Increase/(Decrease) Other Non Current Liabilities	(6.01)	0.23
<b>Cash generated from operations</b>	<b>893.42</b>	<b>732.02</b>
Income tax paid (net)	189.72	41.47
<b>Net cash generated from operating activities (A)</b>	<b>703.70</b>	<b>690.54</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(0.92)	(12.58)
Sale of property, plant and equipment	344.98	-
Rent Income	16.13	32.26
<b>Net cash used in investing activities (B)</b>	<b>360.19</b>	<b>19.68</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds of Borrowings other than debt securities	(108.75)	(403.19)
Interest Paid	(100.44)	(322.68)
Interest Income	-	37.71
<b>Net cash generated from financing activities (C)</b>	<b>(209.19)</b>	<b>(688.16)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>854.70</b>	<b>22.07</b>
<b>Cash and cash equivalent at the beginning of the year</b>	<b>294.31</b>	<b>272.24</b>
<b>Cash and cash equivalent at the end of the year</b>	<b>1,149.01</b>	<b>294.31</b>

# The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

# Components of cash and cash equivalents (including Bank balances other than cash and cash equivalents) are disclosed in note no. 6.

# In Part A of the cash flow statement, figures in brackets indicate deductions made from the Net Profit for deriving the Net cash flow from operating activities. In Part B and Part C, figures in bracket indicate cash-outflow.

# Previous year figures have been regrouped and reclassified whenever considered necessary to confirm to the current year's figure.

**In terms of our report of even date attached  
For Paresh Thothawala & Co.  
Chartered Accountants  
Firm Registration No: 114777W**

**For and on behalf of the  
Board of Directors of  
HEC Infra Projects Limited**

**Paresh K Thothawala  
Partner  
Membership No. 048435**

**Gaurang P Shah  
Managing Director  
DIN- 01756079**

**Rupal G Shah  
Director  
DIN- 01756092**

**UDIN: 24048435BKAOZH1404**

**Arvind Patel  
Chief Financial Officer**

**Khushi Bhatt  
Company Secretary**

# NOTES FORMING PART OF ACCOUNTS

## HEC INFRA PROJECTS LIMITED

### NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE PERIOD ENDED ON MARCH 31, 2024

#### NOTE 1

**Corporate Information:** HEC Infra Projects Limited is a company incorporated on 6th October 2005 vide CIN: L45200GJ2005PLC046870 under the Companies Act, 1956 at Ahmedabad, India. Its shares were listed . on the emerge platform of the National Stock Exchange of India. The Company is mainly engaged in the electrification services. The Company has migrated from NSE SME platform to NSE main Board on 30th December 2021.

#### **Significant Accounting Policies and Key Accounting Estimates and Judgements: Basis of Preparation of Standalone Financial Statements:**

These financial statement for the year ended March 31, 2024 has been prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under section 133 of the Companies Act 2013 read together with the Rules notified there under to the extent applicable and the other relevant provisions of the Act, pronouncements of the regulatory bodies applicable to the company. The company has migrated from NSE SME platform to NSE Main Board on 30th December 2021.

The financial statements have been prepared on the historical cost basis except for certain financial assets and financial liabilities measured at fair value and Employee's defined benefit plan as per actuarial valuation, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 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, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability. The significant accounting policies followed by the company are as stated below:

#### **1. 1 Current versus non-current classification**

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in schedule III to the Companies Act, 2013. Operating cycle for the business activities of the Company cover the duration of the project!contract! service including the defect liability period, wherever applicable, and extends up to the realization of receivables (including retention monies) within the credit period normally applicable to the respective project. Project related assets and liabilities have been classified into current and non-current based on operating cycle of respective projects. All other assets and liabilities have been classified into current or non-current based on 12 months period.

#### **1.2 Critical Accounting Estimates and Judgements**

The preparation and presentation of financial statements requires the management to make estimates, judgements and assumptions that affect the amounts of assets and liabilities reported as on the financial statements and the reported amount of

revenues and expenses during the reporting period

Accounting estimates could change from period to period. Actual results could differ from these estimates. Appropriate changes in estimates are made as and when the Management becomes aware of the changes in the circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and if material, their effects are disclosed in the notes to the financial statements. Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that may have significant impact on the amounts recognized in the financial statements are as below:

- Useful lives of property, plant & equipment
- Measurement of defined benefit obligations
- Provisions & contingencies.

### **1.3 Inventory Valuation**

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components consumables and stock-in-trade are carried at the lower of cost and net realizable value after providing for obsolescence, if any.

Inventories are carried at the lower of cost or net realizable value.

Cost of inventories comprises of all. Costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The method of determination of cost is as follows:

Materials and supplies: on a First-in-First-Out (FIFO) method.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimate costs of completion and selling expenses. The comparison of cost and net realizable value is made on inventory-by- inventory basis

### **1.4 Property Plant & Equipment**

(a) On transition to Ind AS, the Company has elected to continue with the carrying value (i.e. historical cost net of recoverable taxes, less accumulated depreciation and impairment loss, if any) of all of its property, plant & equipment as recognized in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant & equipment. The cost of an item of tangible fixed assets comprises its purchase price, including import duties and other non-refundable taxes or levies and any attributable costs of bringing the asset to its working condition for intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

The estimated useful lives of assets are in accordance with the Schedule" of the Companies Act, 2013. Gains or losses arising from de-recognition / disposal of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and loss when the asset is derecognized / disposed off. Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

Building: 60 Years

Plant and Machinery: 15 years

Furniture and Fixtures: 10 years

Computers: 6 years

Office equipment: 5 years

Electrical Installation: 10 Years

Based on technical evaluation, the management believes that the useful lives given above best represents the period over which the management expects to use the asset. Hence the useful lives of the assets are same as prescribed under Part C of schedule II of Companies Act, 2013 estimated useful life of the assets is reviewed at the end of each financial year. The residual value of Property, plant and equipment considered as 5% of the original cost of the asset. Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

(b) Advance paid towards acquisition of tangible fixed assets outstanding at each Balance Sheet date, shown under long- term



loans and advances and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress. All costs relating to the acquisition and installation of fixed assets are capitalized until the asset is ready for use.

(c) Depreciation on tangible assets is provided on Straight Line Method (SLM) and is systematically allocated over the useful life of an asset as specified in part C of Schedule "of The Companies Act, 2013. In respect of Assets costing less than Rs. 5,000/- the rate of depreciation is taken as 100%. Depreciation is computed pro-rata with reference to the number of days of use during the year.

### **1.5 Borrowing Costs**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

### **1.6 Revenue Recognition**

#### **Revenue from Contracts with Customers:**

Revenue from contract with customers is recognized when control of the goods or services are transferred to the customer and amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

The revenue is recognized to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time.

For performance obligation satisfied over time; the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

In cases where the work performed till the reporting date has not reached the milestone specified in the contract, the Company recognizes the work in progress. In this method the work completed under each contract is measured on a regular basis and the corresponding output is recognized as revenue.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party.

#### **Sale of goods / providing services:**

Revenue from sale of goods or providing services is recognised when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods. Performance obligations in respect of contracts for sale of manufactured and traded goods is considered as satisfied at a point in time when the control of the same is transferred to the customer and where there is an alternative use of the asset or the company does not have either explicit or implicit right of payment for performance completed till date.

#### **Interest and dividend:**

Interest income is accrued on a time basis by reference to the principal outstanding using effective interest rate method. Dividend income is recognized when the right to receive payment is established.

### **1.7 Investments**

Investments intended to be held for more than a year are classified as long-term investments. All other investments are classified as current investments. Long term investments are stated at cost. However provision (if any) for diminution is made to recognize any decline, other than temporary, in the value of investments. Current investments are stated at lower of cost or market value on an individual investment basis.

Current Investments are carried at lower of cost and quoted fair value, computed category wise. Term Investments are stated at cost. Provision for diminution in the value of long-term investment made only if such a decline is other than temporary in the opinion of the management.

### **1.8 Accounting for employee benefits**

#### (a) Defined Contribution Plan

As per applicable laws the eligible employees of the company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and company make monthly contribution at specified percentage of the covered employee salary. The contributions as specified under the law are paid to the respective provident fund authorities as specified by law as per the scheme framed under the governing laws.

#### (b) Defined Benefit Plan

HEC provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. In accordance with the payment of Gratuity Act, 1972, the gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of the employment. Liabilities with regard to the gratuity plan are determined by actuarial valuation as of the balance sheet date based upon which, the company contributes all the ascertained liabilities to "HEC INFRA PROJECTS LIMITED EGGAS"(the "Trust") Trustees administer contributions made to the trust and contributions are invested in specific investments as permitted by law.

### **1.9 Tax Expense**

(a) Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the income tax act, 1961. Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable incomes and accounting incomes that originate in one period and is capable of reversal in one or more subsequent periods.

(b) Deferred tax is measured based on the tax rate and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against such deferred tax assets can be realized.

(c) Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent it is reasonably certain that the Company will pay normal income tax during the specified period. Such asset is reviewed at each reporting date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(d) Expenses and assets are recognized net of the amount of Goods and service tax, except:

- When Goods and Service Tax (GST) incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the taxes paid is recognized as part of cost of acquisition of asset or as part of expenses item, as applicable .
- When receivable and payables are stated with the amount of tax included.
- The net amount of Goods and Service Tax recoverable from, or payable to, the taxation authority is included as part of receivable or payable in the balance sheet. Accounts of GST Credits Receivable, GST Payable and GST Credits availed are subject to reconciliation with GST Returns.

### **1.10 Contingent Liabilities**

A provision is recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability is disclosed when the Company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent Liabilities are not provided for till the same are crystalized. Contin-

gent assets are neither recognized nor disclosed.

### **1.11 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Comp segregated based on the available information.

### **1.12 Cash and Cash Equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value.

### **1.13 Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders after deducting preference dividends and attributable taxes by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

### **1.14 Lease**

Finance Lease - Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

Operating Lease - Agreements which are not classified as finance leases are considered as operating lease. Operating lease payments/income are recognized as an expense/income in the standalone statement of profit and loss on a straight-line basis over the lease term unless there is another systematic basis which is more representative of the time pattern of the lease.

At the inception of a contract, the Company assesses whether a contract is or contains, a lease. 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 of consideration. As discussed with management, one of the premises is rented out and the same is covered under rental income. It is not to be considered as lease.

### **1.15 Financial instruments**

Financial assets and financial liabilities are recognized when a Company entity becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

### **1.16 Financial assets**

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

**Financial assets at amortized cost:** Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at Fair Value:** Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for

trading has made an irrevocable election to presentation other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments. Financial asset not measured at amortized cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

#### **Impairment of financial assets**

Loss allowance for expected credit losses is recognized for financial assets measured at amortized cost and fair value through other comprehensive income. The Company recognizes life time expected credit losses for all trade receivables that do not constitute a financing transaction.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognized. Loss allowance equal to the lifetime expected credit loss is recognized if the credit risk on the financial instruments has significantly increased since initial recognition.

#### **De-recognition of financial assets**

The Company de-recognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

### **1.17 Financial Liabilities and Equity Instruments**

#### **Classification as debt or equity**

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

#### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

#### **Financial Liabilities**

Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business.

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the statement of profit and loss.

#### **De-recognition of financial liabilities**

The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

#### **Reclassification of financial assets**

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition of financial assets and financial liabilities, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations.

Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification

prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

### **1.18 Financial Instruments, Risk Management, Objectives and Policies**

#### **Financial Risk Management**

The company's Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

#### **Credit Risk Management**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly.

#### **Liquidity Risk**

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

#### **Market risk**

Market risk is the risk of loss of future earnings, fair values or 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 a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings. The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

#### **Interest rate risk**

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

#### **Foreign currency risk**

The Company does not operate internationally and hence not exposed to currency risk on account of its receivables or payables in foreign currency.

**NOTE 1: STATEMENT OF CHANGE IN EQUITY****A. EQUITY SHARE CAPITAL**

(` in lakhs)

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Balance at the beginning of the year	1,013.82	1,013.82
Change in equity share capital due to prior period errors	-	-
<b>Restated balance at the beginning of the year</b>	<b>1,013.82</b>	<b>1,013.82</b>
Changes in equity share capital during the year [refer note no. 8.2]	-	-
<b>Balance at the end of the year</b>	<b>1,013.82</b>	<b>1,013.82</b>

**B. OTHER EQUITY****For the year ended March 31, 2024**

(` in lakhs)

Particular	Note No.	Reserves and surplus				Total Other equity
		Securities Pre-mium	Retained earnings	Other Reserve	General Reserve	
Balance as at April 1, 2023	9	-	1,990.63	-	10.00	2,000.63
Changes in accounting policy or prior period errors		-	-	-	-	-
<b>Restated balance as at April 1, 2023 adjustment</b>		-	1,990.63	-	10.00	2,000.63
Profit after tax			0.10	-		0.10
			471.64			471.64
Transfer to General Reserve		-	2,462.37		10.00	2,472.37
			-		-	-
<b>Balance as at March 31, 2024</b>	<b>9</b>	<b>-</b>	<b>2,462.37</b>	<b>-</b>	<b>10.00</b>	<b>2,472.37</b>

**For the year ended March 31, 2023**

(` in lakhs)

Particular	Note No.	Reserves and surplus				Total Other equity
		Securities Pre-mium	Retained earnings	Other Reserve	General Reserve	
Balance as at April 1, 2022	9	-	1,911.81	-	10.00	1,921.81
Changes in accounting policy or prior period errors		-	-	-	-	-
<b>Restated balance as at April 1, 2022</b>		-	1,911.81	-	10.00	1,921.81
Profit after tax			78.83			78.83
			1,990.63		10.00	2,000.63
Transfer to General Reserve			-		-	-
<b>Balance as at March 31, 2023</b>	<b>9</b>	<b>-</b>	<b>1,990.63</b>	<b>-</b>	<b>10.00</b>	<b>2,000.63</b>

In terms of our report of even date attached

For Paresh Thothawala &amp; Co.

Chartered Accountants

Firm Registration No: 114777W

Paresh K Thothawala

Partner

Membership No. 048435

UDIN: 24048435BKA0ZH1404

For and on behalf of HEC Infra Projects Ltd.

Gaurang P Shah

Managing Director

DIN- 01756079

Arvind Patel

Chief Financial Officer

Rupal G Shah

Director

DIN- 01756092

Khushi Bhatt

Company Secretary

**Note 2: Property, Plant & Equipment**  
**For the financial year 2023-24**

Particulars	Gross Block						Accumulated Depreciation				Net Block	
	Balance as at 1 April 2023	Additions	Disposals	Balance as at 31 March 2024	Balance as at 1 April 2023	Depreciation charge for the year	Adjustments	Balance as at 31 March 2024	Balance as at 31 March 2024	Balance as at 31 March 2024	Balance as at 31 March 2023	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	
<b>Property, Plant &amp; Equipments</b>												
Building	199.39	-	52.50	146.89	73.52	15.22	21.13	67.61	79.27	125.86		
Plant And Machinery	28.12	-	-	28.12	16.26	(1.64)	-	14.63	13.50	11.86		
Computer*	38.37	0.81	-	39.18	35.32	0.86	0.60	35.58	3.60	3.05		
Furniture	58.34	-	-	58.34	54.16	0.14	(0.60)	54.90	3.44	4.18		
Office Equipments	73.89	0.11	-	74.00	68.06	0.76	-	68.82	5.18	5.82		
Vehicles	96.71	-	-	96.71	54.61	1.30	-	55.91	40.81	42.11		
<b>Grand Total</b>	<b>494.82</b>	<b>0.92</b>	<b>52.50</b>	<b>443.25</b>	<b>301.94</b>	<b>16.64</b>	<b>21.13</b>	<b>297.45</b>	<b>145.79</b>	<b>192.88</b>		
<b>Previous Year</b>	<b>482.25</b>	<b>12.58</b>	<b>-</b>	<b>494.82</b>	<b>279.90</b>	<b>22.04</b>	<b>-</b>	<b>301.94</b>	<b>192.88</b>	<b>202.34</b>		

( in lakhs)

<b>Note 3: Other Financial Assets</b>		(` in lakhs)	
Particulars	As at		
	31/03/2024	31/03/2023	
	-	-	
<b>Non-Current Financial Assets</b>			
Security Deposits	238.87	-	
Fixed Deposits with Bank	552.05	347.83	
	<b>790.92</b>	<b>347.83</b>	
<b>Current Financial Assets</b>			
Deposits	-	-	
Security Deposits	2,159.15	2,598.00	
Earnest Money Deposits	114.90	115.00	
Other Deposits	28.30	26.00	
Loan and Advance to Employee	31.04	-	
	<b>2,333.38</b>	<b>2,739.00</b>	

<b>Note 4: Inventories</b>		(` in lakhs)	
Particulars	As at		
	31/03/2024	31/03/2023	
Closing Stock of Finished Goods (Valued at Cost or Net Realisable Value whichever is lower and as taken, valued and certified by Director)	1,010.20	1,579.19	
	<b>1,010.20</b>	<b>1,579.19</b>	

<b>Note 5: Trade Receivables<sup>^</sup></b>		(` in lakhs)	
Particulars	As at		
	31/03/2024	31/03/2023	
Trade Receivables - Considered Good - Secured	-	-	
Trade Receivables - Considered Good - Unsecured	-	-	
Trade Receivables - which have significant increase in credit risk	1,503.73	3,199.38	
Trade receivables- credit impaired	-	-	
	<b>1,503.73</b>	<b>3,199.38</b>	

<sup>^</sup>Trade Receivable Ageing Schedule. Refer Note no: 25

(` in lakhs)



<b>Note 6A: Cash &amp; Cash Equivalents</b>		(` in lakhs)	
Particulars	As at		
	31/03/2024	31/03/2023	
<u>Cash and Cash Equivalent</u>			
a. Balances with banks	126.63	-	
b. Cash on hand	15.99	6.91	
<u>Other Balances</u>			
a. Balance in deposits with original maturity of less than 3 months*	228.34	287.41	
	<b>370.95</b>	<b>294.31</b>	
<b>Note 6B: Bank balances other than above</b>			
#Balance in deposits with original maturity of more than 3 months	778.06	-	
	<b>778.06</b>	-	
**This fixed deposit is liened in favour of Bank of India as cash margin for bank guarantee limits utilized from the Bank.			
#This fixed deposit included liened in favour of SIDBI as security towards loan of Rs. 4 crores sanctioned.			

<b>Note 7: Other Current Assets</b>		(` in lakhs)	
Particulars	As at		
	31/03/2024	31/03/2023	
Prepaid Expenses	29.22	-	
TDS receivable (Net of Tax Provision)	-	127.28	
Advance to vendor	937.32	-	
	<b>966.54</b>	<b>127.28</b>	

<b>Note 8: Equity Share Capital</b>		(` in lakhs)	
Particulars	As at		
	31/03/2024	31/03/2023	
<u>Authorised Capital</u>			
1,02,00,000 Equity shares of `10/-each	1,020.00	1,020.00	
<u>Issued &amp; Subscribed and Paid up</u>			
1,01,38,160 Equity shares of `10/-each	1,013.82	1,013.82	
	<b>1,013.82</b>	<b>1,013.82</b>	

#### 8.1 Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of `10/- per share. All these shares have the same rights and preferences with respect to the payment of dividend, repayment of capital and voting. The Company declares and pays dividends in Indian rupees. The interim dividend is declared and approved by Board of Directors. The final dividend proposed by the Board of Directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## 8.2 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	In Numbers	Amount	In Numbers	Amount
<b>As at 01 April, 2023</b>	10,138,160	1,013.82	6,558,180	65,581,800
Share issued during the year	-	-	-	-
<b>As at 31 March, 2024</b>	10,138,160	1,013.82	6,558,180	65,581,800

Particulars	In Numbers	Amount	In Numbers	Amount
<b>As at 01 April, 2022</b>	10,138,160	1,013.82	6,558,180	65,581,800
Share issued during the year	-	-	-	-
<b>As at 31 March, 2023</b>	10,138,160	1,013.82	6,558,180	65,581,800

## 8.3 Details of Equity shareholders holding more than 5% shares in the company

Particulars	31/03/2024	31/03/2023
	No. of Shares held	
Gaurang Parmananddas Shah	5,724,910	5,724,910
Rupal Shah ^	1,217,000	1,217,000
Wealth First Portfolio Managers	864,135	870,000
Sumanju Projects & Services Limited	495,000	540,000
	% holding in the class	
Gaurang Shah	56.47%	56.47%
Rupal Shah ^	12.00%	12.00%
Wealth First Portfolio Managers	8.52%	8.58%
Sumanju Projects & Services Limited	4.88%	5.33%

\*In the above given share details 62000 shares have been clubbed with Mrs. Rupal Shah which are jointly held by Mrs Rupal Shah & Mr Gaurang Shah

## 8.4 Details of shareholding of Promoters

Sr No.	Promoter Name	No. of Share	% of total shares	% change during the year
	<b>As at 31st March 2024</b>			
1	Gaurang Shah	5,724,910	56.47%	Nil
2	Rupal Shah ^	1,217,000	12.00%	
3	Rahul Shah	11,590	0.11%	
4	Vikram Shah	500	0.00%	
	<b>As at 31st March 2023</b>			
1	Gaurang Shah	5,724,910	56.47%	Nil
2	Rupal Shah ^	1,217,000	12.00%	
3	Rahul Shah	11,590	0.11%	
4	Vikram Shah	500	0.00%	

**Note 9: Other Equity**

(` in lakhs)

Particulars	As at	
	31/03/2024	31/03/2023
<b>(A) GENERAL RESERVE</b>		
Opening Balance	10.00	10.00
Addition	-	-
	<b>10.00</b>	<b>10.00</b>
<b>(D) RETAINED EARNINGS</b>		
Opening Balance	1,990.63	1,911.81
Add: Profit for the year	471.64	78.83
	<b>2,462.37</b>	<b>1,990.63</b>
	<b>2,472.37</b>	<b>2,000.63</b>

**Note 10: Borrowings**

(` in lakhs)

Particulars	As at	
	31/03/2024	31/03/2023
<b>Non-Current Borrowings</b>		
<u>Unsecured Borrowings</u>		
From Directors <sup>^</sup>	2,382.70	1,875.89
Inter Corporate Deposit	10.00	-
<u>Secured Borrowings</u>		
Term Loan from Banks <sup>^^</sup>	69.15	250.18
	<b>2,461.85</b>	<b>2,126.06</b>
<b>Current Borrowings</b>		
Loan Repayable on Demand (Secured)		
Cash Credit and L/C from Bank <sup>^^^</sup>	480.34	817.34
Current Portion of Term Loans (Due Within Next 12 Months)	78.86	186.41
	<b>559.20</b>	<b>1,003.75</b>

<sup>^^</sup>Repayment terms and security offered for the loans are set out as below:

(` in lakhs)

Particulars and security offered	Rate of Interest	Terms of repayment	Installment Amount
Bank Of India loan secured against Office Building	11.75% <sup>^</sup>	Monthly	1.39
Bank of India loan is secured by Mahindra XUV	8.45% <sup>^</sup>	Monthly	0.29
HDB Financial Services is secured by Mahindra Bolero	11.01% <sup>^</sup>	Monthly	0.14
Small Industries Development Bank of India	13.75% <sup>^</sup>	Monthly	5.50
Small Industries Development Bank of India	13.75% <sup>^</sup>	Monthly	1.83
Union Bank Car Loan	7.4% <sup>^</sup>	Monthly	0.34

<sup>^^</sup> Interest rate on loan is varying, which is linked to floating interest rate, from time to time.

Company has taken secured loan facility from SIDBI "Small Industries Development Bank of India". The same has been secured by sub-servient charge on all the movable and immovable assets of the borrower already charged to Bank of India. Such charges would be sub-servient to all the existing and prospective charges created/ to be created by the borrower on the said assets in favour of Bank of India, which has extended/would extend business loans (viz. term loans for machineries, business premises and working capital) to the borrower for the same business for which SIDBI has extended the sub-debt. All such aforesaid lenders would be referred to as "Senior Secured Lenders". Company has also given irrevocable and unconditional guarantee of Directors 1) Shri Gaurang P Shah 2) Smt Rupal G Shah and all such persons holding a stake of more than 10% in the company. Over and above this, company has also liened Fixed deposit amounting to Rs.2500000.

<sup>^</sup>The terms of repayment not yet finalised for Unsecured Loan from Body Corporate and Directors. Rate of Interest is charged @8.60 % p.a.<sup>^^^</sup>Cash Credit facilities from Bank of India is secured by way of hypothecation of stock, book debts and other current assets of the company both present and future and is also secured by personal guarantee of directors. It is also collaterally secured by hypothecation of Plant & Machinery and Equitable mortgage of following properties. (1) Office premises-61 6 th floor, Titanium, Nr. Prahaldnagar, Ahmedabad owned by the company (2) Corporate house no 6, Sigma corporate 1, Sindhu Bhavan road, Bodakdev, Ahmedabad. Over and above this, personal property of Directors Shri Gaurang P. Shah & Smt Rupal G. Shah has been given as a Collateral security.

Interest rates on Cash Credit Accounts are varying, which are linked to base rate of Bank from time to time.

**Note 11: Deferred Tax Assets / (liabilities) (Net)**

(` in lakhs)

Particulars	As at	
	31/03/2024	31/03/2023
<b>Deferred tax assets/(Liabilities) (net) recorded in Balance Sheet</b>		
Deferred tax to the following:		
<b>Deferred tax liabilities</b>		
Other temporary differences	15.61	15.11
<b>Net Deferred Tax Liabilities</b>	<b>15.61</b>	<b>15.11</b>
<b>Changes in deferred tax assets/(Liabilities) recorded in profit or loss</b>		
Deferred tax relates to the following:		
Other temporary differences	0.50	0.23
	<b>0.50</b>	<b>0.23</b>
<b>Reconciliation of tax expenses and profit before tax multiplied by corporate tax rate</b>		
Accounting Profit Before Tax	661.86	120.30
Applicable tax rate	25.17%	25.17%
<b>Computed tax expense</b>	<b>166.58</b>	<b>30.28</b>
<b>Tax effect of:</b>		
Short / (Excess) provision for tax relating to prior years	-	2.74
Others	23.65	8.45
<b>Tax expenses recognised in the statement of profit and loss</b>	<b>190.23</b>	<b>41.47</b>
<b>Effective tax rate</b>	<b>28.74%</b>	<b>34.47%</b>

**Note 12: Other Non Current Liabilities**

(` in lakhs)

Particulars	As at	
	31/03/2024	31/03/2023
Deposit from Tenant (Unsecured)	-	6.01
	-	<b>6.01</b>

**Note 13: Trade Payables<sup>^</sup>**

(` in lakhs)

Particulars	As at	
	31/03/2024	31/03/2023
Total Outstanding dues of micro enterprise and small enterprise;	101.55	247.00
Total Outstanding dues of other than micro enterprise and small enterprise	862.67	2,067.50
	<b>964.22</b>	<b>2,314.50</b>

<sup>^</sup>Trade Receivable Ageing Schedule. Refer Note no: 26**Note 14: Other Current Liabilities**

(` in lakhs)

Particulars	As at	
	31/03/2024	31/03/2023
Statutory Dues Payables (includes TDS, GST, Provident Fund etc.)	8.80	-
Other liabilities	351.06	-
	<b>359.86</b>	-

<b>Note 15: Provisions</b> (₹ in lakhs)		
Particulars	As at	
	31/03/2024	31/03/2023
Provision for employee benefits	30.58	-
Income tax Provision (Net of Advance tax and TDS Receivable)	22.05	-
	<b>52.63</b>	<b>-</b>

<b>Note 16: Revenue from Operations</b> (₹ in lakhs)		
Particulars	Year ended	
	31/03/2024	31/03/2023
<b>Sale of Products</b>		
Sale of Goods-Domestic Trading <sup>1</sup>	3,825.28	2,823.75
	<b>3,825.28</b>	<b>2,823.75</b>
<b>Sale of Services</b>		
Sale of Services- Domestic <sup>2</sup>	3,553.67	2,349.63
	<b>3,553.67</b>	<b>2,349.63</b>
	<b>7,378.95</b>	<b>5,173.39</b>

Note-1: (Electrical,Electronics,Mechanical & Other goods as per Tender requirements)  
Note-2: (Electro Mechanical Engineering Services)

<b>Note 17: Other Income</b> (₹ in lakhs)		
Particulars	Year ended	
	31/03/2024	31/03/2023
Discounts & write offs ( Net)	-	64.23
Interest & Misc Income	5.08	37.71
Rent Income	16.13	32.26
Profit on Sale of Fixed Assets	313.63	-
	<b>334.84</b>	<b>134.20</b>

<b>Note 18: Changes in inventories of finished goods, Stock-in-Trade and work-in-progress</b> (₹ in lakhs)		
Particulars	Year ended	
	31/03/2024	31/03/2023
Closing Stock of Finished Goods	1,010.20	1,579.19
Opening Stock of Finished Goods	1,579.19	1,558.27
Decrease /(Increase) in Finished Goods	569.00	(20.93)
	<b>569.00</b>	<b>(20.93)</b>

<b>Note 19: Employee Benefit Expense</b> (₹ in lakhs)		
<b>Particulars</b>	<b>Year ended</b>	
	<b>31/03/2024</b>	<b>31/03/2023</b>
Staff Salary & Bonus	249.06	269.11
Staff Welfare	0.06	0.06
Employers contribution to Provident Fund	15.83	14.54
Provision for Gratuity	10.00	2.00
Directors' Remuneration & Sitting fees	65.06	47.58
	<b>340.02</b>	<b>333.29</b>

<b>Note 20: Finance Costs</b> (₹ in lakhs)		
<b>Particulars</b>	<b>Year ended</b>	
	<b>31/03/2024</b>	<b>31/03/2023</b>
Bank Charges & Interest	100.44	239.69
Interest on Unsecured loan	44.34	28.48
Interest of Vehicle Loan	1.39	2.06
Interest on Term Loan	20.30	48.92
Other Interest Expenses	15.76	3.53
	<b>182.23</b>	<b>322.68</b>

<b>Note 21: Other Expenses</b>		(` in lakhs)	
<b>Particulars</b>	<b>Year ended</b>		
	<b>31/03/2024</b>	<b>31/03/2023</b>	
Admn. Charges Haryana	0.16	0.13	
Advertising Costs	0.99	0.71	
Payment To Auditor (Refer Note Below)	1.00	2.25	
Balance Written Off	38.92	-	
Business Development Exp.	0.07	-	
Site Expenses	28.17	30.40	
Cartage Exp.	0.05	0.67	
Computer Exp	0.19	0.40	
Consultancy Fees & Tech. Proff.Services	31.42	10.17	
Conveyance Exp.	5.39	6.49	
Demand F.Y. 2018	0.29	-	
Insurance(Others)	0.99	-	
Design Charges	3.56	0.56	
Donations	0.29	0.08	
Electricity	1.38	2.96	
Freight Exp	0.93	0.09	
Freight Exp Gujarat	8.71	13.48	
Conference Exp	0.66	-	
Godown Exp	4.64	2.31	
Godwn Rent	3.66	-	
Gratuity Exps A/C	0.12	-	
Gst Expenses	1.82	4.59	
Inspection Fees	5.36	2.08	
Insurance Exp.	5.55	7.79	
Insurance Exp.	5.06	-	
Internet Expenses	0.45	0.43	
Itc Reversal F.Y. 2017	1.58	-	
Labour Cess	15.57	-	
Labour Cess Exp.	1.10	0.50	
Labour Charge Paid	2,687.35	2,027.67	
Legal & Documentation Exp.	4.67	2.55	
Licence Fees	0.03	-	
Listing Fees	3.45	3.45	
Loading & Unloading Exp	3.31	3.21	
Membership Fees	(0.55)	0.63	
Miscellaneous Expenses	0.30	-	
Municipal Tax Expenses	1.10	1.34	
Office Exp	7.00	5.57	
Petrol Exp.	6.08	6.93	
Postage	0.42	0.62	
Professional Tax Company	0.03	0.02	
Registration Fees	0.02	0.11	
Rent On Hiring Of Plant Machinery	0.85	0.09	
Repairs & Maintenance	10.25	-	
Roc Filing Fees	0.42	0.06	
Security Exp.	2.48	1.13	
Stationery & Printing & Zerox Exp.	1.02	0.92	
Telephone & Mobile Exps	0.70	0.83	
Tender Fees	5.89	3.25	
Testing Charges	4.70	-	
Travelling Exp.	33.91	15.05	
Vehicle Insurance	0.05	1.35	
Vehicle Repairs & Servicing	2.97	9.47	
Xerox Exp	1.27	3.43	
	<b>2,940.77</b>	<b>2,173.76</b>	
<b>Payment to Auditor</b>		(` in lakhs)	
<b>Particulars</b>	<b>Year ended</b>		
	<b>31/03/2024</b>	<b>31/03/2023</b>	
Statutory Audit	1.00	1.00	
Other Services	-	1.25	

<b>Note 22: Earning per Share</b> (₹ in lakhs)		
<b>Particulars</b>	<b>Year ended</b>	
	<b>31/03/2024</b>	<b>31/03/2023</b>
i: Net Profit for the year	471.64	78.83
ii: Basic No of Equity Share	101.38	101.38
iii: Basic & Diluted Earnings per Share	4.65	0.78
iv: Face Value per Equity Share	10	10

**Note 23 : Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":****a) Category-wise classification for applicable financial assets and financial liabilities:**

(₹ in lakhs)

<b>Particulars</b>	<b>Amortised Cost</b>	<b>Fair Value through OCI</b>	<b>Fair Value through P&amp;L</b>
<b>As at March 31, 2024</b>			
<b>Financial Assets</b>			
Trade Receivables	1,503.73	-	-
Cash and Cash Equivalents	370.95	-	-
Bank Balance other than Cash and Cash Equivalents	778.06	-	-
Other Financial Assets	2,333.38	-	-
<b>Financial Liabilities</b>			
Borrowings (Other than debt securities)	3,021.06	-	-
Trade Payables	964.22	-	-
<b>As at March 31, 2023</b>			
<b>Financial Assets</b>			
Trade Receivables	3,199.38	-	-
Cash and Cash Equivalents	294.31	-	-
Bank Balance other than Cash and Cash Equivalents	-	-	-
Other Financial Assets	2,739.00	-	-
<b>Financial Liabilities</b>			
Borrowings (Other than debt securities)	3,129.81	-	-
Trade Payables	2,314.50	-	-

**Valuation technique used to determine fair value:**

Specific valuation techniques used to value financial instruments include: the use of quoted market prices or dealer quotes for similar instruments.

**Fair Value of Financial Assets & Liabilities measured at amortized cost**

- The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents 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. They are subsequently measured at amortised cost at balance sheet date.



**Note 24 : Disclosure pursuant to Ind AS 107 “Financial Instruments: Disclosures”: Financial risk management**

The Company’s activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to.

Risk	Credit Risk	Liquidity Risk	Market Risk
Foreign Exchange Risk	Interest Rates	Security Price	-

**Credit Risk Management**

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, and arises principally from the Company's receivables from customers.

The carrying amount of following financial assets represents the maximum credit exposure:

**Other financial assets**

The company maintains its Cash and cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

**Trade receivables**

Trade receivables of the company are typically unsecured. The Company has major customers are government companies and government bodies. Hence, no credit risk is perceived by the Company.

At March 31, 2024, the maximum exposure to credit risk for trade receivables by geographic region is as follows:

( ` in lakhs)

Particulars	Carrying Amount	
	31-03-2024	31-03-2023
Domestics	1,503.73	3,199.38
Other regions	-	-
<b>Total</b>	<b>1,503.73</b>	<b>3,199.38</b>

**Impairment**

At March 31, 2024, the ageing of trade and other receivables that were not impaired is as follows.

( ` in lakhs)

Particulars	31-03-2024	31-03-2023
0-6 months	635.15	1,593.57
6- 12 months	587.01	526.22
12- 24 months	75.15	172.79
24-36 months	29.95	189.50
More than 36 Months	176.46	717.30
<b>Total (A)</b>	<b>1,503.73</b>	<b>3,199.38</b>
Less: Provisions (B)	-	-
<b>Net Total (A-B)</b>	<b>1,503.73</b>	<b>3,199.38</b>

The above receivables are past due but not impaired since the major customers are government companies and government bodies, being a government entity, does not carry any credit risk.

**Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. 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 and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Company in accordance with practice and limits set by the Company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company’s liquidity management policy involves projecting cash flows in major currencies 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.

**Maturity profile of financial liabilities :****as at March 31, 2024**

(` in lakhs)

Particulars	Carrying Amount	Less than 1 year	More than 1 Years	Total
Borrowings (Other than debt securities)	3,021.06	559.20	2,461.86	3,021.06
Trade Payables	964.22	465.65	498.57	964.22
<b>Total</b>	<b>3,985.28</b>	<b>1,024.85</b>	<b>2,960.43</b>	<b>3,985.28</b>

**as at March 31, 2023**

(` in lakhs)

Particulars	Carrying Amount	Less than 1 year	More than 1 Years	Total
Borrowings (Other than debt securities)	3,129.81	1,003.75	2,126.06	3,129.81
Trade Payables	2,314.50	1,789.50	525.00	2,314.50
<b>Total</b>	<b>5,444.31</b>	<b>2,793.25</b>	<b>2,651.06</b>	<b>5,444.31</b>

**Market Risk Management**

**Foreign Currency Risk:** The Company operates in Indian market only. The Company has not made any foreign transaction during the year.

**Cash flow and fair value interest rate risk**

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

*Interest Rate Risk Exposure*

(` in lakhs)

Particulars	31.03.2024	31.03.2023
Variable Rate borrowings	-	-
Fixed Rate Borrowings	3,021.06	3,129.81

**Capital Management**

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet, including non-controlling interests)

(` in lakhs)

Particulars	31.03.2024	31.03.2023
Net Debt (Less: Cash and Cash equivalents)	2,650.10	2,835.50
Total Equity	3,486.19	3,014.45
<b>Debt Equity Ratio</b>	<b>0.76</b>	<b>0.94</b>

**Note 25 : Trade Receivables ageing schedule****As at 31-03-2024**

(` in lakhs)

Particulars	< 6 Months	6 Month -1 Year	1-2 Year	2-3 Year	> 3 Year	Total
Undisputed - Considered Good	635.15	587.01	75.15	29.95	36.13	1,363.40
Undisputed– Which have significant increase in credit risk	-	-	-	-	-	-
Undisputed– Credit Impaired	-	-	-	-	-	-
Disputed - Considered Good	-	-	-	-	140.32	140.32
Disputed– Which have significant increase in credit risk	-	-	-	-	-	-
Disputed– Credit Impaired	-	-	-	-	-	-

**As at 31-03-2023**

(` in lakhs)

Particulars	< 6 Months	6 Month -1 Year	1-2 Year	2-3 Year	> 3 Year	Total
Undisputed - Considered Good	1,593.57	526.22	172.79	189.50	717.30	3,199.38
Undisputed– Which have significant increase in credit risk	-	-	-	-	-	-
Undisputed– Credit Impaired	-	-	-	-	-	-
Disputed - Considered Good	-	-	-	-	-	-
Disputed– Which have significant increase in credit risk	-	-	-	-	-	-
Disputed– Credit Impaired	-	-	-	-	-	-

**Note 26 : Trade Payables ageing schedule****As at 31-03-2024**

(` in lakhs)

Particulars	< 6 Months	6 Month -1 Year	1-2 Year	2-3 Year	> 3 Year	Total
MSME	101.55	-	-	-	-	101.55
Others	364.10	-	498.24	0.33	-	862.67
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-

**As at 31-03-2023**

(` in lakhs)

Particulars	< 6 Months	6 Month -1 Year	1-2 Year	2-3 Year	> 3 Year	Total
MSME	247.00	-	-	-	-	247.00
Others	1,373.50	169.00	306.00	132.00	87.00	2,067.50
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-

Under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") which came into force from October 2, 2006, certain disclosures are required to be made relating to micro, small and medium enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments.

The disclosure as required by section 22 of MSMED Act has been given below:

(` in lakhs)

Particulars	31/03/2024	31/03/2023
Principal amount payable to suppliers as at year-end	101.55	247.00
Interest due thereon as at year end	-	-
Interest amount for delayed payments to suppliers pursuant to provisions of MSMED Act actually paid during the year, irrespective of the year to which the interest relates	-	-
Amount of delayed payment actually made to suppliers during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
Interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

<b>Note 27 : Contingent liabilities and commitments:</b>		
		(` in lakhs)
<b>Particulars</b>	<b>31/03/2024</b>	<b>31/03/2023</b>
Contingent Liabilities		
Corporate Bank Guarantee <sup>^</sup>	1,800.00	1,720.57
Vat Demand <sup>^^</sup>	63.00	63.00
<sup>^</sup> Contingent Liabilities not provided for are Rs.1800.00 Lacs.(PY:Rs.1720.51 Lacs.),being bank gurantees issues by Bank Of India,Bhadra branch on behalf of the company.		
<sup>^^</sup> The Gujarat VAT department has raised demands for Tax/ Interest / Penalty for Financial year 2017-18 amounting to Rs. 63 /-Lacs. The company has initiated proceedings against these disputed demands. The management is of the opinion that these demands are not genuine and will be deleted by appropriate Authority and hence no provision for the same is made in the books of account.		

<b>Note 28 : Expenditure in foreign currency &amp; unhedged exposure:</b>		
<b>Particulars</b>	<b>31/03/2024</b>	<b>31/03/2023</b>
Foreign Currency Expenditure	-	-
Unhedged Foreign Currency Exposure	-	-

**Note 29 :** Contribution to political parties during the year 2023-24 is Rs. NIL

**Note 30 :** There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at **March 31, 2024**

<b>Note 31 : Related Party Disclosure:</b>		
Related party disclosures as required by Ind AS 24 - Related Party Disclosures.		
A) Key Management Personnel & Their Relatives:		
<b>Description of relationship</b>	<b>Names of related parties</b>	<b>DIN</b>
Managing Director	Gaurang Parmananddas Shah	01756079
Director	Rupal Gaurang Shah	01756092
Director	Rahul Gaurang Shah	06862697
Independent Director	Dipika Pradeep Soni	08846908
Independent Director	Neetu Rishi Jalan	08719470
Independent Director	Raina Singh	09637543
Chief Financial Officer(Joined W.E.F 4.1.24)	Arvindkumar Patel	-
Company Secretary	Khushi Bhatt	-
Chief Financial Officer(Ceased W.E.F 31.12.23)	Pannalal J Surti	-
Note: Related parties have been identified by the Management.		

B) Entities in which Key Management Personnel have significant influence or control:

<b>Description of relationship</b>	<b>Names of related parties</b>	<b>PAN/CIN of related party</b>
Parties having significant influence or control	Highvolt Power & Control Systems Pvt Ltd	U31200GJ2005PTC047194
Parties having significant influence or control	Kalp Agritech Private Limited	U01111GJ2001PTC039160
Parties having significant influence or control	Swati Switch Gears (I) Private Limited	U31109GJ1993PTC020457
Parties having significant influence or control	Paras Engen Private Limited	U31101GJ2007PTC052421
Parties having significant influence or control	Brainscape Solutions Private Limited	U72200GJ2015PTC085052
Parties having significant influence or control	Lumos Building Automation Private Limited	U31900GJ2010PTC061037
Parties having significant influence or control	Hec Samved Projects	AANFH3759A
Parties having significant influence or control	Pr Electricals	AACHG7486C
Parties having significant influence or control	Shree Krishna Cold Storage	AALFS6982Q
Note: Related parties have been identified by the Management.		

## Details of related party transactions during the year ended 31 March, 2024

(` in lakhs)

Name of Related Party	Nature of Transaction	2023-24	2022-23
Gaurang Parmananddas Shah	Director Remuneration (Gross)	25.31	21.18
Rupal Gaurang Shah	Director Remuneration (Gross)	27.75	14.40
Rahul Gaurang Shah	Director Remuneration (Gross)	12.00	12.00
Gaurang Parmananddas Shah	Interest On Unsecured Loan	-	28.48
Rupal Gaurang Shah	Interest On Unsecured Loan	44.34	-
Gaurang Parmananddas Shah	Outstanding Closing balances*	1,330.56	1,423.34
Rupal Gaurang Shah	Outstanding Closing balances*	1,040.20	441.04
Rahul Gaurang Shah	Outstanding Closing balances*	11.95	11.51
Khushi Bhatt	Salary	3.00	3.00
Arvindkumar Patel	Salary	1.56	-
Pannalal J Surti	Salary	4.80	6.40
Highvolt Power & Control Systems Pvt Ltd	Purchase/Service Bill	50.48	106.84
Swati Switch Gears (I) Private Limited	Purchase/Service Bill	11.04	71.98

## Unsecured Loan Annexure \*

(` in lakhs)

Particulars	Opening Balance	Amount Received	Amount Repaid	Closing Balance
Gaurang Parmananddas Shah	1,423.34	1,324.39	1,417.17	1,330.56
Rupal Gaurang Shah	11.51	12.20	11.76	11.95
Rahul Gaurang Shah	441.04	619.51	20.35	1,040.20

## Note 32 : Employee Benefits:

## Defined Contribution Plan

(` in lakhs)

Particulars	31.03.2024
Company's Contribution towards Provident Fund	12.04
ESI	0.31

## Defined Benefits Plan

Gratuity: The gratuity provision as on 31st Mar,2024 is according to the management is Rs. 10 lakhs , Hence, the provision for the same is made accordingly. Actual valuation is yet to be made.

## Note 33 : Segment information:

The Company is engaged primarily on the business of "Electrification Services" only, taking into account the risks and returns, the organization structure and the internal reporting systems. All the operations of the Company are in India. All non-current assets of the Company are located in India Accordingly, there are no separate reportable segments as per Ind AS 108 – "Operating segments".

## Note 34 : Events after the reporting period:

There have been no events after the reporting date that require disclosure in the financial statements.

**Note 35 :** In the opinion of the Board of Directors, the Current Assets, Loans and Advances have value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the foregoing Balance Sheet and adequate provision for all known liabilities on the Company has been made.

## Note 36 : Impairment of Assets:

On periodical basis and as and when required, the company reviews the carrying amount of its assets. Company has been making profits since past few accounting periods which covers depreciation as well as interest. Operating cash flows from the operating activities before and after working capital changes are positive.

In the Financial year 2023-24, the company has reviewed the carrying amount of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence no such impairment loss has been provided.

**Note 37 :** No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 31 March 2024.

**Note 37 :** No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 31 March 2024.

**Note 38 :** The Company is not a declared willful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the year ended 31 March 2024.

**Note 39 :** The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2024.

**Note 40 :** Analytical Ratios

Name of the Ratio	Numerator	Denominator	FY 2023-24	FY 2022-23	Variance* %
(a) Current Ratio (in times)	Current Assets	Current Liabilities	3.60	2.34	53.98
(b) Debt-Equity Ratio (in times)	Total Debts including Lease Liabilities	Shareholders' Equity	0.87	1.04	16.70
(c) Debt Service Coverage Ratio (in times)	Earning for Debt service = Net Profit after Tax + Non cash operating expenses like depreciation and other amortization + Interest	Debt Service = Interest & Lease Payment + Principle Repayments	3.45	0.86	300.02
(d) Return on Equity Ratio (in %)	Net Profit after Tax	Average Shareholders' Equity	0.47	0.03	1,679.03
(e) Inventory turnover ratio (in times)	Cost of Goods Sold	Average Inventory = (Opening + Closing balance /2)	2.76	1.49	85.33
(f) Trade Receivables turnover ratio (in times)	Net Sales	Average Trade Debtors = (Opening + Closing balance /2)	3.14	1.75	79.41
(g) Trade payables turnover ratio (in times)	Net Purchase and other expenses	Average Trade Payable = (Opening + Closing balance /2)	1.83	1.17	56.82
(h) Net capital turnover ratio (in times)	Net Sales	Working Capital = Current Assets - Current Liabilities	1.47	1.17	25.46
(i) Net profit ratio (in %)	Net Profit after Tax	Net Sales	0.06	0.02	219.58
(j) Return on Capital employed (in %)	Earnings before interest & Taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.07	0.07	5.13
(k) Return on Investment (in %)	Income generated from treasury investments	Average invested funds on treasury investments	NA	NA	

## Reasons for variance\*

Name of the Ratio	Explanation for any change in the ratio by more than 25% as compared to the preceding year
(a) Current Ratio (in times)	A higher current ratio is better for the business. A good current ratio is between 1.2 to 2, which means that the business has 2 times more current assets than liabilities to covers its debts.
(b) Debt-Equity Ratio (in times)	-
(c) Debt Service Coverage Ratio (in times)	A debt service coverage ratio of 1 or above indicates that a company is generating sufficient operating income to cover its annual debt and interest payments. As a general rule of thumb, an ideal ratio is 2 or higher. A ratio that high suggests that the company is capable of taking on more debt.
(d) Return on Equity Ratio (in %)	Due to Higher PAT with compare to previous year (i.e. PAT increase by 58.30%)So,ROE Increase with compare to previous year.
(e) Inventory turnover ratio (in times)	The higher the inventory turnover, the better, since high inventory turnover typically means a company is selling goods quickly, and there is considerable demand for their products. Low inventory turnover, on the other hand, would likely indicate weaker sales and declining demand for a company's products.
(f) Trade Receivables turnover ratio (in times)	What Is a Good Accounts Receivable Turnover Ratio? Generally speaking, a higher number is better. It means that your customers are paying on time and your company is good at collecting.
(g) Trade payables turnover ratio (in times)	A higher value of accounts payable turnover ratio indicates that the business is making payments to its creditors on time and the business is in good standing with the creditors and suppliers.
(h) Net capital turnover ratio (in times)	A higher working capital turnover ratio is better, and indicates that a company is able to generate a larger amount of sales. However, if working capital turnover rises too high, it could suggest that a company needs to raise additional capital to support future growth.
(i) Net profit ratio (in %)	Due to Higher sales with compare to previous year.
(j) Return on Capital employed (in %)	-
(k) Return on Investment (in %)	-

**Note 41 :** The Company has borrowings from banks and financial institutions on the basis of security of current assets and the quarterly returns filed by the Company with the banks and financial institutions are in accordance with the books of accounts of the Company for the respective quarters.

**Note 42 :** The Company has taken borrowings from banks and financial institutions and utilized them for the specific purpose for which they were taken as at the Balance sheet date.

**Note 43 :** There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March 2024, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended 31 March 2024.

**Note 44 :** The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended 31 March 2024.

**Note 45 :** Derivatives: There are no derivative instruments in the Company for the year ended 31 March 2024.

**Note 46 :** Registration of charges or satisfaction with Registrar of Companies (ROC): All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2024. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

**Note 47 :** Compliance with number of Layers of companies: The Company has not violated 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 for the financial years ended March 31, 2024.

**Note 48 : Miscellaneous**

**Group structure:** Not Applicable. The Company does not have any holding, subsidiary or associate company.

**Net Profit or Loss for the period, prior period items and changes in accounting policies:** The Company does not have any prior period items / change in accounting policies during the current year other than disclosed in financials.

**Revenue Recognition:** There have been no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

**Consolidated Financial Statements (CFS):** The Company does not have any subsidiary, associate or joint venture accordingly CFS is not applicable.

The financial statements are presented in Indian Rupees (INR) which is also its functional currency and all values are rounded to the nearest lakhs up to two decimal as per the requirements of Schedule III, unless otherwise stated and have been regrouped, rearranged and reclassi-

**Note 49 :** There were no instances of fraud reported during the year ended 31 March 2024.

**Note 50 :** Figures of previous year have been reworked/regrouped/reclassified wherever necessary.

**Recent pronouncements issued but not effective**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

In terms of our report of even date attached  
For Paresh Thothawala & Co.  
Chartered Accountants  
Firm Registration No: 114777W

For and on behalf of HEC Infra Projects Ltd.  
Gaurang P Shah  
Managing Director  
DIN- 01756079

Rupal G Shah  
Director  
DIN- 01756092

Paresh K Thothawala  
Partner  
Membership No. 048435

Arvind Patel  
Chief Financial Officer

Khushi Bhatt  
Company Secretary

UDIN: 24048435BKA0ZH1404

Place: Ahmedabad



# ATTENDANCE SLIP

**HEC INFRA PROJECTS LIMITED**  
**CIN: L45200GJ2005PLC046870**

Registered Office: Sigma-1 Corporates, Corporate House No. 6, SindhuBhavan Road, Nr. Mann Party Party Plot Cross Road, Boadakdev, Ahmedabad- 380054

Tel. No.: +91-79-40086771-74; E-mail: [elect@hecproject.com](mailto:elect@hecproject.com); Web: [www.hecprojects.in](http://www.hecprojects.in)

## ATTENDANCE SLIP

I hereby record my presence at the **19<sup>TH</sup> ANNUAL GENERAL MEETING** of the Company, held on **Tuesday, 30<sup>th</sup> July**

Name & Address of Shareholder/ Proxy holder	DP Id*	Folio No./ Client Id*	No of Shares held

**2024 at 11.00 am** at the Registered office of the Company Situated at Sigma 1 Corporates, Corporate House No. 6, SindhuBhavan Road, Nr. Mann Party Plot Cross Road, Bodakdev, Ahmedabad- 380054.

-----  
 Signature of the Shareholder/ Proxy holder

### NOTES:

- Shareholders / Proxy holders are requested to bring the Attendance Slip with them when they come to the Meeting and hand it over at the gate after affixing their signature on it.
- Only Shareholders of the company and/ or their Proxy will be allowed to attend the Meeting.

**\*Applicable for the Investors holding Shares in electronic form**

# PROXY FORM

## HEC INFRA PROJECTS LIMITED

CIN: L45200GJ2005PLC046870

Registered Office: Sigma-1 Corporates,  
Corporate House No. 6, Sindhu Bhavan Road, Nr. Mann Party Plot Cross Road, Bodakdev, Ahmedabad- 380054  
Tel. No.: +91-79-40086771-74; E-mail: [elect@hecproject.com](mailto:elect@hecproject.com); Web: [www.hecprojects.in](http://www.hecprojects.in)

### FORM NO MGT 11

### PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

<b>Name of the Member(s)</b>	
<b>Registered Address :</b>	
<b>E mail Id :</b>	
<b>Folio No / Client ID*:</b>	
<b>DP ID* :</b>	

\* Applicable for investors holding shares in electronic form.

I / We, being the member(s) holding..... Shares of the above-named Company, hereby appoint:

(1) Name .....Address .....Email ID.....  
..... Signature.....or failing him/her

(2) Name .....Address ..... Email ID.....  
..... Signature.....or failing him/her (3) Name .....Address  
..... Email ID..... Signature.....or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 19<sup>th</sup> Annual General Meeting of the Company, to be held on Tuesday,30th July 2024 at 11.00 am at the Registered office of the Company Situated at Sigma 1 Corporates, Corporate House No. 6, Sindhu Bhavan Road, Nr. Mann Party Plot Cross Road, Bodakdev, Ahmedabad- 380054 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
	<b>Ordinary Business:</b>
1.	Adoption of Directors' Report, Audited Financial Statements for the year ended 31 <sup>st</sup> March, 2024 and Auditors' Report thereon.
2.	Appointment of a Director in place of Mrs. Rupal Shah(DIN:01756092), Director who retires by rotation and being eligible, offer himself for re-appointment.
3.	Appointment of a Director in place of Mr. Rahul Shah (DIN:06862697), Director who retires by rotation and being eligible, offer himself for re-appointment.
4.	Approval of Loans, Investments, Guarantee or Security Under Section 185 of the Companies Act,2013
5.	Approval of Members for increase in the limits applicable for making investments/extending loans and giving guarantees or providing securities in connection with loans to persons/body corporates under Section 186 of the Companies Act,2013 COMPANIES ACT,2013
6.	Approve existing as well as new material related party transactions
7.	Increase in authorized share capital of the company
8.	8approval of sale of undertaking under section 180 of the companies act,2013 and under regulation 37a of securities and exchange board of India (listing obligations and disclosure requirements)regulations,2015 outside and scheme of arrangement

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2024

Signature of Shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Please  
affix Re 1/-  
Revenue  
Stamp

**Note:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- A Proxy need not be a member of the Company.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated

# ROUTE MAP

