



## **NOTICE OF 32<sup>ND</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 32<sup>nd</sup> Annual General Meeting (AGM) of the Members of Hughes & Hughes Chem Limited will be held on Wednesday, the 27<sup>th</sup> day of September, 2023 at 11.00 A.M. at its Registered Office at Suite No 204, 205-206, Level -2, Bakshi House, 40-41, Nehru Place, New Delhi-110019 to transact the following business: -

### **A. ORDINARY BUSINESS**

#### **1. ADOPTION OF FINANCIAL STATEMENTS, DIRECTORS' AND AUDITORS REPORT:**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2023 and the Reports of the Board of Directors and the Auditors thereon.

#### **2. REAPPOINTMENT OF DIRECTOR RETIRING BY ROTATION:**

To appoint a Director in place of Mr. Ankit Singhal, Managing Director, who retires by rotation and being eligible offers himself for re-appointment in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

**“RESOLVED THAT** Mr. Ankit Singhal, who retire by rotation in terms of Section 152 of Companies Act, 2013 and being eligible to be and is hereby re-appointed, whose office shall be liable to retirement by rotation.

**By order of the Board  
For HUGHES & HUGHES CHEM LIMITED**

**RAJAT SINGHAL  
CHAIRMAN AND MANAGING DIRECTOR  
DIN: 02638828**

**Dated: 21.08.2023**

**Place: New Delhi**

**NOTES:**

1.0 A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not to be a member of the Company.

Pursuant to Section 105 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 a person shall not act as proxy for more than fifty (50) members and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total Share Capital of Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

2.0 A blank proxy form is sent herewith.

3.0 The instrument appointing the proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

4.0 The Register of Members and Share Transfer books of the Company will remain closed from 01<sup>st</sup> September 2023 to 15<sup>th</sup> September, 2023 (both days inclusive), for the purpose of Annual General Meeting.

5.0 Relevant documents referred to in the accompanying Notice is open for inspection by the Members at the Registered Office and copies thereof at the Corporate Office of the Company on all working days, except Saturdays and Sundays, between 9.30 a.m. to 6.00 p.m. up to the date of the Meeting and at the Meeting.

6.0 Members/proxies should bring the attendance slips duly filled in for attending the meeting.

7.0 The Proxies should carry their identity proof i.e. a Pan card/ Aadhar Card/Passport/ Driving License.

8.0 The Route Map of the venue of this Annual General Meeting is placed below this Notice.

**Registered Office:** Suite No 204, 205-206, Level -2, Bakshi House, 40-41, Nehru Place, New Delhi-110019



**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>CIN:</b>                 |  |
| <b>Name of the company:</b> |  |
| <b>Registered office:</b>   |  |

|                                |  |
|--------------------------------|--|
| <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>                  |  |
| <b>No. of Shares held:</b>     |  |

I/We, being the member (s) of ..... shares of the above named company, hereby appoint:

1. Name:  
Address:  
E-mail Id:  
Signature:

Or failing him/her

2. Name:  
Address:  
E-mail Id:  
Signature:

Or failing him/her

3. Name:  
Address:  
E-mail Id:  
Signature:



as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32<sup>nd</sup> Annual general meeting of the company, to be held on the Wednesday, the 27th day of September, 2023 at 11.00 a.m.at Suite No 204, 205-206, Level -2, Bakshi House, 40-41, Nehru Place, New Delhi-110019and at any adjournment thereof in respect of such resolutions as are indicated below:

| S. No.                   | Resolutions   |
|--------------------------|---|
| <b>Ordinary Business</b> |   |
| 1.                       | Adoption of Financial statements of the Company for the year ended 31 <sup>st</sup> March, 2023 together with the Directors' Report and Auditors' Report thereon. |
| 2.                       | To re-appoint Mr. Ankit Singhal, Managing Director of the Company who is liable for retirement by rotation.   |

Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)

AFFIX  
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.**



**ATTENDANCE SLIP**

|             |  |
|-------------|--|
| DP. Id*:    |  |
| Client Id*: |  |

\*Applicable to shareholders holding shares in electronic form

|               |  |
|---------------|--|
| Folio No.     |  |
| No. of Shares |  |

Name and Address of the Shareholder:

Name of the Proxy:

(To be filled in, if proxy attends instead of member)

**Signature of attending member or Proxy**

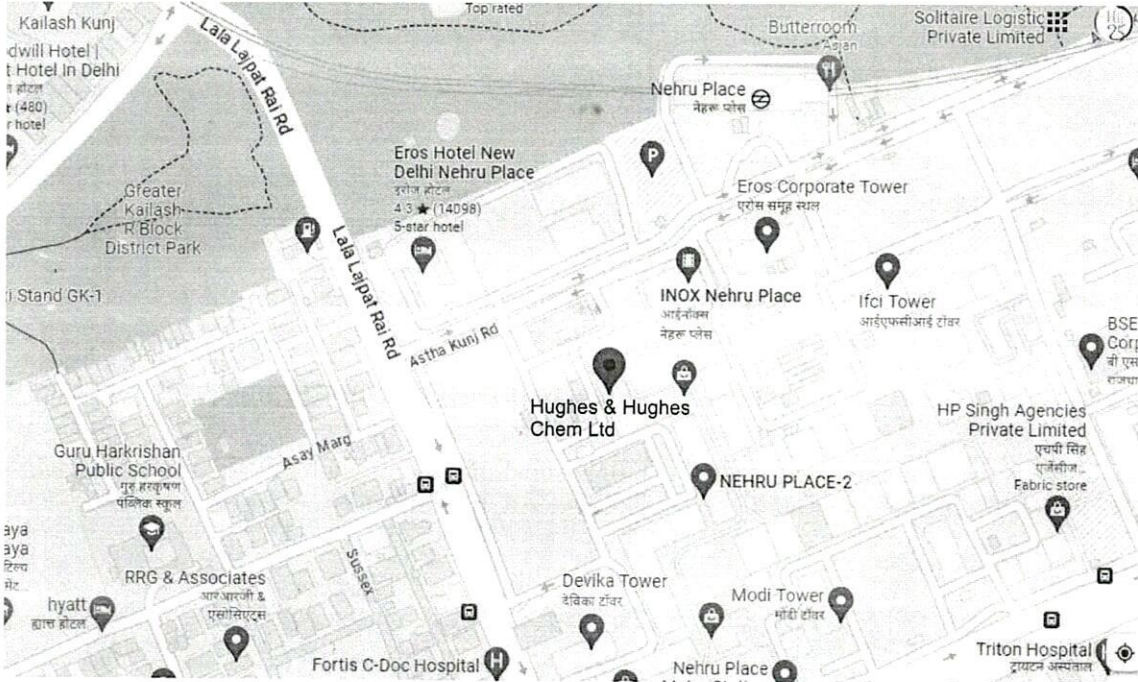
I hereby record my presence at the 32<sup>nd</sup> Annual General Meeting of the Company held at the Registered Office of the Company at Suite No 204, 205-206, Level -2, Bakshi House, 40-41, Nehru Place, New Delhi-110019 on Wednesday, the 27th day of September, 2023 at 11.00 a.m.





**Route Map for venue of Annual General Meeting**

Suite No 204, 205-206, Level -2, Bakshi House, 40-41, Nehru Place, New Delhi-110019



Regd. Office :  
204, 205-206, Level -2,  
Bakshi House, 40-41,  
Nehru Place,  
New Delhi -110019

Tel. : 91 11 47629999 (30 Lines)  
Fax : 91 11 47629900  
Mobile : +91 9811129869, 9811279793  
E-mail : sales@hugheschem.com  
www.hugheschem.com





## N C RAJ & ASSOCIATES

Chartered Accountants  
10, Community Centre No.2,  
Ashok Vihar Phase-II,  
Delhi – 110 052  
Phone: +91-11-45172000-99  
Website: www.ncraj.com  
Email: info@ncraj.com

### INDEPENDENT AUDITOR'S REPORT

TO,

**The Members of  
Hughes and Hughes Chem Limited  
New Delhi.**

Dear Sir,

We have audited the **accompanying financial** statements of **Hughes And Hughes Chem Limited** ("the Company"), which comprise the Balance Sheet as at **31/03/2023**, the Statement of Profit and Loss and Cash Flow Statement for the year ended at **31/03/2023** and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31/03/2023 and its Profit for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. 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 Act, we give in the Annexure A statement on the matters specified in paragraph 3 and 4 of the Order
2. As required by Section 143 (3) of the Act, 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 subject to:
  - (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 and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on **31/03/2023** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2023** 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".
  - (g) 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 has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There is no amount required to be transferred by the company to the Investor Education and Protection Fund in accordance with the relevant provisions.

**For N C Raj & Associates**  
Chartered Accountants  
(FRN: 002249N)



**(Sanjay Garg)**  
Partner  
M. No. 088636  
Place: New Delhi  
Dated: 10/06/2023  
UDIN: 23088636BGUBEI9004

**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of HUGHES AND HUGHES CHEM LIMITED.**

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

We have audited the internal financial controls over financial reporting of **HUGHES AND HUGHES CHEM LIMITED** (“The Company”) as of March 31, 2023 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 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 Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon 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 Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial reporting 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 issues by the Institute of Chartered Accountants of India.

**For N C Raj & Associates**  
Chartered Accountants  
(FRN: 002249N)



**(Sanjay Garg)**

**Partner**

**M. No. 088636**

**Place: New Delhi**

**Dated: 10/06/2023**

**UDIN: 23088636BGUBEI9004**

**ANNEXURE A**

Reports under The Companies (Auditor's Report) Order, 2020 (CARO 2020) for the year ended on  
31st March 2023

|   |  |  |                        |     |     |
|---|--|--|------------------------|-----|-----|
| To,<br>The Members of<br>M/s Hughes And Hughes Chem Limited<br>New Delhi. |  |  |                        |     |     |
| <b>(1)</b>  | <b>In Respect of Property, Plant &amp; Equipment</b>   |  |                        |     |     |
|   | (a) The company has <b>maintained proper records</b> showing full particulars including quantitative details and situation of fixed assets.<br>(b) Fixed assets have been <b>physically verified</b> by the management at reasonable intervals; No material discrepancies were noticed on such verification.<br>(c) The <b>titles deeds</b> of immovable property are in the name of the company.<br>(d) The revaluation of Property, plant and equipment is not done by the company.<br>(e) No proceedings have been initiated for holding Benami Property. |  |                        |     |     |
| <b>(2)</b>  | <b>In Respect of inventories and working capital.</b>  |  |                        |     |     |
|   | Physical verification of inventory and working capital has been conducted at reasonable intervals by the management, however, there is no stock audit report.<br>Loan for working capital in excess of Rs. 5 Crores is taken from financial institutions/banks, current assets are held for security and quarterly statements are sent to the financial institutions/banks the company has taken loan from.  |  |                        |     |     |
| <b>(3)</b>  | <b>Compliance regarding Investments, Guarantee / Security, Loans or Advances</b>   |  |                        |     |     |
|   | As informed, the company has not granted any loans, secured or unsecured to companies, firms or other parties If granted loans or advances distinguish them into-  |  |                        |     |     |
|   | <table border="1"> <tr> <td>Given to Joint venture, Subsidiary and associate company</td> <td>Given to other parties</td> </tr> <tr> <td>N/A</td> <td>N/A</td> </tr> </table>  | Given to Joint venture, Subsidiary and associate company | Given to other parties | N/A | N/A |
| Given to Joint venture, Subsidiary and associate company                  | Given to other parties   |  |                        |     |     |
| N/A   | N/A  |  |                        |     |     |
| <b>(4)</b>  | <b>Compliance under section 185 and 186 of The Companies Act , 2013 relating to Loans advances investment and security</b>   |  |                        |     |     |
|   | Clause not applicable.   |  |                        |     |     |
| <b>(5)</b>  | <b>Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed thereunder while accepting Deposits</b>   |  |                        |     |     |
|   | The company has not accepted any Deposit.  |  |                        |     |     |
| <b>(6)</b>  | <b>Maintenance of cost records</b>   |  |                        |     |     |
|   | To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the products of the company.  |  |                        |     |     |
| <b>(7)</b>  | <b>Deposit of Statutory Dues</b>   |  |                        |     |     |
|   | (a) According to the records of the company produced before us and as per the information and  |  |                        |     |     |



|             |   |
|-------------|---|
|             | explanation given to us, the company is regular in depositing with the appropriate authorities statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Wealth Tax, Custom Duty, cess and other statutory dues.   |
|             | (b) According to the records of the company, there are no dues of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Wealth Tax, Custom Duty, cess which have not been deposited on account of any dispute.  |
|             |   |
| <b>(8)</b>  | <b>Unrecorded Income</b>  |
|             | To the best of our knowledge all the transactions properly recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.   |
|             |   |
| <b>(9)</b>  | <b>Repayment of Loans and Borrowings</b>  |
|             | The company has not defaulted in repayment of dues to financial institution, or a bank.   |
|             |   |
| <b>(10)</b> | <b>Utilization of Money Raised by Public Offers and Term Loan For which they Raised and Private Placement</b>   |
|             | Clause not applicable.<br>Company has not made any private placement of shares during the year.   |
|             |   |
| <b>(11)</b> | <b>Reporting of Fraud During the Year</b>   |
|             | Based on our audit procedures and the information and explanation made available to us, there is no fraud noticed or reported during the year.<br>The auditor has not filed any report under section 143(12) of the Companies Act 2013 in form ADT-4.<br>The auditor has not received any whistleblower complaints. |
|             |   |
| <b>(12)</b> | <b>Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio</b>   |
|             | As per information and records available with us the company is not Nidhi Company.  |
|             |   |
| <b>(13)</b> | <b>Related party compliance with Section 177 and 188 of companies Act – 2013</b>  |
|             | All the transaction with the related parties is in the compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statement as required by the applicable Indian Accounting Standards 24 :  |
|             |   |
| <b>(14)</b> | <b>Internal Audit function</b>  |
|             | Internal audit system and functions are working properly as per requirement and internal audit report   |
|             |   |
| <b>(15)</b> | <b>Non-cash transactions</b>  |
|             | According to the records of the company produced before us and as per the information and explanation given to us, company has been complied with Section 192 of companies act 2013 properly.   |
|             |   |
| <b>(16)</b> | <b>Reserve Bank of India</b>  |
|             | Registration under Section 45-IA of RBI Act, 1934 is not required by the company.<br>Company didn't disperse any housing loan.  |
|             |   |
| <b>(17)</b> | <b>Cash losses</b>  |
|             | According to the records of the company produced before us and as per the information and explanation given to us, the company have no cash losses till date.   |



|   |   |
|---|---|
|   |   |
| <b>(18) Resignation of statutory auditors</b> |   |
|   | No resignation from previous auditor  |
|   |   |
| <b>(19) No Material Uncertainty</b>           |   |
|   | There is no any Material Uncertainty found during the Financial Year.   |
|   |   |
| <b>(20) Corporate social responsibility</b>   |   |
|   | Company donated total fund sum of Rs.18,65,000/- during the Financial towards Corporate Social Responsibility for ongoing projects. |
|   |   |
| <b>(21) Qualification and adverse report</b>  |   |
|   | There are no any adverse remarks reported during the Financial year.  |
|   | Clause 21 is applicable on Consolidated financials  |

For N C Raj & Associates  
Chartered Accountants  
(FRN: 002249N)



(Sanjay Garg)  
Partner  
M. No. 088636  
Place: New Delhi  
Dated: 10/06/2023  
UDIN: 23088636BGUBEI9004

# HUGHES & HUGHES CHEM LIMITED

CIN: U24100DL1991PLC045290

Suite No. 204, 205-206, Level-2, Bakshi House, 40-41, Nehru Place, New Delhi-110019

Balance Sheet as on 31/03/2023

| Particulars  |                                       | Note No. | As at 31st March 2023 | As at 31 March 2022 |
|--|---------------------------------------|----------|-----------------------|---------------------|
| <b>I. EQUITY AND LIABILITIES</b>                                 |                                       |          |                       |                     |
| <b>1 Shareholders' funds</b>                                     |                                       |          |                       |                     |
| (a)  | Share capital                         | 2        | 3,00,00,000           | 3,00,00,000         |
| (b)  | Reserves and Surplus                  | 3        | 44,78,67,774          | 39,56,55,089        |
| (c)  | Money received against share warrants |          | -                     | -                   |
| <b>2 Share Application Money Pending Allotment</b>               |                                       |          |                       |                     |
| <b>3 Non-current liabilities</b>                                 |                                       |          |                       |                     |
| (a)  | Long-term borrowings                  | 4        | 4,95,62,999           | 3,87,05,108         |
| (b)  | Deferred tax liabilities (Net)        |          | 14,15,594             | 16,68,404           |
| (c)  | Other Long term liabilities           |          |                       |                     |
| (d)  | Long-term provisions                  |          |                       | -                   |
| <b>4 Current liabilities</b>                                     |                                       |          |                       |                     |
| (a)  | Short-term borrowings                 | 5        | 17,03,19,700          | 14,95,52,204        |
| (b)  | Trade payables                        | 6        | 98,47,703             | 62,63,213           |
| (c)  | Other current liabilities             | 7        | 7,80,49,633           | 7,67,61,920         |
| (d)  | Short-term provisions                 | 8        | 1,77,00,000           | 1,60,00,000         |
| <b>TOTAL</b>   |                                       |          | <b>80,47,63,404</b>   | <b>71,46,05,938</b> |
| <b>II. ASSETS</b>  |                                       |          |                       |                     |
| <b>Non-current assets</b>  |                                       |          |                       |                     |
| <b>1 (a) Property, Plant and Equipment and Intangible Assets</b> |                                       |          |                       |                     |
| (i)  | Property, Plant and Equipment         |          | 7,07,70,579           | 6,67,75,150         |
| (ii)   | Intangible assets                     |          | -                     | -                   |
| (iii)  | Capital work-in-progress              |          | -                     | -                   |
| (iv)   | Intangible assets under development   |          | -                     | -                   |
| (b)  | Non-current investments               |          |                       |                     |
| (c)  | Deferred tax assets (net)             |          |                       |                     |
| (d)  | Long-term loans and advances          |          |                       |                     |
| (e)  | Other non-current assets              | 10       | 11,52,728             | 58,99,705           |
| <b>2 Current assets</b>  |                                       |          |                       |                     |
| (a)  | Current investments                   |          |                       |                     |
| (b)  | Inventories                           | 11       | 18,65,60,087          | 12,17,61,092        |
| (c)  | Trade receivables                     | 12       | 32,81,97,171          | 31,71,11,185        |
| (d)  | Cash and cash equivalents             | 13       | 10,87,52,736          | 9,89,22,405         |
| (e)  | Short-Term Loans and advances         | 14       | 10,93,30,103          | 10,41,36,403        |
| (f)  | Other current assets                  |          |                       |                     |
| <b>TOTAL</b>   |                                       |          | <b>80,47,63,404</b>   | <b>71,46,05,938</b> |

Notes on Accounts Forming Part of Balance Sheet are enclosed

1 to 22

As per our report of even date attached.

For N C RAJ & ASSOCIATES

Chartered Accountants

(FRN : 002249N)

(Sanjay Garg)  
Partner

M.No. 088636

Date : 10/06/2023

Place : New Delhi

UDIN: 230886368GUBEI9004

  
Director  
Ankit Singhal  
DIN: 00884360

For HUGHES AND HUGHES CHEM LIMITED

  
Director  
Rajat Singhal  
DIN:02638828

  
Company Secretary  
Priyanka Sharma  
M.No. A71167

# HUGHES & HUGHES CHEM LIMITED

CIN: U24100DL1991PLC045290

Suite No. 204, 205-206, Level-2, Bakshi House, 40-41, Nehru Place, New Delhi-110019

Profit and Loss statement for the year ended on 31/03/2023

| Particulars   | Refer Note No. | As at 31st March 2023 | As at 31 March 2022 |
|---|----------------|-----------------------|---------------------|
| I. Revenue from operations  | 15             | 80,18,19,304          | 71,66,81,873        |
| II. Other income  | 16             | 85,20,016             | 51,45,122           |
| III. Total Income (I + II)  |                | <b>81,03,39,320</b>   | <b>72,18,26,995</b> |
| IV. Expenses:   |                |                       |                     |
| Cost of materials consumed  |                | 9,57,47,763           | 8,30,90,980         |
| Purchases of Stock-in-Trade   |                | 67,96,756             | 66,10,599           |
| Changes in inventories of Finished goods, Work-in-progress and Stock-in-Trade |                | (6,46,88,302)         | (5,02,05,322)       |
| Finance costs   | 17             | 1,75,40,555           | 1,18,88,869         |
| Employee benefits expense   | 18             | 54,23,31,667          | 46,46,70,855        |
| Other expenses  | 19             | 13,64,01,931          | 13,69,71,850        |
| Depreciation and amortization expense   | 20             | 66,64,215             | 68,40,889           |
| Total expenses  |                | <b>74,07,94,586</b>   | <b>65,98,68,720</b> |
| V. Profit before exceptional and extraordinary items and tax (III-IV)         |                | <b>6,95,44,734</b>    | <b>6,19,58,275</b>  |
| VI. Exceptional items   |                |                       | -                   |
| VII. Profit before extraordinary items and tax (V - VI)                       |                | <b>6,95,44,734</b>    | <b>6,19,58,275</b>  |
| VIII. Extraordinary Items   |                |                       | -                   |
| IX. Profit before tax (VII- VIII)   |                | <b>6,95,44,734</b>    | <b>6,19,58,275</b>  |
| X Tax expense:  | 21             |                       |                     |
| (1) Current tax (Provision for Tax)   |                | 1,77,00,000           | 1,60,00,000         |
| (2) Earlier year tax (Provision for Tax)                                      |                | (1,15,141)            | (84,847)            |
| (2) Deferred tax  |                | (2,52,810)            | 86,953              |
| XI Profit (Loss) for the period from continuing operations (VII-VIII)         |                | <b>5,22,12,685</b>    | <b>4,59,56,168</b>  |
| XII Profit/(loss) from discontinuing operations                               |                |                       | -                   |
| XIII Tax expense of discontinuing operations                                  |                |                       | -                   |
| XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)        |                |                       | -                   |
| XV Profit (Loss) for the period (XI + XIV)                                    |                | <b>5,22,12,685</b>    | <b>4,59,56,168</b>  |
| XVI Earnings per equity share:  |                |                       |                     |
| (1) Basic   |                | 17.40                 | 15.32               |
| (2) Diluted   |                |                       | -                   |

Notes on Accounts Forming Part of Balance Sheet are enclosed

1 to 22

As per our report of even date attached.

For N C RAJ & ASSOCIATES

Chartered Accountants

(FRN : 002249N)

  
(Sanjay Garg)

Partner

M.No. 088636

Date : 10/06/2023

Place : New Delhi

UDIN: 23088636BGUBE19004

  
Director  
Ankit Singhal  
DIN: 00884360

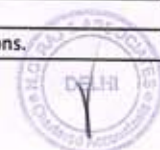
For HUGHES AND HUGHES CHEM LIMITED

  
Director  
Rajat Singhal  
DIN:02638828

  
Company Secretary  
Priyanka Sharma  
M.No. A71167



| NOTE : 1                        |   |
|---------------------------------|---|
| SIGNIFICANT ACCOUNTING POLICIES |   |
| (a)                             | <b>BASIS OF ACCOUNTING:</b> The Company prepares its financial statement on historical cost convention basis in consonance and accordance with generally accepted accounting principles and also in accordance with requirement of disclosure norms of the Companies Act, 2013.   |
| (b)                             | <b>REVENUE RECOGNISATION:</b> Income and expenditures are recognized on accrual basis. Company is executing service contracts for Railways for which uncertainty of the amount to be received is there till the running invoices/completion certificate is not issued by the concerned department, therefore, revenue in such cases are recognised on the date of completion certificate as per accounting standard "g"   |
| (c)                             | <b>AMORTIZATION:</b> Preliminary expenses are to be written off in 5 annual equal installments. However, there are no preliminary expenses written off during the year.   |
| (d)                             | <b>FIXED ASSETS, INTANGIBLE ASSETS AND CAPITAL WORK IN PROGRESS:</b> Fixed assets are stated at cost, less accumulated depreciation and impairment if any. Direct costs are capitalized until fixed assets are ready for use. Capital Work in progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.   |
| (e)                             | <b>DEPRECIATION:</b> Depreciation on Fixed Assets is provided for on SLM as per the rates and in the manner prescribed in Schedule II of the Companies Act, 2013.   |
| (f)                             | <b>RESEARCH &amp; DEVELOPMENT:</b> Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the company has an intention and ability to complete and use or sell the software and the cost can be measured reliably. The Company has not incurred any expense on Research & Development during the year.   |
| (g)                             | <b>INVESTMENTS:</b> Trade Investments are the investments made to enhance the company's business interest. Investments are either classified as current or long term based on Management's intention. Investments are carried at cost. However Investments are not held by the company during the year.   |
| (h)                             | <b>INVENTORIES:</b> Inventories are valued at cost or net realizable value whichever is less.   |
| (i)                             | <b>LEASES:</b> Lease under which the company assumes substantially all the risks and rewards of ownership are classified as finance lease. Such assets acquired are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in the statement of profit and loss over the lease term.   |
| (j)                             | <b>FOREIGN CURRENCY TRANSACTION :</b> Foreign- Currency denominated monetary assets and liabilities are translated at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in the Statement of profit and loss. Non Monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-Monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.<br><br>Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. |
| (k)                             | <b>CONTINGENT LIABILITIES:</b> Provisions are created when there is a present obligation as a result of a past event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. There is contingent liabilities of Rs. 17,38,27,185/ on account of bank guarantee issued to Railways.  |
| (l)                             | <b>DEFERRED TAX LIABILITIES/ASSETS:</b> Tax Liability of the company is estimated considering the provision of Income Tax Act, 1961. Deferred Tax is recognized subject to the consideration of prudence of timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.   |
| (m)                             | <b>EARNING PER SHARE:</b> Basic earnings per share is computed by dividing the net profit after tax by the number of equity shares outstanding during the period.   |
| (n)                             | <b>CASH &amp; CASH EQUIVALENTS</b> Cash and cash equivalents comprise cash and cash on deposit with banks and corporations.   |



## Note 2 SHARE CAPITAL

(Amount in Rs)

| Particulars  | As at 31st March 2023 |                       | As at 31 March 2022 |                    |
|--|-----------------------|-----------------------|---------------------|--------------------|
|  | Number                | ₹                     | Number              | ₹                  |
| <b>a) Authorised</b>   |                       |                       |                     |                    |
| ___% preference shares of ₹___ each  | NIL                   | NIL                   | NIL                 | NIL                |
| 70,00,000 Equity Shares of Rs. 10/- each   | 70,00,000             | 7,00,00,000.00        | 35,00,000           | 3,50,00,000        |
| <b>b) Issued</b>   |                       |                       |                     |                    |
| ___% preference shares of ₹___ each  | NIL                   | NIL                   | NIL                 | NIL                |
| 30,00,000 Equity Shares of Rs. 10/- each<br>(31.03.2015: 23,50,000 Equity Shares of Rs. 10/- each) | 30,00,000             | 3,00,00,000.00        | 30,00,000           | 3,00,00,000        |
| <b>Subscribed &amp; Paid up</b>  |                       |                       |                     |                    |
| ___% preference shares of ₹___ each  | NIL                   | NIL                   | NIL                 | NIL                |
| 30,00,000 Equity Shares of Rs. 10/- each<br>(31.03.2015: 23,50,000 Equity Shares of Rs. 10/- each) | 30,00,000             | 3,00,00,000.00        | 30,00,000           | 3,00,00,000        |
| Less:- Calls unpaid  | NIL                   | NIL                   | NIL                 | NIL                |
| <b>Subscribed but not fully Paid up</b>  |                       |                       |                     |                    |
| ___% preference shares of '___ each, not fully paid up   | NIL                   | NIL                   | NIL                 | NIL                |
| Equity Shares of '___ each, not fully paid up  | NIL                   | NIL                   | NIL                 | NIL                |
| <b>Total</b>   | <b>30,00,000</b>      | <b>3,00,00,000.00</b> | <b>30,00,000</b>    | <b>3,00,00,000</b> |

(c) Par value is Rs.10 per Equity share

## (d) Reconciliation of shares outstanding at the beginning and at end of the year

| Particulars                                     | Equity Shares |          |
|---|---------------|----------|
|   | Number        | ₹        |
| Shares outstanding at the beginning of the year | 3000000       | 30000000 |
| Shares issued during the year                   | -             | -        |
| Shares bought back during the year              | -             | -        |
| Shares outstanding at the end of the year       | 3000000       | 30000000 |

## (e) Rights, preferences and restrictions attached to shares

| Particulars                             | Number  |
|---|---------|
| <b>Equity shares:-</b>                  |         |
| -with voting rights                     | 3000000 |
| -with differential voting rights        |         |
| i) as to dividend                       | NIL     |
| ii) as to voting                        | NIL     |
| iii) otherwise                          | NIL     |
| <b>Preference shares:-</b>              |         |
| -Preferential rights as to              |         |
| i) fixed amount of dividend             | NIL     |
| ii) fixed rate of dividend              | NIL     |
| iii) repayment of capital on winding up | NIL     |
| - Categorization                        |         |
| i) cumulative preference shares         | NIL     |
| ii) Non-cumulative preference shares    | NIL     |
| iii) Redeemable preference shares       | NIL     |
| iv) Convertible preference shares       | NIL     |
| v) Non-convertible preference shares    | NIL     |
| vi) other preference shares             | NIL     |

(f) \_\_\_ Equity Shares (Previous year) are held by \_\_\_, the holding company.

## (g) Shares held by each Shareholder

| Name of Shareholder | As at 31st March 2023 |              | As at 31 March 2022 |              |
|---------------------|-----------------------|--------------|---------------------|--------------|
|                     | No. of Shares held    | % of Holding | No. of Shares held  | % of Holding |
| Pingla Singhal      | 748510                | 24.95        | 748510              | 24.95        |
| Ankit Singhal       | 748510                | 24.95        | 748510              | 24.95        |
| Rajat Singhal       | 748510                | 24.95        | 748510              | 24.95        |
| Rajender Singhal    | 750770                | 25.03        | 750770              | 25.03        |
| Anil Kumar Agarwal  | 500                   | 0.02         | 500                 | 0.02         |
| Abha Singh          | 500                   | 0.02         | 500                 | 0.02         |
| Dharamveer Jain     | 500                   | 0.02         | 500                 | 0.02         |
| Jaya Singh          | 500                   | 0.02         | 500                 | 0.02         |
| Surbhi Goel         | 500                   | 0.02         | 500                 | 0.02         |
| Sumit Goel          | 500                   | 0.02         | 500                 | 0.02         |
| Snehlata Singh      | 200                   | 0.01         | 200                 | 0.01         |
| Uday Pratap Singh   | 500                   | 0.02         | 500                 | 0.02         |
| <b>TOTAL</b>        | <b>30,00,000</b>      | <b>100.0</b> | <b>30,00,000</b>    | <b>100.0</b> |



**(h) Shares held by Promoters at the end of the year**

| Promoter Name    | No. of Shares       | % of total Share | % Change during the year |
|------------------|---------------------|------------------|--------------------------|
| Pingla Singhal   | 7,48,510.00         | 24.95            | No Change                |
| Ankit Singhal    | 7,48,510.00         | 24.95            | No Change                |
| Rajat Singhal    | 7,48,510.00         | 24.95            | No Change                |
| Rajender Singhal | 7,50,770.00         | 25.03            | No Change                |
| <b>Total</b>     | <b>29,96,300.00</b> | <b>99.88</b>     | <b>No Change</b>         |

**(i) Shares reserved for issue under terms**

| Particulars  | Number | Rs. |
|--|--------|-----|
| Options arised under:-                                       |        |     |
| i) Promoters agreements                                      |        |     |
| ii) collaboration agreements                                 |        |     |
| iii) loan agreements   |        |     |
| iv) Debenture deeds  |        |     |
| v) Agreement to convert preference shares into equity shares |        |     |
| vi) ESOPs  |        |     |
| vi) contracts for supply of capital goods                    |        |     |
| Contracts/commitments for the sale of shares/disinvestment   |        |     |

**(j) Break-up of shares pursuant to contracts**

| Particulars  | Year (Aggregate No. of Shares) |         |         |         |         |
|--|--------------------------------|---------|---------|---------|---------|
|  | 2022-23                        | 2021-22 | 2020-21 | 2019-20 | 2018-19 |
| <b>Equity Shares :</b>   |                                |         |         |         |         |
| Fully paid up pursuant to contract(s) without payment being received in cash | -                              | -       | -       | -       |         |
| Fully paid up by way of bonus shares   | -                              | -       | -       | -       |         |
| Shares bought back   | -                              | -       | -       | -       |         |
| <b>Preference Shares :</b>   |                                |         |         |         |         |
| Fully paid up pursuant to contract(s) without payment being received in cash | -                              | -       | -       | -       |         |
| Fully paid up by way of bonus shares   | -                              | -       | -       | -       |         |
| Shares bought back   | -                              | -       | -       | -       |         |

**(k) Securities convertible into shares**

| Particulars  | Date of conversion      |     |                          |     |
|--|-------------------------|-----|--------------------------|-----|
|  | Last date of conversion |     | First date of conversion |     |
|  | dd/mm/year              |     | dd/mm/year               |     |
|  | Number                  | Rs. | Number                   | Rs. |
| Convertible ___% preference shares, convertible into:- |                         |     |                          |     |
| -Equity shares   |                         |     |                          |     |
| - % Preference shares                                  |                         |     |                          |     |
| Convertible Debentures/bonds , convertible into:-      |                         |     |                          |     |
| -Equity shares   |                         |     |                          |     |
| - %Preference shares                                   |                         |     |                          |     |

\*Terms of convertible securities

**(l) Unpaid Calls**

| Particulars  | Rs. |
|--------------|-----|
| By Directors | -   |
| By Officers  | -   |

**(m) Forfeited shares**

|   |     |
|---|-----|
| No. of shares forfeited                       | NIL |
| Amount originally paid up on shares forfeited | NIL |
| No. of shares re-issued                       | NIL |
| Amount received on shares re-issued           | NIL |



## (n) Appropriate disclosures made by the Management for Share Capital

| Share Capital |  |
|---------------|--|
| 1             | Authorised 7000000 shares of Rs.10/- each.   |
| 2             | Issued 3000000 Equity Shares of Rs. 10/- each.   |
| 3             | Subscribed 3000000 Equity Shares of Rs. 10/- each.   |
| 4             | Paid Up 3000000 Equity Shares of Rs. 10/- each.  |
| 5             | Called Up NIL Equity Shares  |
| 6             | Of the above shares NIL shares are allotted as fully paid-up pursuant to a contract without payments being received in cash.   |
| 7             | [Of the above shares Nil shares are allotted as fully paid-up by way of bonus shares]  |
| 8             | Less: Calls unpaid: NIL  |
| 9             | Add: Forfeited shares (amount originally paid –up): NIL  |
| 10            | Terms of redemption or conversion (if any) of any redeemable preference shares must be stated, together with the earliest date of redemption or conversion. <b>Not Applicable</b>  |
| 11            | Particulars of any option on unissued share capital should also be specified : <b>Not Applicable</b>   |
| 12            | Particulars of the different classes of preference shares to be given: <b>Not Applicable</b>   |
| 13            | In case of forfeited shares, amount originally paid-up should be shown. Any profit on reissue of forfeited shares should be transferred to capital reserve: <b>Not Applicable</b>  |
| 14            | In case of subsidiaries companies, the number of shares held by the holding company as well as by the ultimate holding company and its subsidiaries must be separately stated: <b>Not Applicable</b>   |
| 15            | The 'issued capital' and 'subscribed capital' must be distinguished into various classes of capital; viz. preference and equity, and the particulars specified hereunder must be given separately for each of them. : <b>As per Note No. 2.1(d)</b>                          |
| 16            | Shares allotted as fully paid-up by way of bonus shares, should be separately disclosed. The source from which the bonus shares are issued must also be specified; e.g., by capitalisation of reserves or profits or from share premium account, etc.: <b>Not Applicable</b> |
| 17            | Any capital profit on reissue of forfeited shares should be transferred to Capital Reserve: <b>NIL</b>   |



## Note 3

| <u>Reserves &amp; Surplus</u>   | As at 31st March<br>2023 | As at 31 March<br>2022 |
|---|--------------------------|------------------------|
|   |                          | ₹                      |
| <b>a. Capital Reserves</b>  |                          |                        |
| Opening Balance   | 15,00,000                | 15,00,000              |
| (+) Current Year Transfer   | -                        | -                      |
| (-) Written Back in Current Year  | -                        | -                      |
| Closing Balance   | 15,00,000                | 15,00,000              |
| <b>b. Capital Redemption Reserve</b>                                      |                          |                        |
| Opening Balance   | -                        | -                      |
| (+) Current Year Transfer   | -                        | -                      |
| (-) Written Back in Current Year  | -                        | -                      |
| Closing Balance   | -                        | -                      |
| <b>c. Securities Premium Account</b>                                      |                          |                        |
| Opening Balance   | -                        | -                      |
| Add : Securities premium credited on Share issue                          | -                        | -                      |
| <u>Less : Premium Utilised for various reasons</u>                        |                          |                        |
| Premium on Redemption of Debentures                                       | -                        | -                      |
| For Issuing Bonus Shares  | -                        | -                      |
| Closing Balance   | -                        | -                      |
| <b>d. Debenture Redemption Reserve</b>                                    |                          |                        |
| Opening Balance   | -                        | -                      |
| (+) Current Year Transfer   | -                        | -                      |
| (-) Written Back in Current Year  | -                        | -                      |
| Closing Balance   | -                        | -                      |
| <b>e. Revaluation Reserve</b>   |                          |                        |
| Opening Balance   | -                        | -                      |
| (+) Current Year Transfer   | -                        | -                      |
| (-) Written Back in Current Year  | -                        | -                      |
| Closing Balance   | -                        | -                      |
| <b>f. Share Options Outstanding Account</b>                               |                          |                        |
| Opening Balance   | -                        | -                      |
| (+) Current Year Transfer   | -                        | -                      |
| (-) Written Back in Current Year  | -                        | -                      |
| Closing Balance   | -                        | -                      |
| <b>g. Other Reserves (Specify the nature and purpose of each reserve)</b> |                          |                        |
| Opening Balance   | -                        | -                      |
| (+) Current Year Transfer   | -                        | -                      |
| (-) Written Back in Current Year  | -                        | -                      |
| Closing Balance   | -                        | -                      |
| <b>h. Surplus</b>   |                          |                        |
| Opening balance   | 39,41,55,089             | 34,81,98,921           |
| (+) Net Profit/(Net Loss) For the current year                            | 5,22,12,685              | 4,59,56,168            |
| (+) Transfer from Reserves  | -                        | -                      |
| (-) Final Dividends   | -                        | -                      |
| (-) Interim Dividends   | -                        | -                      |
| (-) Transfer to Reserves  | -                        | -                      |
| (-) Tax on Divident   | -                        | -                      |
| Closing Balance   | 44,63,67,774             | 39,41,55,089           |
| <b>Total</b>  | <b>44,78,67,774</b>      | <b>39,56,55,089</b>    |



| Note 4 | Long Term Borrowings  | As at 31st March 2023 | As at 31 March 2022 |
|--------|---|-----------------------|---------------------|
|        |   |                       |                     |
|        | <b>Secured</b>  |                       |                     |
|        | (a) Bonds/debentures  |                       | -                   |
|        | (b) Term loans  |                       |                     |
|        | - From Banks  | 4,95,62,999           | 3,87,05,108         |
|        | - From Other Parties  | -                     | -                   |
|        | (c) Deferred payment liabilities  | -                     | -                   |
|        | (d) Deposits  | -                     | -                   |
|        | (e) Loans and advances from related parties   | -                     | -                   |
|        | (f) Long term maturities of finance lease obligations   | -                     | -                   |
|        |   | 4,95,62,999           | 3,87,05,108         |
|        | <b>Unsecured</b>  |                       |                     |
|        | (a) Bonds/debentures  | -                     | -                   |
|        | (b) Term loans  |                       |                     |
|        | - From Banks  | -                     | -                   |
|        | - From Other Parties  | -                     | -                   |
|        | (c) Deferred payment liabilities  | -                     | -                   |
|        | (d) Deposits  | -                     | -                   |
|        | (e) Loans and advances from related parties<br>(Rs. Nil is guaranteed by Directors)   | -                     | -                   |
|        | (f) Long term maturities of finance lease obligations   | -                     | -                   |
|        | (g) Other loans and advances<br>(Advance From Customer)   | -                     | -                   |
|        |   | -                     | -                   |
|        | In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) & (g) |                       |                     |
|        | 1. Period of default  | -                     | -                   |
|        | 2. Amount   | -                     | -                   |
|        | <b>Total</b>  | <b>4,95,62,999</b>    | <b>3,87,05,108</b>  |

| Note 5 | Short Term Borrowings   | As at 31st March 2023 | As at 31 March 2022 |
|--------|---|-----------------------|---------------------|
|        |   | ₹                     | ₹                   |
|        | <b>Secured</b>  |                       |                     |
|        | (a) Loans repayable on demand from banks  | 17,03,19,700          | 14,95,52,204        |
|        | (b) Loans and advances from related parties   | -                     | -                   |
|        | (c) Deposits  | -                     | -                   |
|        | (d) Other loans and advances (specify nature)   | -                     | -                   |
|        |   | 17,03,19,700          | 14,95,52,204        |
|        | In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d) |                       |                     |
|        | 1. Period of default  | -                     | -                   |
|        | 2. Amount   | -                     | -                   |
|        | <b>Unsecured</b>  |                       |                     |
|        | (a) Loans repayable on demand   |                       |                     |
|        | - From Banks  | -                     | -                   |
|        | - From Other Parties  | -                     | -                   |
|        | (b) Loans and advances from related parties<br>(Received from Directors and is unsecured)                                   | -                     | -                   |
|        | (c) Deposits  | -                     | -                   |
|        | (d) Other loans and advances (Security Deposit)   | -                     | -                   |
|        |   | -                     | -                   |
|        | In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d) |                       |                     |
|        | 1. Period of default  | -                     | -                   |
|        | 2. Amount   | -                     | -                   |
|        | <b>Total</b>  | <b>17,03,19,700</b>   | <b>14,95,52,204</b> |



Note 6 Trade Payable (Creditors) Ageing

| Particulars               | Outstanding for following periods from due date of payment |           |           |                       | Total            |
|---------------------------|--|-----------|-----------|-----------------------|------------------|
|                           | Less than 1 year   | 1-2 years | 2-3 years | More Than Three years |                  |
| (i) MSME                  | 83,03,327  | -         | -         | -                     | 83,03,327        |
| (ii) Others               | 15,44,376  | -         | -         | -                     | 15,44,376        |
| (iii) Disputed dues MSME  | -  | -         | -         | -                     | -                |
| (iv) Disputed dues-Others | -  | -         | -         | -                     | -                |
| <b>TOTAL</b>              | <b>98,47,703</b>   | <b>-</b>  | <b>-</b>  | <b>-</b>              | <b>98,47,703</b> |



## Note 7

| <u>Other Current Liabilities</u>   | As at 31st March<br>2023 | As at 31 March<br>2022 |
|--|--------------------------|------------------------|
|  | ₹                        | ₹                      |
| (a) Current maturities of long-term debt   | 34,61,434                | 85,49,065              |
| (b) Current maturities of finance lease obligations  | -                        | -                      |
| (c) Interest accrued but not due on borrowings   | -                        | -                      |
| (d) Interest accrued and due on borrowings   | -                        | -                      |
| (e) Income received in advance   | -                        | -                      |
| (f) Unpaid dividends   | 39,640                   | 39,640                 |
| (g) Application money received for allotment of securities and due for refund #  | -                        | -                      |
| interest accrued on (g) above  |                          |                        |
| Number of shares proposed to be issued: _____  |                          |                        |
| Amount of premium (if any): _____  |                          |                        |
| Terms and conditions of shares proposed to be issued:  |                          |                        |
| _____  |                          |                        |
| Date by which shares shall be allotted: _____  |                          |                        |
| Whether the company has sufficient authorized capital to cover the share   |                          |                        |
| The period overdue from the last date of allotment is _____; reason  |                          |                        |
| # All amounts out of Share Application money which are refundable to be shown under this head (non-refundable portion of share application money will form part of 'Share Application Money Pending Allotment' (Balance Sheet) |                          |                        |
| (h) Unpaid matured deposits and interest accrued thereon   | -                        | -                      |
| (i) Unpaid matured debentures and interest accrued thereon   | -                        | -                      |
| (j) Other Expenses Payable   | 7,45,48,559              | 6,81,73,216            |
|  | -                        | -                      |
| <b>Total</b>   | <b>7,80,49,633</b>       | <b>7,67,61,920</b>     |

## Note 8

| <u>Short Term Provisions</u>               | As at 31st March<br>2023 | As at 31 March<br>2022 |
|--|--------------------------|------------------------|
|  | ₹                        | ₹                      |
| <b>(a) Provision for employee benefits</b> |                          |                        |
| Salary & Reimbursements                    | -                        | -                      |
| Contribution to PF                         | -                        | -                      |
| Contribution to ESI                        | -                        | -                      |
| Gratuity (Funded)                          | -                        | -                      |
| Leave Encashment (funded)                  | -                        | -                      |
| ESOP /ESOS                                 | -                        | -                      |
| Others                                     | -                        | -                      |
| <b>(b) Income Tax Provision</b>            | <b>1,77,00,000</b>       | <b>1,60,00,000</b>     |
| <b>Total</b>                               | <b>1,77,00,000</b>       | <b>1,60,00,000</b>     |







## Note: 10 Non Current Investment

| Particulars  | As at 31st March 2023     | As at 31 March<br>2022 |
|--------------|---------------------------|------------------------|
|              | Investment in Mutual Fund | 11,52,728              |
| <b>Total</b> | <b>11,52,728</b>          | <b>58,99,705</b>       |



## Note 11 Inventories

| Particulars  | As at 31st March 2023 | As at 31 March 2022 |
|--|-----------------------|---------------------|
|  | ₹                     | ₹                   |
| a. Raw Materials and components (Valued at Cost)<br>Goods-in transit | 27,60,204             | 25,37,974           |
| b. Work-in-progress (Valued at _____)<br>Goods-in transit            | 16,41,91,237          | 10,53,44,816        |
| c. Finished goods (Valued at _____)<br>Goods-in transit              | 52,65,611             | 37,86,533           |
| d. Stock-in-trade (Valued at cost)<br>Goods-in transit               | 1,18,08,113           | 74,45,310           |
| e. Stores and spares (Valued at _____)<br>Goods-in transit           | 25,34,922             | 26,46,459           |
| f. Loose Tools (Valued at _____)<br>Goods-in transit                 | -                     | -                   |
| g. Others  | -                     | -                   |
| <b>Total</b>   | <b>18,65,60,087</b>   | <b>12,17,61,092</b> |

## Note 12

## Note 12.1 Trade Receivables

| Particulars  | As at 31st March 2023 | As at 31 March 2022 |
|--|-----------------------|---------------------|
|  | ₹                     | ₹                   |
| Trade receivables outstanding for a period less than six months from the date they are due for payment | -                     | -                   |
| Secured, considered good   | 23,15,85,818          | 28,90,74,545        |
| Unsecured, considered good   | -                     | -                   |
| Unsecured, considered doubtful   | -                     | -                   |
| Less: Provision for doubtful debts   | -                     | -                   |
|  | <b>23,15,85,818</b>   | <b>28,90,74,545</b> |
| Trade receivables outstanding for a period exceeding six months from the date they are due for payment | 9,66,11,353           | 2,80,36,640         |
| Secured, considered good   | -                     | -                   |
| Unsecured, considered good   | -                     | -                   |
| Unsecured, considered doubtful   | -                     | -                   |
| Less: Provision for doubtful debts   | -                     | -                   |
|  | <b>9,66,11,353</b>    | <b>2,80,36,640</b>  |
| <b>Total</b>   | <b>32,81,97,171</b>   | <b>31,71,11,185</b> |

## Note 12.2 Trade Receivable stated above include debts due by:

| Particulars                                   | As at 31st March 2023 | As at 31 March 2022 |
|---|-----------------------|---------------------|
| Directors                                     | -                     | -                   |
| Other officers of the Company                 | -                     | -                   |
| Firm in which director is a partner           | -                     | -                   |
| Private Company in which director is a member | -                     | -                   |
|   | -                     | -                   |



Note : 12. Trade Receivables Ageing

| Particulars   | Outstanding for following periods from due date of payment |                    |                    |           |                   | Total               |
|---|--|--------------------|--------------------|-----------|-------------------|---------------------|
|   | Less than 6 months   | 6 months- 1 Year   | 1-2 year           | 2-3 years | More than 3 years |                     |
| (i) Undisputed Trade receivables considered good      | 23,15,85,818   | 3,48,96,238        | 6,17,15,115        |           |                   | 32,81,97,171        |
| (ii) Undisputed Trade Receivables considered doubtful |  |                    |                    |           |                   |                     |
| (iii) Disputed Trade Receivables considered good      |  |                    |                    |           |                   |                     |
| (iv) Disputed Trade Receivables considered doubtful   |  |                    |                    |           |                   |                     |
| <b>TOTAL</b>  | <b>23,15,85,818</b>  | <b>3,48,96,238</b> | <b>6,17,15,115</b> | <b>-</b>  | <b>-</b>          | <b>32,81,97,171</b> |



## Note 13 Cash and cash Equivalents

| Particulars  | As at 31st March 2023 |                     | As at 31 March 2022 |                    |
|--|-----------------------|---------------------|---------------------|--------------------|
|  | ₹                     | ₹                   | ₹                   | ₹                  |
| a. Balances with banks*                            | -                     |                     |                     |                    |
| This includes:                                     |                       |                     |                     |                    |
| Earmarked Balances (eg/- unpaid dividend accounts) | 50,098                |                     | 50,396              |                    |
| Margin money                                       |                       |                     |                     |                    |
| Security against borrowings                        |                       |                     |                     |                    |
| Guarantees   |                       |                     |                     |                    |
| Other Commitments                                  |                       |                     |                     |                    |
| Bank deposits with more than 12 months maturity    | 10,87,02,638          |                     | 9,88,72,009         |                    |
| b. Cheques, drafts on hand                         | -                     |                     | -                   |                    |
| c. Cash on hand*                                   | -                     |                     |                     |                    |
|  |                       | <b>10,87,52,736</b> |                     | <b>9,89,22,405</b> |

## Note 14 Short - term loans and advances

| Particulars   | As at 31st March 2023 |                     | As at 31 March 2022 |                     |
|---|-----------------------|---------------------|---------------------|---------------------|
|   | ₹                     | ₹                   | ₹                   | ₹                   |
| a. Loans and advances to related parties (refer note 2) |                       |                     |                     |                     |
| Secured, considered good                                | -                     |                     | -                   |                     |
| Unsecured, considered good                              | -                     |                     | -                   |                     |
| Doubtful  |                       |                     |                     |                     |
| Less: Provision for doubtful loans and advances         | -                     |                     | -                   |                     |
|   |                       | -                   |                     | -                   |
| b. Others (specify nature)                              |                       |                     |                     |                     |
| Secured, considered good                                | 10,93,30,103          |                     | 10,41,36,403        |                     |
| Unsecured, considered good                              | -                     |                     | -                   |                     |
| Doubtful  | -                     |                     | -                   |                     |
| Less: Provision for _____                               | -                     |                     | -                   |                     |
|   |                       | 10,93,30,103        | -                   | 10,41,36,403        |
|   |                       | <b>10,93,30,103</b> | -                   | <b>10,41,36,403</b> |



**Note 15 Revenue from operation**

| Particulars              | As at 31st March<br>2023 | As at 31 March<br>2022 |
|--------------------------|--------------------------|------------------------|
|                          | Rs                       | Rs                     |
| Sale of services         | 74,72,33,538             | 67,57,60,027           |
| Sale of products         | 5,45,85,766              | 4,09,21,846            |
| Other operating revenues | -                        | -                      |
| <b>Total</b>             | <b>80,18,19,304</b>      | <b>71,66,81,873</b>    |

**Note 16 Other Income**

| Particulars   | As at 31st March<br>2023 | As at 31 March<br>2022 |
|---|--------------------------|------------------------|
|   | Rs                       | Rs                     |
| GST Subsidy Received from State Govt. of J & K                      |                          | 5,07,996               |
| Interest Income (in case of a company other than a finance company) | 53,08,788                | 45,50,098              |
| Other non-operating income  | 32,11,228                | 87,028                 |
| <b>Total</b>  | <b>85,20,016</b>         | <b>51,45,122</b>       |

**Note 17 Finance cost**

| Particulars           | As at 31st March<br>2023 | As at 31 March<br>2022 |
|-----------------------|--------------------------|------------------------|
|                       | Rs                       | Rs                     |
| Interest expense      | 1,66,82,978              | 1,08,26,566            |
| Other borrowing costs | 8,57,577                 | 10,62,303              |
| <b>Total</b>          | <b>1,75,40,555</b>       | <b>1,18,88,869</b>     |

**Note 18 Employee benefits expense**

| Particulars                               | As at 31st March<br>2023 | As at 31 March<br>2022 |
|---|--------------------------|------------------------|
|   | Rs                       | Rs                     |
| (a) Salaries and incentives               | 50,74,48,860             | 43,08,73,075           |
| (b) Contributions to Provident fund & ESI | 3,03,02,639              | 2,40,02,340            |
| (c) Gratuity fund contributions           | 2,01,202                 | 1,68,750               |
| (d) Staff welfare expenses                | 43,78,966                | 96,26,690              |
| <b>Total</b>                              | <b>54,23,31,667</b>      | <b>46,46,70,855</b>    |



Note 19

| Particulars                          | As at 31st March 2023 | As at 31 March 2022 |
|--------------------------------------|-----------------------|---------------------|
|                                      | Rs                    | Rs                  |
| Advertisement & Publicity Expenses   | 1,93,252              | 44,53,000           |
| Bank Charges                         | 22,13,436             | 10,25,852           |
| Business development exp             | 38,05,585             | 42,48,984           |
| Commission on Sale                   | 6,94,370              | 16,62,856           |
| Consumable Store                     | 67,12,854             | 41,92,581           |
| Deficiency in Service Charges        | 3,64,70,397           | 3,26,16,604         |
| Digital Expenses                     | 1,60,400              | -                   |
| Directors Remunerations              | 2,20,00,000           | 3,60,00,000         |
| Donation                             | 2,66,477              | 50,000              |
| CSR Fund                             | 18,65,000             | 19,93,401           |
| Gratuity Expenses                    | 9,35,000              | 11,00,000           |
| Electricity and Water Charges        | 17,18,932             | 16,69,421           |
| Fee & Subscription                   | 8,67,748              | 14,40,357           |
| Freight Inward                       | 21,48,823             | 22,72,231           |
| Freight outward                      | 38,11,438             | 33,03,840           |
| Interest and Late filing fees of GST | 4,92,891              | 1,14,844            |
| Insurance                            | 4,37,121              | 3,66,714            |
| Interest on TDS/PF/PT                | 1,20,636              | 45,118              |
| Interest on car loan                 | 4,08,482              | 6,37,309            |
| ITC Reversal                         | -                     | 66,886              |
| Labour Welfare Cess 1%               | 1,11,933              | 44,359              |
| Loss on Sale of Fixed Assets         | 3,55,551              | -                   |
| Legal and professional Charges       | 32,91,760             | 27,85,785           |
| Manufacturing Expenses               | 4,76,288              | 2,45,629            |
| Written off                          | 49,442                | 10,181              |
| Office Expenses                      | 14,48,768             | 6,07,041            |
| Postal Expenses                      | 9,18,156              | 7,52,052            |
| Printing and Stationary              | 4,81,544              | 5,30,086            |
| Rent on Building                     | 55,70,158             | 63,02,458           |
| Rent on Equipments                   | 1,12,56,888           | 84,26,877           |
| Repair and Maintenance - Others      | 15,50,174             | 10,31,450           |
| Application Charges                  | 13,09,582             | 4,33,811            |
| Telephone Exp                        | 3,57,527              | 2,97,468            |
| Tender Cost                          | 42,18,613             | 3,52,280            |
| Testing Charges                      | 11,06,747             | 15,92,293           |
| Training Expenses                    | 5,69,039              | 2,67,100            |
| Travelling Expenses                  | 1,70,45,163           | 1,42,46,437         |
| Vehicle Running & Maintenance        | 9,61,757              | 7,66,544            |
| <b>Total</b>                         | <b>13,64,01,931</b>   | <b>13,59,51,850</b> |

Note 19.1 Payments to the auditor

| Particulars                      | As at 31st March 2023 | As at 31 March 2022 |
|----------------------------------|-----------------------|---------------------|
|                                  | Rs                    | Rs                  |
| a. auditor                       | 10,20,000             | 10,20,000           |
| b. for taxation matters          | -                     | -                   |
| c. for company law matters       | -                     | -                   |
| d. for management services       | -                     | -                   |
| e. for other services            | -                     | -                   |
| f. for reimbursement of expenses | -                     | -                   |
| <b>Total</b>                     | <b>10,20,000</b>      | <b>10,20,000</b>    |

Note 20 Depreciation &amp; Amortisation Expenses

| Particulars                      | As at 31st March 2023 | As at 31 March 2022 |
|----------------------------------|-----------------------|---------------------|
|                                  | Rs                    | Rs                  |
| Depreciation                     | 66,64,215             | 68,40,889           |
| Amortisation of Intangible Asset | -                     | -                   |
| <b>Total</b>                     | <b>66,64,215</b>      | <b>68,40,889</b>    |

Note : 21 Schedule : Schedule of Tax Expenses

| Particulars                                     | As at 31st March 2023 | As at 31 March 2022 |
|---|-----------------------|---------------------|
|   | Current Tax           |                     |
| Current Tax (Mat Payable)                       | 1,77,00,000           | 1,60,00,000         |
| Mat Credit Entitlement                          | -                     | -                   |
| Net Current Tax Liability                       | -                     | -                   |
| Excess/ Short Provision of Tax of Earlier Years | (1,15,141)            | -84,847             |
| Deffered Tax                                    | (2,52,810)            | 86,953              |
| <b>Total</b>                                    | <b>1,73,32,049</b>    | <b>1,60,02,106</b>  |



The following are analytical ratios for the year ended March 31, 2023

| S.No. | Particulars                       | Note | 31 March 2023 | 31 March 2022 | Variance |
|-------|-----------------------------------|------|---------------|---------------|----------|
| 1     | Current ratio                     | (a)  | 2.69          | 2.67          | 1%       |
| 2     | Gross Debt / Equity ratio         | (b)  | 0.46          | 0.44          | 4%       |
| 3     | Net Debt / Equity ratio           | (c)  | 0.46          | 0.44          | 4%       |
| 4     | Debt Service Coverage ratio       | (d)  | 3.59          | 4.16          | -16%     |
| 5     | Return on Equity (ROE)            | (e)  | 0.12          | 0.11          | 1%       |
| 6     | Inventory turnover ratio          | (f)  | 5.20          | 7.44          | -43%     |
| 7     | Trade receivables turnover ratio  | (g)  | 2.49          | 2.69          | -8%      |
| 8     | Trade payables turnover ratio     | (h)  | 24.64         | 62.33         | -153%    |
| 9     | Net capital turnover ratio        | (i)  | 1.74          | 1.78          | -2%      |
| 10    | Net profit ratio                  | (j)  | 0.06          | 0.06          | 1%       |
| 11    | Return on capital employed (ROCE) | (k)  | 0.12          | 0.12          | 4%       |
| 12    | Return on investment (ROI)        | (l)  | -             | -             | NA       |

**Note:**

(l) **Formula used for calculation :**

- (a) Current Ratio = Current assets / (Current liabilities - Current maturities of long term borrowings)
- (b) Gross Debt / Equity Ratio = (Non-current borrowings + Current borrowings + Non-current lease liabilities + Current lease liabilities) / Total equity
- (c) Net Debt / Equity Ratio = (Non-current borrowings + Current borrowings) / Total equity
- (d) Debt Service Coverage Ratio (DSCR) = EBITDA / (Interest paid + Other finance charges paid + Principal repayments of long-term borrowings + Payment of lease liabilities)
- (e) Return of Equity (RoE) = Net profit after taxes / Average Equity
- (f) Inventory turnover ratio = Revenue from operations / Average Inventories
- (g) Debtors turnover ratio = Revenue from operations / Average Trade and unbilled receivables
- (h) Trade payables turnover ratio = Total expenses excluding Employee benefit expenses / Average Trade payables
- (i) Net capital turnover ratio = Revenue from operations / Working capital where Working capital = Current Assets - (Current liabilities - Current maturities of long term borrowings)
- (j) Net profit ratio = Net Profit / (Loss) after taxes / Total income
- (k) Return on capital employed (ROCE) = (Profit / (Loss) before tax + Finance costs + Depreciation on Right-of-use assets) / (Total Equity - Intangible Assets - Intangible Assets under development + Net Debt)
- (l) Return on investment (ROI) = Earning before interest and tax / investment





**Note 22****OTHER NOTES TO ACCOUNTS:****1 Micro Small and Medium Enterprises**

The company has received intimation from Suppliers regarding their status under the Micro Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to the amount unpaid as at the year end together with interest paid and or payable as required under the said Act have been given.

- 2 Previous year figure has been regrouped/re-arranged wherever necessary.
- 3 Trade Payables, Trade Receivables & Other Parties are subject to confirmations.
- 4 Board has proposed a dividend of Rs. 0.80 per share for the financial year 2022-23.

**5 Related Party Disclosure**

Related Party disclosures as required by Accounting Standard 18, "Related Party Disclosure", issued by the Institute of Chartered

| Sr. No. | Party's Name     | Relation          | Nature of transaction | Amount paid during the year |
|---------|------------------|-------------------|-----------------------|-----------------------------|
| 1       | Rajat Singhal    | Director          | Director Remuneration | 1,10,00,000.00              |
| 2       | Ankit Singhal    | Director          | Director Remuneration | 1,10,00,000.00              |
| 3       | Pingla Singhal   | Director's Mother | Salary                | 1,02,00,000.00              |
| 4       | Rajender Singhal | Director's Father | Salary                | 1,02,00,000.00              |
| 5       | Nupur Singhal    | Director's wife   | Salary                | 9,00,000.00                 |
| 6       | Rikha Singhal    | Director's wife   | Salary                | 9,00,000.00                 |

**As per our report of even date attached.**

**For N C RAJ & ASSOCIATES**

Chartered Accountants  
(FRN : 002249N)

(Sanjay Garg)

Partner

M.No. 088636

Date : 10/06/2023

Place: New Delhi

UDIN: 23088636BGUBE19004



*Ankit Singhal*  
Director

Ankit Singhal

DIN: 00884360

**For Hughes & Hughes Chem Limited**

*Rajat Singhal*  
Director

Director

Rajat Singhal

DIN:02638828

*Priyanka Sharma*  
Company Secretary

Company Secretary

Priyanka Sharma

M.No. A71167

# HUGHES & HUGHES CHEM LIMITED

CIN: U24100DL1991PLC045290

Suite No. 204, 205-206, Level-2, Bakshi House, 40-41, Nehru Place, New Delhi-110019

Statement of Cash Flows for the year ended on 31.03.2023

| PARTICULARS  | F.Y. 2022-23        | F.Y. 2021-22       |
|--|---------------------|--------------------|
| <b>Cash flows from operating activities</b>                                  |                     |                    |
| Profit After taxation  | 5,22,12,685         | 4,60,76,168        |
| Add:- Proposed dividend  | 24,00,000           |                    |
| Add:- Transfer to General Reserve  |                     |                    |
| Add:- Provision for Deferred tax   | (2,52,810)          | 86,953             |
| Add:- Provision for taxation   | 1,75,84,859         | 1,59,15,153        |
| <b>Profit before extraordinary items</b>                                     | <b>7,19,44,734</b>  | <b>6,20,78,274</b> |
| <b>ADD:- Non Cash and Non Operating Expenses</b>                             |                     |                    |
| Depreciation   | 66,64,215           | 68,40,889          |
| Interest expense   | 1,75,40,555         | 1,18,88,869        |
| Dividends paid   |                     |                    |
| <b>LESS:- Non Cash and Non Operating Income</b>                              |                     |                    |
| Profit / (Loss) on the sale of property, plant & equipment                   | 3,55,551            |                    |
| <b>Cash Flow before Working Capital changes</b>                              | <b>9,65,05,055</b>  | <b>8,08,08,032</b> |
| <b>Working Capital Changes:</b>  |                     |                    |
| <b>Add:- Increase in Current Liabilities and Decrease in Current Assets</b>  |                     |                    |
| Increase in other current liabilities  | 12,87,713           | 3,87,83,328        |
| Increase in Short Term Borrowings  | 2,07,67,496         | 6,36,53,900        |
| Decrease in Trade and other receivables                                      |                     |                    |
| Increase in Trade Payables   | 35,84,490           | 62,63,213          |
| Decrease in Short term Loans & Advances                                      |                     |                    |
| Decrease in Inventories  |                     |                    |
| <b>Less:- Decrease in Current Liabilities and Increase in Current Assets</b> |                     |                    |
| Decrease in Short Term Borrowings  |                     |                    |
| Decrease in Other current liabilities  |                     |                    |
| Increase in Other Non current assets   |                     | 8,99,955           |
| Increase in Inventories  | 6,47,98,995         | 5,08,31,641        |
| Increase in Trade and other receivables                                      | 1,10,85,986         | 10,12,11,238       |
| Increase in Short Term Loans & Advances                                      | 51,93,700           | 14,77,550          |
| Decrease in Trade Payables   |                     |                    |
| Decrease in Other current liabilities  |                     |                    |
| <b>Cash flow before payment of tax</b>                                       | <b>4,10,66,072</b>  | <b>3,50,88,089</b> |
| Less:- Income taxes paid   | 1,58,84,859         | 2,14,15,153        |
| <b>Net cash from operating activities</b>                                    | <b>2,51,81,214</b>  | <b>1,36,72,936</b> |
| <b>Cash flows from investing activities</b>                                  |                     |                    |
| Business acquisitions, net of cash acquired                                  |                     |                    |
| Purchase of Fixed Assets   | 1,56,15,197         | (28,48,699)        |
| Proceeds from sale of Fixed Assets   | 46,00,000           |                    |
| Proceeds from sale of Investments  | 47,46,977           |                    |
| <b>Net cash used in investing activities</b>                                 | <b>(62,68,220)</b>  | <b>(28,48,699)</b> |
| <b>Cash flows from financing activities</b>                                  |                     |                    |
| Proceeds from issue of share capital   |                     |                    |
| Dividend paid  |                     |                    |
| Proceeds from long-term borrowings   |                     |                    |
| Proposed Dividend  | (24,00,000)         |                    |
| Decrease in Long Term Provisions   |                     |                    |
| Interest paid  | (1,75,40,555)       | (1,18,88,869)      |
| Increase in Long Term Borrowings   | 1,08,57,892         | 49,56,043          |
| <b>Net cash from financing activities</b>                                    | <b>(90,82,663)</b>  | <b>(69,32,826)</b> |
| <b>Net increase in cash and cash equivalents</b>                             | <b>98,30,331</b>    | <b>38,91,411</b>   |
| <b>Cash and cash equivalents at beginning of period</b>                      | <b>9,89,22,405</b>  | <b>9,50,30,994</b> |
| <b>Cash and cash equivalents at end of period</b>                            | <b>10,87,52,736</b> | <b>9,89,22,405</b> |

For N C RAJ & ASSOCIATES  
Chartered Accountants  
(FRN : 002249N)

(Sanjay Garg)  
Partner  
M.No. 088636  
Date :10/06/2023  
Place : New Delhi  
UDIN: 23088636GUBE19004

For HUGHES & HUGHES CHEM LIMITED

  
Director  
Ankit Singhal  
DIN: 00884360

   
Director  
Rajat Singhal  
DIN: 02638828  
Company Secretary  
Priyanka Sharma  
M.No. A71167



**DIRECTOR'S REPORT**

To,

The Members of **Hughes and Hughes Chem Ltd.**,

Your Directors have pleasure in presenting this **32<sup>nd</sup> Annual Report** on the affairs of the Company together with the Audited Statement of Accounts for the year ending on 31<sup>st</sup> March, 2023.

**FINANCIAL SUMMARY:**

The Company's financial performance for the year under review along with previous year's figures is given hereunder:-

(Figures in Rs./Lacs)

| Particulars                         | 2022-23        | 2021-22        |
|-------------------------------------|----------------|----------------|
| Total Revenue                       | 8018.19        | 7166.82        |
| Other Income                        | 85.20          | 51.45          |
| <b>Total Income</b>                 | <b>8103.39</b> | <b>7218.27</b> |
| Less: Total Expenses                | 7407.94        | 6598.69        |
| <b>Profit / (Loss) Before Tax</b>   | <b>695.45</b>  | <b>619.58</b>  |
| Less: Tax (including Deferred Tax)  | 173.32         | 160.02         |
| <b>Profit/(Loss) After Taxation</b> | <b>522.13</b>  | <b>459.56</b>  |

**OVERALL PERFORMANCE AND OUTLOOK:**

The Revenue from Operations of the Company stood at Rs. 8018.19Lacs during the Financial Year ended 2022-2023 as compared to Rs. 7166.82 Lacs for Previous Year showing a growth in sales of 11.88% and the Profits stood at Rs. 522.13Lacs during the current year as compared to Rs. 459.56Lacs during corresponding period previous year showing a growth in profit of 13.62%.

The company is primarily engaged in rendering services to Indian Railways such as AMOC of Bio-Toilet, Pest Control, Cleaning of Coaches/Stations, Production Unit, Bird Control Management, Conversion and Rehabilitation of Wagon and Coaches in the depots, workshops and Coach Factories, Amenities like Carpentry, Plumbing, Electrician and allied services etc.

- a. **Bird Control:** Due to strong customer base, all India Marketing Network and well established brand name the company is able to retain its No.1 position in the market as an Integrated Bird Management company in India with successful track record of more than two and a half decades.



- b. **AMOC of Bio-Toilet:** Your Company is the leading AMOC Vendor of Bio Toilets in India. Bio-Toilet is used extensively by Indian Railways in Coaches. Human waste disposal in innocuous form is an ever growing problem leading to aesthetic nuisance, threat of organic pollution & several infectious diseases in epidemic proportions in developing countries, like India. Your Company is executing Service Contracts for Annual Maintenance and Operations of Bio-Toilet to Indian Railways at various locations.
- c. **Pest Control Services:** Your Company provide Comprehensive Pest Controls Treatments against Mosquitoes, Cockroaches, Rodents, Termites, and Birds and even Snakes utilizing our revolutionary and patented products which have been either developed in house or hand-picked by experts from all over the world. This team is lead by the experienced entomologists & ornithologists, trained at the best institutes in India and abroad and have over five decades of experience in this field. Your Company is executing Service Contracts on various Projects for Pest Control Services to Indian Railways.
- d. **Production Unit:** Your Company has been issued fabrication and specialized contracts in Production Units and Workshops which are integral in the manufacturing and rehabilitation process.

Your Company is executing Service Contracts of Projects for Integral Coach Factory (ICF) to Indian Railways:

- i. Integration activities in body shell assembly JIG of different variant of LHB Shell at ICF/Chennai
  - ii. Assembly and welding of stand activities and finishing activities of different variants of LHB Shells at ICF/Chennai
  - iii. TIG Welding and Grinding of Frame Work on sidewall integration of sidewall with carline assembly and MIG Brazing .Assembly and TIG Welding of welding parts on sidewall for different variants of Shells at , ICF/ Chennai
  - iv. TIG welding and Grinding of Frame Work on sidewall integration of Sidewall with Carline Assembly and MIG Brazing, Assembly and TIG Welding of welding Parts on sidewall for different variants of LHB Coaches (Wet leasing) at ICF/Chennai.
- e. **Amenity Work and Mechanized Cleaning:** Indian Railways has also started outsourcing the work of Railway Amenities like Carpentry, Plumbing, Electrician and allied services. Your company is the leader in these contracts and executing the works at Mumbai, Ahmedabad, Salem, Jaipur, Jodhpur and Bikaner.

Further your Company is executing Service Contracts of Mechanized Cleaning to Indian Railways at Hubli, Chennai, Trivandrm, Madurai, Indore, Nellore and Trichy to name a few locations.

- f. **ETP Plants:** Indian Railways was recently audited by National Green Tribunal. One of the major red flags for compliance of National Green Tribunal's audit was issuance of guidelines for proper waste management system to be in place at various Indian Railway Installations. The Company has completed works at Jodhpur, Jagadhri and Hyderabad.
- g. **Electro Pneumatic Flushing Systems and Allied Activities:** In an effort to reduce the water use in Trains, the Indian Railways has decided to install Electro Pneumatic Flushing Systems in all their Non-AC LHB Coaches. The company has developed a prototype of the same in

collaboration with Metal Works India Pvt. Ltd. Metal Work India Pvt. Ltd. is a fully owned subsidiary of Metal Work SpA Italy which is a global leader in pneumatic products.

#### **CHANGE IN THE NATURE OF BUSINESS:-**

There was no Change in the nature of the business of the Company during the financial year ended 31<sup>st</sup> March, 2023.

#### **DIVIDEND:-**

The Company has not declared any dividend during the current year.

#### **DEPOSITS:-**

The Company has neither accepted/invited any deposits from the public during the period nor there any outstanding deposit of earlier years within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

#### **TRANSFER OF RESERVES:-**

Your Directors propose to carry forward Rs.522.12Lacs being the profit for the current year to the Balance Sheet during the financial year ended 31<sup>st</sup> March, 2023. Further your Company has not created any other reserves during the period under the review.

#### **CAPITAL STRUCTURE:-**

There is no change in the Authorised Share Capital of the Company as well as Paid up share Capital of the Company during the financial year ended 31<sup>st</sup> March, 2023.

#### **STATE OF COMPANY AFFAIRS:-**

Your Company has carried out the business of manufacturer, producers, importers, exporters, buyers, seller, agents and to market, supplier, distributors, wholesale and retail dealers of bird Deterrent Gel including raw materials, components, consumable and ancillaries and provided Cleaning Services and Annual Maintenance and Operations of the Bio-Toilets to the Indian Railways. It has also carried out the Business of Building Coach and Assembly Coach at Integral Coach Factory, Chennai and conversion of P-trap to S-trap in Bio-Toilets in the trains of Indian Railways which has resulted in tremendous growth of the Company

Your Company is also carrying the business of Supply, Installation and maintenance of Effluent Treatment Plants/ Sewage Treatment Plants.

Your Company is a leader in India when it comes to bringing new technology and methods to a developing nation. We are experts in Supply, Testing, Installation and Commissioning of Complex Systems related to Railways, Defense and Aviation Industry. Our expertise lies in offering products as a service which is the growing need of our country.

Your Company now has tie ups with companies from Australia, Italy, Germany and Canada in Industries ranging from Aviation to Railways.

Due to strong customer base, all India Marketing Network and well established brand name the company is able to retain its No.1 position in the market as an Integrated Bird Management company in India with successful track record of more than three decades. Your Company has diversified its operations by undertaking manufacturing of Anti-Bird Disc of different sizes as per the technical specification of the Indian Railways, supply and erection of UV protected HDPE mesh to prevent bird-menace on traction installations and The Company has also entered into railway electrification space i.e. . The Company through its strong foundation and skilled manpower is looking to cater to the evolving needs of the railway industry by fast-tracking project execution as well as adopting new technologies and mechanized construction methods.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH OCCURRED DURING THE YEAR:**

There has been no material change and commitments, affecting the financial position of the company have occurred between the end of the financial year of the company to which the financial statements relate and date of this report.

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

During the year under review there has been no any such significant and material orders were passed by the regulators or courts or tribunals which affect the going concern status and future operation of the Company.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE COMPANY:-**

**BOARD OF DIRECTORS:** During the year, following Directors are acting on the Board of the Company:

| S.No. | Name of the Directors | DIN      | Designation                  |
|-------|-----------------------|----------|------------------------------|
| 1     | Mr. Rajat Singhal     | 02638828 | Chairman & Managing Director |
| 2     | Mr. Ankit Singhal     | 00884360 | Managing Director            |
| 3     | Dr. Rahul Kaul        | 05146596 | Director                     |

**Change in Directors:**

Mr. Ankit Singhal (DIN: 00884360) will retire by rotation and he has offered himself for re-appointment in the ensuing Annual General Meeting.

**Change in Key Managerial Personnel (KMP):**

During the year under review, Ms. Geeta Joshi having Membership No. A62919 and PAN: AVUPJ1503C, resigned from the post of Company Secretary w.e.f. the closure of working hours of 23<sup>rd</sup> December, 2022, for which DIR-12 was filed in time to comply with the provisions of Companies Act, 2013.

Ms. Aashi Singhla having Membership No. A69186 and PAN: KGRPS3892F, was appointed as Company Secretary of the Company by Board Resolution dated 26<sup>th</sup> December, 2022, resigned from the post of Company Secretary w.e.f. the closure of working hours of 24<sup>th</sup> February, 2023, for which DIR-12 was filed in time to comply with the provisions of Companies Act, 2013.

Ms. Priyanka Sharma having Membership No. A71167 and PAN: FXPPS5962C, was appointed as Company Secretary of the Company by Board w.e.f. dated 24<sup>th</sup> May, 2023, for which DIR-12 was filed in time to comply with the provisions of Companies Act, 2013.

### **BOARD MEETINGS DURING THE YEAR**

The Board of Directors met 39 times during the financial year 2022-2023. The intervening gap between the meetings was within period prescribed under the Companies Act, 2013 and rules made there under. The detail of meeting date and the the status of attendance of Board Meeting by each of Director for the financial year 2022-2023 is annexed as **Annexure-I** and shall form the part of the Board Report.

### **COMMITTEE MEETINGS**

#### **CSR COMMITTEE MEETING**

During the year under review the four CSR Committee Meeting were held.

#### **GENERAL MEETING**

During the year under review the following Meetings of members of the Company were held:

| <b>Type of Meeting</b>         | <b>Date</b> | <b>Particulars</b>  |
|--------------------------------|-------------|---|
| Annual General Meeting         | 27/09/2022  | Meeting held for Adoption of Annual Accounts  |
| Extra-Ordinary General Meeting | 18/07/2022  | Special Resolution passed for Increase in remuneration of Mr. Rajat Singhal and Mr. Ankit Singhal, both Managing Directors of the company, from Rs. 8,50,000/- to Rs. 9,50,000/- pm w.e.f. 01 <sup>st</sup> August, 2022. |
| Extra-Ordinary General Meeting | 26/09/2022  | Special Resolution passed for Alteration in Articles of Association of the company.   |

#### **AUDIT COMMITTEE:-**

The Company is not covered under the provision of Section 177 of Companies Act, 2013.

**DISCLOSURE OF REMUNERATION OF EMPLOYEES COVERED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:-**

The details of employees of your company, who were employed throughout the financial year were drawing remuneration above the ceiling limit for the financial year 2022-2023 is annexed as **Annexure-II** and shall form the part of the Board Report.

However, as per Section 134 of Companies Act, 2013

The board's report shall include a statement showing [the names of the top ten employees in terms of remuneration drawn and the name of every employee, who;

- (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than [one crore and two lakh rupees];
- (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than [eight lakh and fifty thousand rupees per month.

**SUBSIDIARIES, JOINT VENTURES & ASSOCIATES COMPANIES:-**

The Company does not have any Subsidiary, Joint venture or Associate Company during the year ended 31<sup>st</sup> March, 2023.

**PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY COMPANIES:-**

Since the Company has no Subsidiary Company, the clause is not applicable during the year ended 31<sup>st</sup> March, 2023.

**CONSOLIDATED FINANCIAL STATEMENT:-**

Since the Company has no Subsidiary Company, the clause is not applicable during the year ended 31<sup>st</sup> March, 2023.

**STATUTORY AUDITOR'S OF THE COMPANY:-**

The members in its 28<sup>th</sup> Annual General Meeting (AGM) appointed **M/S N.C. Raj and Associates, Chartered Accountants**, New Delhi, the Statutory Auditors of the Company, to hold office from the Conclusion of this Annual general Meeting till the 33<sup>rd</sup> Annual General Meeting to be held in year, 2024. Further, pursuant to the amendment to Section 139 of the Companies Act, 2013 which was notified on 7<sup>th</sup> May, 2018, ratification of appointment of Statutory Auditors at every Annual General Meeting is no longer required.

**EXPLANATION TO AUDITOR'S REPORTS:-**

The observations of Auditor's in their report read with relevant notes are self-explanatory and do not require any further clarification and explanation. The Auditor Report does not contain any adverse remarks.



### **SECRETARIAL AUDIT REPORT:-**

The requirement of obtaining a Secretarial Audit Report from the Practicing Company Secretary is not applicable to the Company for the year ending 31<sup>st</sup> March, 2023.

### **COST AUDITOR:-**

Pursuant to Section 148 of the Act, appointment of cost auditor is not applicable to the Company during the year ended 31<sup>st</sup> March, 2023.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR):-**

Pursuant to Section 135 of the Companies Act, 2013 read with The Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII to the Act, your Company has undertaken CSR activities in the areas of education and skill development. The details of CSR committee, policy and projects undertaken during the year, are given in the Annual Report on CSR activities, as 'Annexure-III' to this Report

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:-**

Your Company is committed to a gender friendly workplace. It seeks to enhance equal opportunities for men and women, prevent, stop and redress sexual harassment at the workplace and institute good employment practices. Mechanisms are in place to ensure that issues such as sexual harassment at work place, if any, are effectively addressed. During the Year under review, there was no case filed pursuant to The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **VIGIL MECHANISM:-**

The provisions regarding vigil mechanism as provided in Section 177(9) of the Companies Act, 2013 read with rules framed there under are not applicable on the Company.

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

During the year under review, there were no loans; guarantees and investment were made by the company under section 186 of the Companies Act, 2013.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:-**

There were no contract or arrangements made with related parties as defined under section 188 of the Companies Act, 2013 during the year.

### **INTERNAL CONTROL SYSTEMS:-**

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 Companies Act, 2013.

#### **HUMAN RESOURCES AND INDUSTRIAL RELATIONS:-**

The Company is pleased to report that during the year under reporting, the industrial relations were cordial.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOING:-**

**Conservation of Energy:** All manufacturing done in company was initiated with p-roper conservation measures, and there was no wastage of resources during the year.

**Technology Absorption:** The Company has not entered into any collaboration or arrangement for absorption of technology.

**Foreign Exchange Earning and Outgoing:** The Company has no export sale.

#### **DIRECTOR'S RESPONSIBILITY STATEMENT:-**

The Director's Responsibility Statement referred to in clause (c) of sub section (3) of Section 134 of the Companies Act, 2013, shall state that:-

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors 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 the end of the financial year and of the profit and loss of the company for that period;
- c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors have prepared the annual accounts on a going concern basis; and
- e. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDERSECTION 143 (12) OTHER THAN THOSE WHICH ARE REPORTABLE TO THECENTRAL GEOVERNMENT:-**

There were no frauds as reported by the Statutory Auditors under sub-section 12 of Section 143 of the Companies Act, 2013 along with Rules made there-under other than those which are reportable to the Central Government.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:-**

An amount of Interim Dividend of Rs. 39,640/- of previous years remains unclaimed during the year which has been deposited with a branch of a Nationalised bank.


**STATEMENT CONCERNING DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:-**

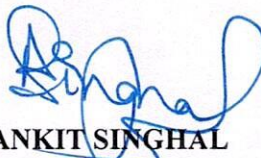
The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

**ACKNOWLEDGEMENT:**

Your Directors wish to express their grateful appreciation for the Co-operation and support received from customers, vendors, business associates and bankers for the continued supporting during the year. The Board of directors wish to place on record the sincere appreciation and assistance/support and contribution of the employees at all levels, as without their focus, commitment and hard work, the Company's consistent growth would not have been possible, despite the challenging environment.

**By Order of the Board  
For HUGHES & HUGHES CHEM LIMITED**

  
**RAJAT SINGHAL**  
**DIN: 02638828**  
**CHAIRMAN & MANAGING DIRECTOR**

  
**ANKIT SINGHAL**  
**DIN: 00884360**  
**MANAGING DIRECTOR**

**Place: New Delhi**  
**Dated: 21.08.2023**



(Annexure-I)

**LIST OF BOARD MEETINGS HELD ON FINANCIAL YEAR 2022-2023**

| S. No. | Date of Meeting | Total number of directors as on the date of meeting | Attendance                   |                 |
|--------|-----------------|---|------------------------------|-----------------|
|        |                 |   | Number of Directors attended | % of Attendance |
| 1      | 08/04/2022      | 3   | 3                            | 100             |
| 2      | 25/04/2022      | 3   | 3                            | 100             |
| 3      | 27/04/2022      | 3   | 3                            | 100             |
| 4      | 04/05/2022      | 3   | 3                            | 100             |
| 5      | 20/05/2022      | 3   | 3                            | 100             |
| 6      | 27/05/2022      | 3   | 3                            | 100             |
| 7      | 09/06/2022      | 3   | 3                            | 100             |
| 8      | 16/06/2022      | 3   | 3                            | 100             |
| 9      | 18/06/2022      | 3   | 3                            | 100             |
| 10     | 22/06/2022      | 3   | 2                            | 100             |
| 11     | 04/07/2022      | 3   | 3                            | 100             |
| 12     | 20/07/2022      | 3   | 3                            | 100             |
| 13     | 30/07/2022      | 3   | 3                            | 100             |
| 14     | 09/08/2022      | 3   | 3                            | 100             |
| 15     | 11/08/2022      | 3   | 3                            | 100             |
| 16     | 27/08/2022      | 3   | 3                            | 100             |
| 17     | 05/09/2022      | 3   | 3                            | 100             |
| 18     | 16/09/2022      | 3   | 3                            | 100             |
| 19     | 27/09/2022      | 3   | 3                            | 100             |
| 20     | 04/10/2022      | 3   | 3                            | 100             |
| 21     | 08/10/2022      | 3   | 3                            | 100             |
| 22     | 19/10/2022      | 3   | 3                            | 100             |
| 23     | 29/10/2022      | 3   | 3                            | 100             |
| 24     | 07/11/2022      | 3   | 3                            | 100             |
| 25     | 15/11/2022      | 3   | 3                            | 100             |
| 26     | 22/11/2022      | 3   | 3                            | 100             |
| 27     | 29/11/2022      | 3   | 3                            | 100             |
| 28     | 12/12/2022      | 3   | 3                            | 100             |
| 29     | 26/12/2022      | 3   | 3                            | 100             |
| 30     | 30/12/2022      | 3   | 3                            | 100             |
| 31     | 10/01/2023      | 3   | 3                            | 100             |
| 32     | 17/01/2023      | 3   | 3                            | 100             |



|    |            |   |   |     |
|----|------------|---|---|-----|
| 33 | 27/01/2023 | 3 | 3 | 100 |
| 34 | 04/02/2023 | 3 | 3 | 100 |
| 35 | 17/02/2023 | 3 | 3 | 100 |
| 36 | 27/02/2023 | 3 | 3 | 100 |
| 37 | 13/03/2023 | 3 | 3 | 100 |
| 38 | 22/03/2023 | 3 | 3 | 100 |
| 39 | 31/03/2023 | 3 | 3 | 100 |

**CERTIFIED TO BE TRUE ON BEHALF OF BOARD**  
**For HUGHES AND HUGHES CHEM LIMITED**

**RAJAT SINGHAL**  
**CHAIRMAN & MANAGING DIRECTOR**  
**DIN: 02638828**

**ANKIT SINGHAL**  
**MANAGING DIRECTOR**  
**DIN: 00884360**

**Place: NEW DELHI**  
**Date: 21.08.2023**




**Disclosure of Remuneration of Employees covered under Rule 5(2) of Employees covered under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:-**

| S.No. | Name of the Employee | Designation       | Remuneration (Per Annum) |
|-------|----------------------|-------------------|--------------------------|
| 1.    | Rajat Singhal        | Managing Director | 1,10,00,000              |
| 2.    | Ankit Singhal        | Managing Director | 1,10,00,000              |
| 3.    | Rajender Singhal     | President         | 1,02,00,000              |
| 4.    | Pingla Singhal       | Advisor           | 1,02,00,000              |

**CERTIFIED TO BE TRUE ON BEHALF OF BOARD  
For HUGHES AND HUGHES CHEM LIMITED**

  
**RAJAT SINGHAL**  
**CHAIRMAN & MANAGING DIRECTOR**  
**DIN: 02638828**

  
**ANKIT SINGHAL**  
**MANAGING DIRECTOR**  
**DIN: 00884360**

**Place: NEW DELHI**

**Date: 21.08.2023**



## ANNEXURE-III TO THE BOARD'S REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

#### 1. Brief outline on CSR Policy of the Company.

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and the amendments thereto. Pursuant to provisions of Section 135 of the Companies Act, 2013, the Company has also formulated a Corporate Social Responsibility Policy which is available on the website of the Company at <https://www.hugheschem.com/csr.html>

This Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed as part of the Board's Report.

#### 2. Composition of CSR Committee:

| Sl. No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|------------------|--------------------------------------|--|--|
| 1       | Rajat Singhal    | Chairman & Managing Director         | 4  | 4  |
| 2       | Ankit Singhal    | Managing Director                    | 4  | 4  |
| 3       | Geeta Joshi      | Company Secretary                    | 2  | 2  |
| 4       | Pradeep Kumar    | Manager (Accounts & Finance)         | 4  | 4  |

#### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The Company has framed a CSR Policy in compliance with the provisions of section 135 of the Companies Act, 2013 and the same is placed on the website of the Company and the web link for the same is <https://www.hugheschem.com/csr.html>



**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).**

Not applicable for the financial year 2022-2023

5. a) Average net profit of the Company as per sub-section (5) of Section 135: Rs. 9,31,73,331.33/-  
 b) Two percent of average net profit of the company as per sub-section (5) of section 135: Rs. 18,63,466.63  
 c.) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil  
 d.) Amount required to be set-off for the financial year, if any: Nil  
 e.) Total CSR obligation for the financial year [(b)+(c)- (d)]: Rs. 18,63,466.63/-

6. a) Amount spent on CSR Projects (both Ongoing and other than Ongoing Project): Rs. 18,98,879/-  
 b) Amount spent in Administrative Overheads: Nil  
 c) Amount spent on Impact Assessment, if applicable: Nil  
 d) Total amount spent for the Financial Year [(a) + (b) + (c)]: Rs. 18,98,879/-  
 e) CSR amount spent or unspent for the Financial Year:

| Total Amount Spent for the Financial Year. (in Rs.) | Amount Unspent (in Rs.)  |                   |  |         |                   |
|---|--|-------------------|--|---------|-------------------|
|   | Total Amount transferred to Unspent CSR Account as per section 135(6). |                   | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). |         |                   |
|   | Amount.  | Date of transfer. | Name of the Fund   | Amount. | Date of transfer. |
| 18,98,879/-   | Nil  | Nil               | Nil  | Nil     | Nil               |

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

| Sl. No. | Particular  | Amount (in Rs.) |
|---------|---|-----------------|
| (i)     | Two percent of average net profit of the company as per section 135(5)                                      | 18,63,466.63    |
| (ii)    | Total amount spent for the Financial Year   | 18,98,879       |
| (iii)   | Excess amount spent for the financial year [(ii)-(i)]   | 35,412.37       |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | 0               |
| (v)     | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | 35,412.37       |



(g) Details of CSR amount spent against other than on-going projects for the financial year:

| (1)<br>Sl. No. | (2)<br>Name of the Project          | (3)<br>Item from the list of activities in Schedule VII to the Act. | (4)<br>Local area (Yes/No) | (5)<br>Location of the project.  |           | (6)<br>Project duration. | (7)<br>Amount allocated for the project (in Rs.) | (8)<br>Amount spent in the current financial Year (in Rs.) | (9)<br>Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.) | (10)<br>Mode of Implementation - Direct (Yes/No). | (11)<br>Mode of Implementation - Through Implementing Agency |                          |
|----------------|-------------------------------------|---|----------------------------|--|-----------|--------------------------|--|--|--|---|--|--------------------------|
|                |                                     |   |                            | State.   | District. |                          |  |  |  |   | Name   | CSR Registration number. |
| 1.             | Distribution of food to poor people | Eradicating Hunger  | Yes                        | 205-206, Building no. 40-41, 2nd Floor, Nehru Place, New Delhi-110019                              | NA        | NA                       | 33,879/-   | -  | Yes  | NA  | NA   |                          |
| 2.             | Education and Skill Development     | Promoting Education   | Yes                        | Building No. 10, 1 <sup>st</sup> Floor, community centre no. 2, Delhi Ashok Vihar, Phase-II, Delhi | NA        | NA                       | 14,65,000/-                                      | -  | No   | Anthem Editute Trust                              | CSR00026656  |                          |
| 3.             | Education and Skill Development     | Promoting Education   | Yes                        | Mata Mandir gali, Jhandewala, new Delhi-110055   | NA        | NA                       | 2,00,000/-                                       | -  | No   | Samarth Shiksha Samiti                            | CSR00011558  |                          |
| 4.             | Education and Skill Development     | Promoting Education   | Yes                        | Mata Mandir gali, Jhandewala, new Delhi-110055   | NA        | NA                       | 2,00,000/-                                       | -  | No   | Samarth Shiksha Samiti                            | CSR00011558  |                          |

*[Handwritten Signature]*

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7. Details of Unspent CSR amount for the preceding three financial years:

| Sl. No. | Preceding Financial Year. | Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.) | Amount spent in the reporting Financial Year (in Rs.). | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. |                 |                   | Amount remaining to be spent in succeeding financial years. (in Rs.) |
|---------|---------------------------|--|--|--|-----------------|-------------------|--|
|         |                           |  |  | Name of the Fund   | Amount (in Rs.) | Date of transfer. |  |
| 1.      | 2021-2022                 | NIL  | -  | NIL  | NIL             | NIL               | NIL  |
| 2.      | 2020-2021                 | NIL  | -  | NIL  | NIL             | NIL               | NIL  |
| 3.      | 2019-2020                 | NIL  | -  | NIL  | NIL             | NIL               | NIL  |
|         | Total                     | NIL  | -  | NIL  | NIL             | NIL               | NIL  |

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If yes, enter the number of Capital assets created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

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

10. Details of CSR Activities undertaken during the financial year 2022-23:

(a) Details of CSR amount spent against on-going projects for the financial year:

| (1)<br>Sl. No. | (2)<br>Name of the Project. | (3)<br>Item from the list of activities in Schedule VII to the Act. | (4)<br>Local area (Yes/No). | (5)<br>Location of the project. |           | (6)<br>Project duration. | (7)<br>Amount allocated for the project (in Rs.). | (8)<br>Amount spent in the current financial Year (in Rs.). | (9)<br>Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.). | (10)<br>Mode of Implementation - Direct (Yes/No). | (11)<br>Mode of Implementation - Through Implementing Agency |                          |
|----------------|-----------------------------|---|-----------------------------|---------------------------------|-----------|--------------------------|---|---|--|---|--|--------------------------|
|                |                             |   |                             | State                           | District. |                          |   |   |  |   | Name   | CSR Registration number. |
| 1.             |                             |   |                             |                                 |           |                          |   |   |  |   |  |                          |
| 2.             |                             |   |                             |                                 |           |                          |   |   |  |   |  |                          |
| 3.             |                             |   |                             |                                 |           |                          |   |   |  |   |  |                          |
|                | Total                       |   |                             |                                 |           |                          |   |   |  |   |  |                          |

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By Order of the Board  
For Hughes & Hughes Chem Limited



**RAJAT SINGHAL**  
(Chairman CSR Committee)



**ANKIT SINGHAL**  
Managing Director



Annexure: IV

**CSR Calculation for 2022-2023**

| Net profit                              | Amount (in Rs.)     |
|---|---------------------|
| 2019-2020                               | 17,16,24,129.00     |
| 2020-2021                               | 6,19,39,697.00      |
| 2021-2022                               | 4,59,56,168.00      |
| Total Net profit of Last 3 preceding FY | 27,95,19,994.00     |
| Average of Net Profit                   | 9,31,73,331.33      |
| <b>2% of Average Net Profit</b>         | <b>18,63,466.63</b> |

Prescribed CSR Expenditures: 2% of Average Net Profit of the Company which is 18,63,466.63/- (Rupees Eighteen Lakh Sixty Three Thousand Four Hundred sixty six only)

**Details of CSR spent during the financial year 2022-2023**

- Total amount to be spent for the financial year 2022-2023: Rs. 18,63,466.63/-
- Total Amount actually spent during the financial year 2022-2023: Rs. 18,98,879/-
- Amount unspent: Nil/-
- Excess Amount carry forward for subsequent years- 35,412.37/-

**CERTIFIED TO BE TRUE ON BEHALF OF BOARD  
For HUGHES AND HUGHES CHEM LIMITED**

**RAJAT SINGHAL  
CHAIRMAN & MANAGING DIRECTOR  
DIN: 02638828**

**ANKIT SINGHAL  
MANAGING DIRECTOR  
DIN: 00884360**

**Place: NEW DELHI  
Date: 21.08.2023**

