

## CORPORATE INFORMATION

### Board of Director

**Mr. Mahabir Prasad Rungta**  
(Chairman cum Managing Director)

**MS. Shruti Rungta**  
(Executive Director)

**Mr. Tarun Kumar Megotia**  
(Executive Director)

**Mr. Devesh Poddar**  
(Independent Director)

**Mr. Vivek Agrawal**  
(Independent Director)

**Mr. Abdul Kalam**  
(Independent Director)

### Chief Financial Officer

Ms. Swati Garg

### Company Secretary

Mr. Prateek Sharma

### Statutory Auditors

M/s Mamraj & Co.

### Cost Auditors

M/s S. Shekhar & Co.

### Bankers

Kotak Mahindra Bank

### Registered office

101, Pragati Tower 26, Rajendra Place, New Delhi-110008

### Zonal Office

Plot No. B-7, Electric Complex, Kushaiguda, Hyderabad -500762

### Work Stations

#### **UNIT-1**

C-165, Industrial Area, Bulandshahar Road, Ghaziabad (U.P.)-201001

#### **UNIT-2**

Village Advipolam, Distt. Yanam, Pondicherry-533464

### Share Registrar & Transfer Agent

**M/s Beetal Financial & Computer Services Pvt. Ltd.**

Address: Beetal House, IIIrd Floor, 99, Madangir, Behind, Local Shopping Centre, Near Dada Harsukhdass, Mandir, New Delhi-110062

### Corporate Identity Number (CIN)

**L74899DL1986PLC023934**

### Secretarial Auditors

M/s Ajit Mishra & Associates

## INDEX

S.NO.	CONTENTS	Pg. No.
1.	Chairman’s Message	3
2.	Notice	4
3.	Board Report	22
4.	Corporate Governance Report (Annexure-A)	29
5.	Management Discussion And Analysis Report (Annexure-B)	44
6.	CEO And CFO Certification	46
7.	Auditor’s Certificate On Corporate Governance (Annexure-C)	47
8.	Remuneration Policy (Annexure-D)	49
9.	Disclosure Of Related Parties Transaction (AOC-2) (Annexure-E)	52
10.	Extract Of Annual Return (Annexure-F)	54
11.	Secretarial Audit Report (Annexure-G)	64
12.	Particulars With Respect To Conservation Of Energy (Annexure-H)	67
13.	Independent Auditor’s Report	68
14.	Profit & Loss Account	76
15.	Balance Sheet	77
16.	Cash Flow Statement	79
17.	Statement of Change In Equity	81
18.	Notes To Financial Statement	82
19.	Accounting Policies	101



*Mahabir Prasad Rungta,  
Chairman cum Managing Director*

## Chairman's Message

**To all the members,**

I hope that all of you and your family members are safe and of sound health. The year 2021-2022 has been a year in which we fought-back the Covid-19 in an applauding manner. But still we need to be extra careful and cautious as we all have a family and a society to take care off. Rungta Irrigation Limited, a Public Limited Company based on quality commitments and consistent sustainable efforts tried its level best to sail through the difficult times. The most important message is the belief that no challenge is too big.

In FY 2021-22, Rungta Irrigation Limited redefines its model size & organization in order to manage its business more efficiently in the new competitive world. We finished this year on a positive note, as the Turnover as well as Profits in comparison to last year has been increased. Hence, I would like to acknowledge the critical role played by the employees in contributing to the growth of the Company and not only for their effort & commitment but also for the continued dedication to offering quality products which have always made us stand out to our customers.

Our right blend of strategies, principles and governance helped us in protecting our financial integrity and achieving a high profit as compared to the last year. For that I would like to thank all the stakeholders who have kept their valuable trust on us in this difficult time as-well.

We continue to improve the quality of our products and services for our customers and increased efforts to raise the shareholders value. This will boost the sustainability and our companies' maximum performance.

I would like to thank the Central and State Governments, Financial Institutions, Public and Private sector Banks, Government Agencies and Non-Government Institutions who have extended their support in the development and growth of your Company. I also take this opportunity to thank the Vendors, Customers and Business Associates who have supported our business plans.

On behalf of the Board, I would like to thank all the shareholders for their unstinted support in helping your Company to enhance its technological and business strengths and remain on the path of growth. I really look forward to be more committed in delivering better results for those associated with the Company.

## **NOTICE**

Notice is hereby given that the 38<sup>TH</sup> Annual General Meeting of the Members of Rungta Irrigation Limited will be held on Monday, September 26<sup>th</sup>, 2022 at 01:00 P.M. through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”). The place of the meeting shall be deemed to be the Registered Office of the Company at 101, Pragati Tower, Rajendra Place, New Delhi-110008 to transact the following businesses:

### **Ordinary Business**

- 1. To receive, consider & adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022, together with the report of the Board of Directors & Auditors thereon and in this regard pass the following resolution as *Ordinary Resolution*.**

“RESOLVED THAT pursuant to the provisions of Section 134,137 and other allied provisions of the Companies act 2013 and amended thereof from time to time from being enforced, the Audited Financial statements of the Company for the FY ended March 31<sup>st</sup>, 2022 and Report of Board of Directors and Auditors thereon laid before this meeting be and are hereby considered and adopted.”

- 2. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution for re-appointed as the Statutory Auditor, M/s. MAMRAJ & CO:-**

“RESOLVED THAT pursuant to the provision of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014 including any Statutory enactment or modification thereof, for the time being in force, M/S. MAMRAJ & CO., Chartered Accountants, New Delhi (Registration No.: 006396N), be and is hereby re-appointed as the Statutory Auditors of the company who shall hold the office from the conclusion of this Annual General Meeting till the Conclusion of Annual General Meeting to be held in the Financial Year 2026-2027 subject to the ratification of their appointment by members at every Annual General Meeting.”

“RESOLVED FURTHER THAT pursuant to provision of section 139 of the Companies Act 2013 (as amended or re-enacted from time to time) and other applicable provision of the companies Act 2013 and considering the recommendations made by the Audit Committee, the Board be and is hereby recommends M/S. MAMRAJ & CO, Chartered Accountants for appointment as the statutory auditor of the company for the financial year 2022-2023 from the conclusion of the forthcoming annual general meeting till the conclusion of every sixth meeting , at a remuneration to be decided in consultation with it.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matter, filing and things which may deem necessary in this behalf.”

The Board recommends the **Ordinary Resolution** set out at Item No. 2 of the Notice for consideration and approval by the Members.

- 3. To Appoint a Director in place of Mr. Tarun Kumar Megotia (DIN: 01098092), who retires by rotation and being eligible, offers himself for re-appointment.**

“RESOLVED THAT pursuant to the provision of section 152 of the companies act 2013, Mr.Tarun Kumar Megotia, whole time director of the company whose tenure now comes to an end,and subject to retire by roataion, also being eligible for re-appointment, offer himself for appointment (DIN: 01098092) as whole time director of the company.

## Special Business

4. To ratify the payment of remuneration to the Cost Auditor (S. Shekhar & Co., Cost accountants) for the Financial Year ending March 31, 2022 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration amounting to Rs. 20,000/- plus applicable taxes, as approved by the Board of Directors and set out in the Statement annexed to the Notice convening this Meeting be paid to S. Shekhar & Co., Cost accountants (having Registration No. 000452), appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year ending March 31, 2023 be and is hereby ratified, approved and confirmed.”

“RESOLVED FURTHER THAT The Board, on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of M/s. S. Shekhar & Co., Cost accountants, Delhi (having Registration No. 000452), to conduct the audit of the cost records of the company for the financial year ended on March 31, 2022, on a remuneration of Rs.20,000/-, plus applicable taxes.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board, has to be ratified by the Members of the Company.

Accordingly, ratification by the Members is sought to the remuneration payable to the Cost Auditors for the financial year ending March 31, 2022, through an Ordinary Resolution as set out at Item No. 4 of the Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the **Ordinary Resolution** set out at Item No. 4 of the Notice for consideration and approval by the Members.

### **EXPLANATORY STATEMENT:**

The Board on the recommendation of Audit committee, has approved the appointment of **M/s. S. Shekhar & Co., Cost accountants**, Delhi (having Registration No. 000452) and their remuneration of Rs.20,000/-(Twenty Thousand only) in form of fees to conduct the audit of the cost records of the company for the Financial Year ended on March 31,2023.

In accordance with the provisions of Section 148 of the act read with the Companies (audit and Auditors) Rules, 2014, the remuneration payable to the cost auditor as recommended by the Audit committee and approved by the board, has to be ratified by the members of the company.

Accordingly, ratification by members is sought to be taken for fees payable to the cost auditor for the FY March 31<sup>st</sup>, 2022 through an Ordinary Resolution as set out at an item no.4 of the Notice.

None of the Directors/Key Mangaerial personnel of the company/ their relatives, is in any way, concerned or interested , financially or otherwise, in the resolution.

The Board commends Ordinary resolution set out at item no.4 of the notice for approval by the members.

- 5. To approve the remuneration of Mr. Mahabir Prasad Rungta, (DIN: 00235632) as Chairman cum Managing Director of the Company, and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution(s) as a Special Resolution.**

**“RESOLVED THAT** pursuant to the provisions of Section 197, 198, 203 read with Schedule V to the Companies Act, 2013 and & the recommendation of the Nomination & Remuneration Committee, the consent of the shareholders of the Company be and is hereby accorded to vary the terms and conditions of appointment of Mr. Mahabir Prasad Rungta, Chairman cum Managing Director of the Company by inserting following clause in the existing terms and conditions of his appointment approved by the shareholders vide resolution passed in the Annual General Meeting held on September 30, 2022 and that the rest of the terms and conditions of appointment of Mr. Mahabir Prasad Rungta remain unchanged.

Accordingly, the Board hereby proposes increase in the remuneration of Mr. Mahabir Prasad Rungta, (DIN: 00235632) as Chairman cum Managing Director of the Company, from Rs. 70,000/- per month to Rs.1,25,000/- per month.

Accordingly, ratification by the Members is sought to be taken for the remuneration payable to the Chairman cum Managing Director for the financial year ending March 31, 2022, through a special Resolution as set out at Item No. 5 of the Notice.

#### **EXPLANATORY STATEMENT**

Based on the recommendation of Nomination and Remuneration Committee and pursuant to the provisions of Sections 197, 198, 203 of the Companies Act, 2013 (“the Act”), read with Schedule V and Article of Association thereon the Board of Directors of the Company has proposed an increase in remuneration of Mr. Mahabir Prasad Rungta (DIN: 00235632) Chairman cum Managing Director from INR 75000(Seventy five thousand only) to 1,25,000(One lakh twenty five thousand only)per month subject to the approval of members by means of Special Resolution.

Mr. Mahabir Prasad Rungta, Chairman and Managing Director of the Company is related to Ms. Shruti Rungta, Whole-Time Executive Director. Mr. Mahabir Prasad Rungta, Chairman and Managing Director of the Company and Ms. Shruti Rungta, being his relative are interested in the resolution set out at Item No.5 of the Notice with regard to his remuneration.

After considering Item no.5 and resolution passed respectively the remuneration will be inclusive of the following:

- a. Reimbursement of medical expenses incurred for self and family subject to the ceiling of one month salary in a year or three month salary over a period of three year.
- b. Leave travel concession for self and family once in a year incurred in accordance with rules of the Company.
- c. Company’s car with driver shall be provided to be use for the Company’s Business.
- d. Reimbursement of the expenses incurred on the newspaper, books and periodical subject to the maximum of Rs. 2000/- per month.
- e. Telephone shall be provided at the resident and all rental and expenses except personal long distance cost paid by the company.

The maximum remuneration payable under Section II of Part II of Schedule V of the Companies Act, 2013 based on effective capital of the Company as on March 31, 2022 is given below:

Where the effective capital is	Maximum Yearly Permissible Limit of Managerial Remuneration
5 crores and above but less than 100 crores	84 lacs

Accordingly, the Board of Directors based on the recommendation of Nomination and Remuneration Committee at its Meeting held on August 1, 2022 felt it prudent to approach the Members of the Company seeking their approval by way of special resolution to have necessary provision in the terms and conditions for increase in remuneration of Shri Mahabir Prasad Rungta in line with Schedule V of the Companies Act, 2013.

Save and except Mr. Mahabir Prasad Rungta, himself and Ms. Shruti Rungta, being his relative, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Mr. Mahabir Prasad Rungta shall continue to be responsible for the entire Finance, Accounts, Taxation, Secretarial, Legal and Compliance Management of the Company and shall also perform such other duties, as may be entrusted to him by the Board from time to time and separately communicated to him.

The Board recommends the **Special Resolution** set out at Item No. 5 of the Notice for consideration and approval by the Members.

**6. To approve the re-appointment of Mr. Devesh Poddar, (DIN: 07912263) as an Independent Director of the Company for a second term of five consecutive years and in this connection, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149(10), 150 and 152 of the Companies Act, 2013 read with Schedule IV of the Companies Act, 2013 and the Companies (Amendment) Act, 2017 (‘Act’) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force), and basis the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Devesh Poddar (DIN: 07912263), Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director on the Board of the Company, not liable to retire by rotation for a second term of five consecutive years

**RESOLVED FURTHER THAT** the Company Secretary of the Company, be and are hereby authorized to take this agenda to the Board of Directors and the Shareholders for seeking their approval and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

**EXPLANATORY STATEMENT:**

The Board of Directors at its meeting held on August 09, 2017 had appointed Mr. Devesh Poddar as an Additional Independent Director of the Company to hold office till the next Annual General Meeting. Further, the Members, at the Annual General Meeting held on September 26, 2017 appointed Mr. Devesh Poddar as an Independent Director to hold office for a term of 5 years. Accordingly, the tenure of Mr. Devesh Poddar, as an Independent Director is due for expiry on August 08, 2022.

In terms of provisions of section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) the Nomination and Remuneration Committee of the Company shall recommend to the Board of the Directors, the appointment/ reappointment of a Director.

Also according to section 149(10) of the Companies Act, 2013, an independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment on passing of a special resolution by the Shareholders of the Company and disclosure of such appointment in the Board's report.

After taking into account the performance evaluation, during his first term of five years and considering the knowledge, acumen, expertise and experience in respective fields and the substantial contribution made by Mr. Devesh Poddar during his tenure as an Independent Director, the Nomination and Remuneration Committee at its meeting held on August 1<sup>st</sup>, 2022 has considered, approved and recommended the re-appointment of Mr. Devesh Poddar as an Independent Directors for a second term of five years subject to the approval of shareholders in the ensuing Annual General Meeting.

The Board recommends the Resolution for approval of the Members as a **Special Resolution** as set out in the item no. 6 of the notice.

By Order of the Board of Directors

Sd/-  
Prateek Sharma  
Company Secretary & Compliance officer  
Delhi, September 03, 2022



**Notes:**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 20/2021 dated December 08, 2021 and Circular No. 3/2022 dated May 05, 2022. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, members can attend and participate in the ensuing AGM through VC/OAVM.
2. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013
3. **ALTHOUGH, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIM/HER, BUT SINCE THIS MEETING IS BEING HELD THROUGH VC/OAVM, WHERE PHYSICAL PRESENCE OF MEMBERS IS NOT REQUIRED, THE FALICITY OF APPOINTMENT OF PROXY WILL NOT BE AVAILABLE. THEREFORE, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED HERETO.**
4. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their holdings in electronic form and to the R & T Agents in respect of their holdings in physical form.
5. Those Members who have not de-materialized their shareholding are advised to dematerialise their shareholding to avoid any inconvenience in future
6. Also, since the AGM will be held through VC/OAVM, the Route MAP is not annexed to the Notice.
7. In compliance with circulars dated May 5, 2020, April 8, 2020, April 13, 2020 and January 13, 2021 issued by the Ministry of Corporate Affairs ("MCA") and circular dated May 12, 2020 and January 15, 2021 issued by SEBI, owing to the difficulties involved in dispatching physical copies of the Financial Statements (including Report of Board of Directors, Auditor's Report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
8. The Register of Members and Share Transfer Books shall remain closed from September 20, 2022 to September 26, 2022 (both days inclusive)
9. SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD\_ RTAMB/P/CIR/2021/655 dated November 3, 2021, has made it mandatory for all holders holding shares in physical form to furnish the following documents/details to the RTA:-
  - a) PAN
  - b) Contact details, Postal address with PIN, Mobile number, E-mail address
  - c) Bank account details (bank name and branch, bank account number, IFS code)
  - d) Specimen signatureFor furnishing the above-mentioned details, shareholder must submit Form ISR-1 and/or ISR-2 in hard copy form to the company/ RTA. The forms are available on the website of the company as well as on the website of RTA.
10. Members holding shares in dematerialized mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. to their depository participant. These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better service to the Members.

11. In pursuance of Section 113 of the Companies Act, 2013, Corporate members intending to send their authorized representative(s) to attend the Meeting can send to the Company, a certified true copy of the relevant Board Resolution together with the attested specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.
12. In pursuance of Section 112 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a state can attend the AGM through VC/OAVM and cast their votes through e-voting.
13. In line with the Ministry of Corporate Affairs (MCA) Circulars and SEBI Circulars, the Notice calling the AGM along with Annual report for the financial year 2021-22 has been uploaded on the website of the Company at [www.runtairrigation.in](http://www.runtairrigation.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

### **ELECTRONIC VOTING - FOR REMOTE E-VOTING AND E-VOTING DURING AGM**

- **The Company is providing the facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting and the business set out in the Notice will be transacted through such voting.**
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM through VC/OAVM will be provided by CDSL.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2021, or become due in the year 2022, to conduct their AGMs on or before 31.12.2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021 and May 05, 2022.

**THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

**Dear Shareholders,**

We are pleased to inform you that the **38<sup>th</sup> Annual General Meeting ('AGM')** of the Members of Rungta Irrigation Limited is scheduled to be held on **26<sup>th</sup> September, 2022 at 01:00 P.M. (IST)** through two-way Video Conferencing ('VC') facility / Other Audio Visual Means ('OAVM'). The Notice of the 38<sup>th</sup> AGM is enclosed herewith. To access the Annual Report for Financial Year 2021-22, one can download it from the following line [www.rungtairrigation.in](http://www.rungtairrigation.in). The same is also available on the websites of National Securities Depository Limited ('NSDL') at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively.

As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 20/2021 dated December 08, 2021 and Circular No. 3/2022 dated May 05, 2022. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, members can attend and participate in the ensuing AGM through VC/OAVM., the AGM of the Company is being held through VC / OAVM only on **26<sup>th</sup> September, 2022 at 01:00 p.m. (IST)**

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Secretarial Standard on General Meetings issued by Institute of Company Secretaries of India and Regulation 44 of the Listing Regulations, as amended and the MCA Circulars, the Company is providing the facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM and for this purpose, it has appointed NSDL to facilitate voting through electronic means. Accordingly, the facility of casting votes by a Member using remote e-Voting system before the AGM as well as remote e-Voting during the AGM will be provided by NSDL. The remote e-Voting facility would be available during the following period:

<b>Commencement of e-Voting</b>	<b>From 10.00 a.m. (IST) on 23<sup>rd</sup> September</b>
<b>End of e-Voting</b>	<b>Upto 05.00 p.m. (IST) on 25<sup>th</sup> September</b>

During this period, Members holding shares either in physical form or in dematerialized form as on **19<sup>th</sup> September, 2022 ('Cut-Off date')** may cast their vote by remote e-Voting before the AGM. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut-Off date i.e. **19<sup>th</sup> September, 2022**

Members will be provided with the facility for remote voting through electronic voting system during the VC/OAVM proceedings at the AGM and those Members participating at the AGM, who have not already cast their vote by remote e-Voting before the Meeting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again.

**Detailed procedure for remote e-Voting before the AGM / remote e-Voting during the AGM is provided in the Notes to the Notice of the AGM.**

**Instructions for Members for Attending the AGM Through VC / OAVM are as under:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for Access to NSDL e-voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.
2. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for AGM and will be available for Members on first come first served basis.
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Members facing any technical issue in login before / during the AGM can contact NSDL helpdesk by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call at toll free no.: 1800 1020 990 and 1800 22 44 30
7. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at [cs@rungtairrigation.in](mailto:cs@rungtairrigation.in)/[beetalrta@gmail.com](mailto:beetalrta@gmail.com) between 23<sup>rd</sup> September (10.00 a.m. IST) and 25<sup>th</sup> September (05.00 p.m. IST). Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
10. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.

11. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
12. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
13. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
14. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at [www.rungtairrigation.in](http://www.rungtairrigation.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
15. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on 23<sup>rd</sup> September, 2022 at 10:00 A.M. and ends on 25<sup>th</sup> September, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 19<sup>th</sup> September, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 19<sup>th</sup> September 2022.

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

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





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

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘<b>Shareholder/Member</b>’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code</li> </ol>

	<p>mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p>  App Store          Google Play       </p> <div style="display: flex; justify-content: space-around;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1) Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2) After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

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

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

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

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****



<p>c) For Members holding shares in Physical Form.</p>	<p>EVEN Number followed by Folio Number registered with the company</p> <p>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***</p>
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5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - I. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - II. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [lpkcorporate@gmail.com](mailto:lpkcorporate@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 4430 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@rungtairrigation.in](mailto:cs@rungtairrigation.in)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@rungtairrigation.in](mailto:cs@rungtairrigation.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@rungtairrigation.in. The same will be replied by the company suitably.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

6. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
7. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

8. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
9. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
10. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
11. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
12. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **Seven (7) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [cs@rungtairrigation.in](mailto:cs@rungtairrigation.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **Seven (7) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [cs@rungtairrigation.in](mailto:cs@rungtairrigation.in). These queries will be replied to by the company suitably by email.
13. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
14. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
15. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to the Company at [cs@rungtairrigation.in](mailto:cs@rungtairrigation.in) and also to the RTA at [beetalrta@gmail.com](mailto:beetalrta@gmail.com),
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

1. In the case of joint holders attending the Meeting through VC/OAVM, only such a joint holder who is higher in the order of names will be entitled to vote at the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from **September 20, 2022 to September 26, 2022** (both days inclusive) for the purpose of the AGM.
3. Members are requested to notify any change in their address/mandate/ bank details immediately to the Share Transfer Agent of the Company.
4. The Securities and Exchange Board of India (SEBI) has mandated by its Circular dated April 20, 2018 for submission of Permanent Account Number (PAN) and Bank details together with an original cancelled cheque leaf/attested Bank Pass Book showing the name of Account Holder to the Registrar and Share Transfer Agent (RTA) of the Company by all the security holders holding securities in physical form. The shareholders who are yet to furnish the above documents are requested to furnish the same forthwith.
5. Members desiring any information as regards the Accounts are requested to write to the Company at least 10 days prior to the date of the meeting so as to enable the management to keep the information ready.
6. In line with measures of Green Initiative taken by the Ministry of Corporate Affairs (vide circular nos.17/2011 and 18/2011 dated April 21 and April 29, 2011, respectively) and Companies Act, 2013 also provides for sending notice of the meeting and other shareholder correspondences through electronic mode. Members holding shares in physical mode are requested to register their e-mail ID's with Registrar and share transfer agent (RTA) of the company and Members holding shares in Demat mode are requested to register their e-mail ID with their respective Depository Participants (DPs).
7. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date (record date) of **September 19, 2022**.
8. The notice of the Annual General Meeting will be sent to the members, whose names appear in the register of members/depositories as at closing hours of business, on or before **August 26, 2022**.
9. The Board of Directors of the Company has appointed **Mr. Nakul Pratap Singh**, a Practicing Company Secretary (Membership No. A55529) of M/s LPK and Associates, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in presence of at least two witnesses not in the employment of the company and make, not later than 48 hours from the conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the chairman or a person authorized by him in writing who shall countersign the same.
10. The results shall be declared after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the website of CDSL and website of Rungta Irrigation Limited not later than 48 hours from the conclusion of the General meeting of the Company and will be communicated to The Bombay Stock Exchange (BSE)

## DIRECTOR'S REPORT

### REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS FOR THE YEAR ENDED MARCH 31, 2022.

*Dear Members,*

Your Directors are pleased to present the Company's 38th Annual Report and the Company's Audited Financial Statements for the financial year ended March 31, 2022.

### FINANCIAL RESULTS

The Company's financial performance for the year ended March 31, 2022, is summarized below:

PARTICULARS	STANDALONE	
	2021-22 ₹ lacs	2020-21 ₹ lacs
Revenue from operation	7,025.84	4445.29
Other Income	161.30	361.92
<b>Total Revenue</b>	<b>7,187.14</b>	<b>4807.21</b>
Profit before Depreciation and Tax	-	-
Depreciation and amortization expenses	125.19	94.83
Profit Before Extraordinary items and Tax	173.98	123.34
Extraordinary Items	-	-
Tax Expense	-	-
(Current Tax)	(54.98)	(29.09)
(Deferred Tax)	(2.61)	(30.91)
Income Tax Related to Previous Year	(6.11)	(7.91)
Profit After Tax	127.72	55.43
Other Comprehensive Income	16.58	24.57
<b>Total Comprehensive Income for the Year</b>	<b>144.30</b>	<b>80.00</b>

### FINANCIAL PERFORMANCE REVIEW AND ANALYSIS

The Sales Turnover for the year under review was Rs.7,025.84 Lakhs as compared to Rs.4445.29 Lakhs for the previous year. The company was able to earn a profit after tax for the year under review of Rs 127.72 Lakhs.

### DIVIDEND

The Board of Directors of your Company has decided to Retain and Plough Back the Profit into the Business of the Company, thus no dividend is being recommended for this year.

### TRANSFER TO RESERVES

During the financial year, there was no amount proposed to be transferred to the Reserves.

### SHARE CAPITAL

The Company Paid-Up Equity Share Capital continues to stand at Rs.8,85,61,000 as on March 31, 2022. During the year, the Company has proposed issue of equity shares to existing shareholders on right basis in view to pay off the existing unsecured loans, reducing the financial cost of the company and thus improving the EPS at large.

### **MATERIAL CHANGES AFFECTING THE COMPANY**

Except the impact of COVID-19, there have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report. There has been no change in the nature of the business of the Company.

### **SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS**

No significant material orders have been passed during the year under review by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### **CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT**

A separate section on corporate governance practices followed by the Company together with a certificate from the auditors (attached as **Annexure-“A”**) confirming its compliance forms a part of this Annual Report, as per SEBI Regulations. Further, as per Regulation 34 read with Schedule V of the Listing Regulations, a Management Discussion, and Analysis report is attached as **Annexure “B”**.

### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

There are no present subsidiaries, joint ventures and associate companies.

### **SECRETARIAL STANDARDS**

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

### **DIRECTORS RESPONSIBILITY STATEMENT**

The Board acknowledges the responsibility for ensuring compliance with the provisions of clause (c) of subsection (3) of Section 134 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and state that:

- a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March 2022, the applicable accounting standards had been followed along with the proper explanation relating to material departures;
- b) the directors had 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 had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised the proper systems to ensure compliance with the provisions of all the applicable laws and that such systems were adequate and operating effectively.

## **CORPORATE GOVERNANCE**

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The Company has also implemented several best governance practices. The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board of your Company is duly constituted in accordance with the requirements of the Companies Act, 2013 read with SEBI Listing rules & Regulations.

Further, the Company has received declarations from all the Independent Directors stating that they meet the criteria of independence as given under Section 149 of the Companies Act, 2013 and the relevant provisions of SEBI Listing Regulations.

However, Mr. Devesh Poddar, one of the independent director in the board whose tenure comes to an end dated August 8, 2022, on the recommendation of the NRC, an opportunity was given to him for a further term of 5 years (Final term) as an Independent director subject to the approval of Shareholders in the ensuing Annual general Meeting to be held in September, 2022.

Also, the company decided an expansion in the KMP's, appointed Mr. Bajrang Kumar Bardia as Chief Executive Officer (CEO) of the company in view of accelerating the overall growth and achieving the vision and mission of the company.

## **DECLARATION BY INDEPENDENT DIRECTORS**

In terms with Section 149(7) of the Companies Act, 2013, Independent Directors of the Company have submitted declarations that they meet the criteria of independence. The Independent Directors have also complied with the Code for Independent Directors as per Schedule IV of the Companies Act, 2013. Out of all our Independent Directors, three Independent Directors namely Mr. Devesh Poddar, Mr. Vivek Aggarwal and Mr. Abdul Kalam are registered on the Independent Directors Databank.

## **PERFORMANCE EVALUATION**

The Company has revised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which includes criteria for performance evaluation of Non-executive Directors and Executive Directors. The evaluation process *inter alia* considers the attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter-se board members, effective participation, domain knowledge, compliance with code of conduct, vision, and strategy.

The Board carried out an annual performance evaluation of the Board, Committees, Individual Directors and the Chairperson. The Chairman of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on the report on evaluation received from respective Committees. The report on performance evaluation of the Individual Directors was reviewed by the Chairman of the Board and feedback was given to Directors.

## **REMUNERATION POLICY**

The board has, on the recommendation of the Nomination & Remuneration Committee, laid down a Nomination & Remuneration Policy for selection and appointment of the Directors, Key Managerial Personnel and Senior Management and their remuneration. The Remuneration Policy has been given in Corporate



Governance Report forming part of Annual Report and it is also available on the website of the Company and the web link is <https://www.rungtairrigation.in/investor-information/download-info/remuneration-policy>

### **DEPOSITS**

During the year under review, the company did not accept any deposits given under Chapter V of Companies Act, 2013.

### **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

Your Company has in place a formal policy for the prevention of sexual harassment of its employees at the workplace. The Company is in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has adopted a policy on Sexual Harassment to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment, thereby providing a safe and healthy work environment. Further, 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.

### **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

During the financial year 2021-2022, there is no materially significant related party transaction with the Company's Promoters, directors, the management or their relatives, which may have potential conflict with the interest of the Company at large. The Company has also formulated a policy on dealing with the Related Party Transactions (including for material related party transactions) and necessary approval of the Audit Committee and Board of Directors were taken, wherever required in accordance with the Policy.

The details of such policies for dealing with all related party transactions are disseminated on the website of the Company [www.rungtairrigation.in](http://www.rungtairrigation.in).

In compliance with section 188(1) of the Companies Act, 2013, AOC-2 enclosed as "Annexure-E". Further, details of Related Party Transactions as required to be disclosed as per Indian Accounting Standard 24 "Related Party Disclosures" specified under section 133 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

### **JUSTIFICATION FOR ENTERING INTO RELATED PARTY TRANSACTIONS**

All Related Party Transactions are subjected to independent review w.r.t compliance with the requirements of Related Party Transactions under the Companies Act, 2013, and Listing Regulations.

All Related Party Transactions were placed before the Audit Committee for review and approval and it was observed that all such transactions were entered at Arm's Length basis, in furtherance to this, the remuneration paid to Mr. Mahabir Prasad Rungta, Chairman cum Managing Director and his relatives and the sitting fee payment to non-executive cum Independent Directors for each Board/Committee meeting(s) attended were paid to Independent directors, shown under Related party disclosures segment under "Notes to the account" of Balance Sheet in terms of Indian Accounting Standard 24 issued by The Institute of Chartered Accountants of India.

### **STATUTORY AUDITORS**

Pursuant to provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Mamraj & Co., Chartered Accountants, whose tenure as statutory auditor comes to an end in the ensuing AGM to be held in September 2022, they are re-appointment for further 2<sup>nd</sup> and final 5 years term

on the recommendation made by the Audit committee & subject to the approval of shareholders in the scheduled AGM for FY 2022.

The Statutory Auditor has confirmed their eligibility and submitted the certificate in writing that they are not disqualified to hold the office of the statutory auditor. Further, in terms of the SEBI Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI.

The Auditors' Report to the Members on the Accounts of the Company for the year ended March 31, 2022, is a part of the Annual Report. The said Audit Report does not contain any qualification, reservation or adverse remark. During the year 2022, the Auditors had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

### **COST AUDITORS**

M/s. S. Shekhar & Co., Cost Accountants, was re-appointed as the Cost Auditor of the Company to carry out an audit of the cost records of the Company for the financial year 2021-2022.

The resolution seeking ratification of the remuneration to the said cost auditors for the financial year 2022-2023 is set out in the Notice calling the 38<sup>th</sup> Annual General Meeting of the Company.

The appointed Cost Auditors have certified that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and they are not disqualified for appointment within the meaning of the said Act.

### **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Ajit Mishra, Practising Company Secretary was appointed as the Secretarial Auditor of the Company to undertake the Secretarial Audit in the prescribed form MR- 3 for the financial year 2021-2022. The Secretarial Auditor's report to the members is annexed to this report as "**Annexure G**". A Secretarial Compliance Report for the financial year ended March 31, 2022 on compliance of all applicable SEBI regulations and circulars/guidelines issued thereunder, was obtained from Mr. Ajit Mishra, Practising Company Secretary, and submitted to the respective stock exchange.

During the year 2021, the Company had complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### **INTERNAL FINANCIAL CONTROLS**

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitized and embedded in the business processes.

An assurance of the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal auditors during the course of their audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

### **RISK MANAGEMENT POLICY**

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

## **CORPORATE SOCIAL RESPONSIBILITY**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to your company.

## **STOCK EXCHANGE LISTING**

Presently, the shares of the Company are listed on the Bombay Stock Exchange (BSE).

## **DISCLOSURES**

### **Meetings of the Board**

5 (Five) meetings of the Board of Directors were held during the year under review. The particulars of meetings held and attended by each Director are detailed in the Corporate Governance Report, which forms part of this Report.

### **Audit Committee**

The Audit Committee comprises Executive Directors and Independent Directors namely Mr. Devesh Poddar (Chairman), Mr. Abdul kalam and Ms. Shruti Rungta. During the year all the recommendations made by the Audit Committee were accepted by the Board.

### **Vigil Mechanism**

Rungta Irrigation Limited has established a robust Vigil Mechanism and a Whistle-blower policy in accordance with provisions of the Act and SEBI Listing Regulations. The Vigil Mechanism is supervised by an 'Ethics & Compliance Task Force' comprising a member of the Board as the Chairperson and senior executives as members.

Protected disclosures can be made by a whistle-blower through an e-mail, or a dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee. The Vigil Mechanism and whistle-blower policy is put on the Company's website and can be accessed at <http://www.rungtairrigation.in/investor-information/download-info/whistle-blower-policy>.

### **Particulars of Loans given, Investments made, Guarantees given and Securities provided**

Particulars of loans given, Investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statement (Please refer to Note 4 and 11 to the standalone financial statement).

### **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings, and outgo, as required to be disclosed under the Act, are provided in **Annexure "H"** to this Report.

### **Extract of Annual Return**

The Extracts of the annual return in Form MGT-9 as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 has been placed on the website of the Company and can be accessed at the link – <https://rungtairrigation.in> .

Extract of Annual Return (MGT-9) of the Company is annexed herewith marked as **"Annexure F"** to this Report.

### Particulars of Employees and related disclosures

Pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2015, it is necessary to disclose the ratio of remuneration of each director to the median employees' remuneration.

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

S. No.	Name	Designation	Ratio
1	Shri Mahabir Prasad Rungta	Chairman Cum Managing Director	5.52
2	Shri Tarun Kumar Megotia	Whole Time Director	1.95
3	Smt. Shruti Rungta	Executive Director	7.58
4	Shri Abdul Kalam	Independent Director	NA
5	Shri Devesh Poddar	Independent Director	NA
6	Shri Vivek Agrawal	Independent Director	NA

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

S. No.	Name of the Director/KMP	Designation	% increase in Remuneration
1.	Mahabir Prasad Rungta	Chairman Cum Managing Director	32.11%
2.	Shruti Rungta	Executive Director	112.9%
3.	Tarun Kumar Megotia	Executive Director	(55.02%)
4.	Swati Garg	Chief Financial Officer	NA
5.	Prateek Sharma	Company Secretary & compliance officer	NA

1. The percentage increase in the median remuneration of employees in the financial year is 36.60%.
2. The number of permanent employees on the rolls of the company was 174 as on 31st March 2022.
3. It is hereby affirmed that the remuneration paid during financial year 2021-22 as per the remuneration policy of the company.

### Acknowledgments

Your Directors hereby place on record their sincere thanks to the bankers, business associates, consultants and various Government Authorities for their continued support extended to your Company's activities during the year under review. The Board also places on record their appreciation of the devoted services of the employees. Your Directors also acknowledges the support and confidence reposed by the shareholders on the company.

For and on behalf of the Board of Directors

SD/-  
Mahabir Prasad Rungta  
Chairman cum Managing Director  
Delhi, September 03, 2022

## **Annexure "A"**

### **CORPORATE GOVERNANCE REPORT**

Corporate Governance means adhering to the laws, rules, regulations, processes and systems by which a Company is governed in their true spirit. This report is prepared in accordance with Regulation 4(2)(a) and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), and the report contains the details of Corporate Governance systems and processes at Rungta Irrigation Limited.

At Rungta Irrigation Limited, Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policymakers.

### **STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability, and commitment to values. Good governance practices stem from the culture and mindset of the organization. As stakeholders across the country evince keen interest in the practices and performance of companies, Corporate Governance has emerged on the center stage. Over the years, governance processes and systems have been strengthened at our end. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal controls and promotion of ethics at work-place have been institutionalized. The company recognizes that good Corporate Governance is a Continuing exercise and reiterates its commitment to pursue the highest standards of Corporate Governance in the overall interest of all the stakeholders.

The Company is conscious of its responsibility as a good corporate citizen. The company values transparency, professionalism, accountability and trusteeship.

### **ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS**

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details, and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements, to provide guidance to directors and to facilitate the convening of meetings.

### **BOARD OF DIRECTORS**

At Rungta Irrigation Limited, Board of Directors have a crucial role in implementing the highest standards of corporate governance. It oversees the management and protects the interests of all the stakeholders.

#### **a. Composition:**

The board of director of your company as on 31<sup>st</sup> March 2022 consisted of 6 directors as under:

DIRECTORS/SIGNATORY DETAILS			
S.No	DIN/PAN	Name of the Director/KMP	Designation
1.	0000235632	MAHABIR PRASAD RUNGTA	CHAIRMAN CUM MANAGING DIRECTOR
2.	0000229045	SHRUTI RUNGTA	EXECUTIVE DIRECTOR
3.	0001098092	TARUN KUMAR MEGOTIA	EXECUTIVE DIRECTOR
4.	0001869712	ABDUL KALAM	INDEPENDENT DIRECTOR
5.	0007794991	VIVEK AGRAWAL	INDEPENDENT DIRECTOR
6.	07912263	DEVESH PODDAR	INDEPENDENT DIRECTOR

The current policy of your company is to have an appropriate mix of Executive and Independent Directors in order to maintain the independence of the Board and to separate the Board functions of governance and management. The Board has an optimum combination of Executive and Non-Executive directors and half of the board consisted of independent directors including one executive woman director. All the Independent Directors have confirmed that they meet the 'independence' criteria as mentioned under regulation 16(1)(b) of the SEBI Listing regulations and section 149 of the Companies Act, 2013. All the directors have made necessary disclosures regarding their directorships as required under section 184 of the Companies Act, 2013 and on the Committee positions held by them in other companies.

The following is the percentage of Executive and Non-Executive directors of the Company as on March 31, 2022:

Category of Directors	No. of Directors	% of Total No. of Directors
Executive Directors	3	50%
Non-Executive Independent Directors	3	50%
Total	6	100%

**b. Relationship amongst Directors:**

No director is related to any other director on the board in terms of the definition of "Relative" given under Companies Act, 2013 except Ms. Shruti Rungta, who is daughter of Mr. Mahabir Prasad Rungta.

**c. Attendance at the Board Meeting, last Annual General Meeting, and number of other directorships and chairmanships/ memberships of committees of each director in various companies:**

Membership and Chairmanship of all directors who are on various Committees, the composition of the Board and the number of outside Directorship and Committee position as held by each of the Directors during the financial year ended 31<sup>st</sup> March 2022 is as follows:-

Name of the Director	Category (i.e. Promoter, Executive, Non-Executive, Independent)	No. of Board Meetings of the Company F.Y. 2021-2022		Attendance at the Last AGM	As on 31-03-2022		
		Held during the year	Attended during the year		No. of Directorship in other Public Co.	Committee membership in other Companies	No. of Membership/Chairman in Committees in which they are members

Mr. Mahabir Prasad Rungta	Promoter & Chairman cum Managing Director	05	04	YES	NIL	NIL	02
Tarun Kumar Megotia	Executive Director	05	05	YES	NIL	NIL	NIL
Ms. Shruti Rungta	Executive Director	05	04	YES	NIL	NIL	02
Mr. Devesh Poddar	Independent Director	05	05	YES	NIL	NIL	03
Mr. Abdul Kalam	Independent Director	05	05	YES	NIL	NIL	02
Mr. Vivek Agrawal	Independent Director	05	01	NO	NIL	NIL	NIL

None of the directors on the board is a member of more than 10 committees or chairman/chairperson of more than 5 committees as specified in Regulation 26 of SEBI Listing Regulations, across all the listed companies in which he/she is a director. The directors have made necessary disclosures regarding committees positions held in other public limited companies.

During the Financial year 2021-2022, Five (05) Board meeting were held on 30<sup>th</sup> June 2021, 9<sup>th</sup> August 2021, 06<sup>th</sup> September 2021, 11<sup>th</sup> November 2021 and 14<sup>th</sup> February 2022 and Gap between two consecutive Board Meetings did not exceed 120 days.

Necessary information where applicable as mentioned in Part A of Schedule II of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 has been placed before the board for its consideration.

#### **d. Performance and Evaluation of the Board, Committees and Directors:**

The Board in consultation with the Nomination and Remuneration Committee annually evaluates the performance of the Board of Directors (including Committees thereof) as a whole and also of individual Directors, including Independent Directors. As an evaluation methodology, the Board may use any method(s) as it may deem appropriate in order to assess the Board/committees effectiveness and Director's performance. Some of the indicators/criteria based on which the Independent Directors are evaluated are personal qualities, characteristics, substantial business/ professional experience, experience and stature, ability and willingness to devote time, etc.

Pursuant to the provisions of the Companies Act 2013 and the provisions of LODR, the Board has carried out an annual evaluation of its own performance, the performance of the Directors individually as well as the evaluation of its Committees.

### **AUDIT COMMITTEE**

#### **a. Terms of Reference:**

The Audit Committee has been constituted as per provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015. The scope of activities and powers of the Audit Committee includes the areas as prescribed under Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and Section 177 of the Companies Act, 2013. The Audit Committee is responsible for effective supervision of the financial reporting process, ensuring financial and accounting controls and compliance with the financial policies of the Company.

#### **b. Composition:**

The composition of the Audit Committee of the board as on 31<sup>st</sup> March 2022 comprises Mr. Devesh Poddar as its Chairperson, Mr. Abdul Kalam and Ms. Shruti Rungta as its Members. Mr. Devesh Poddar, an independent director, having adequate financial and accounting qualifications and expertise, is the chairman of the audit committee. Other members of the committee are also financially literate. Mr. Prateek Sharma, Company Secretary of your company acts as the Secretary to the Committee.

**c. Attendance:**

The Committee met four (4) times during the Financial Year 2021-2022 on the following dates: June 30th, 2021, August 09th, 2021, November 11<sup>th</sup>, 2021 and February 14th, 2022. Necessary Quorum was present at all the meetings. Details of attendance of Directors in the Audit Committee meeting are as under:

Name of the Director	Category	No. of meetings	
		Held during the Year	Attended
Mr. Devesh Poddar	<i>Independent Director / Chairman</i>	4	4
Mr. Shruti Rungta	<i>Executive Director</i>	4	4
Mr. Abdul Kalam	<i>Independent Director</i>	4	4

**NOMINATION AND REMUNERATION COMMITTEE (NRC)**

**a. Composition & Terms of Reference:**

The Company has a duly constituted Nomination and Remuneration Committee (“NRC”). The NRC’s constitution and terms of reference are in compliance with provisions of Section 178 of Companies Act, 2013, rules made thereunder and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. The Nomination and Remuneration Committee was constituted to approve the remuneration payable to Key Managerial Personnel and Directors including Managing Director, Whole-time Director/ Executive Director and Part-Time Director/ Non-Executive Director/ Independent Director of the Company within the range approved by shareholders. Thus, the Committee shall have the meetings as and when so required.

The Committee met one (1) time during the Financial Year 2021-2022 on August 07<sup>th</sup>, 2021. The necessary quorum was present at the meetings. Details of attendance of Directors in the Remuneration Committee meeting are as under:

Name of the Director	Category	No. of Meetings	
		Held during the Year	Attended
Mr. Devesh Poddar	<i>Independent Director/ Chairman</i>	1	1
Mr. Abdul Kalam	<i>Independent Director</i>	1	1
Mr. Mahabir Prasad Rungta	<i>Executive Director/Managing Director</i>	1	1

**b. Remuneration Policy:**

The Company pays remuneration to its Managing Director and Whole Time Director by way of salary, perquisites, and allowances (a fixed component) within the range approved by the members as per the provisions of the Companies Act, 2013. Independent Directors are also entitled for the sitting fee for attending Board/ Committee Meeting.

**c. Details of the Directors’ Remuneration for the financial year ended 31<sup>st</sup> March 2022:**



Name	Salary (Rs.)	Others(Bonus etc.) (Rs.)	Commission (Rs.)	Sitting Fees (per meeting) (Rs.)	Total (Rs.)	No. of shares held
Shri Mahabir Prasad Rungta	9,43,792	-	-	-	9,43,792	13,47,300
Shri Tarun Kumar Megotia	3,46,446	-	-	-	3,46,446	-
Smt Shruti Rungta	12,59,310	-	-	-	12,59,310	5,11,400
Shri Devesh Poddar	-	-	-	1,07,000	1,07,000	-
Shri Abdul Kalam	-	-	-	75,000	75,000	-
Shri Vivek Agrawal	-	-	-	11,000	11,000	-

### SHAREHOLDERS RELATIONSHIP COMMITTEE

#### a. Composition:

The Company has a duly constituted Stakeholders Relationship Committee (“SRC”). The SRC’s constitution and terms of reference are in compliance with provisions of Section 178 of Companies Act, 2013, rules made thereunder and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Stakeholders Relationship Committee of the Board as at 31<sup>st</sup> March 2022 consisted of three members. Mr. Devesh Poddar, Independent Director of the Company is the Chairman of the Committee, Mr. Mahabir Prasad Rungta, Managing Director and Mr. Shruti Rungta, Whole time Director are the members of the Committee.

#### b. Terms of Reference:

In compliance with requirement of Regulation 34(3) SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has constituted an “Investors Grievance Committee” to look into Redressal of shareholders/investors grievances relating to Non-receipt of notices, share certificates, annual report, dividends, transfer of shares and dematerialization of shares. Oversee and review all matters connected with the transfer of the Company’s securities. Approve issue of duplicate shares/debentures certificates.

#### c. Meetings and attendance during the year:

During the financial year One (1) meetings of the Stakeholders Grievances Committee was held on March 12<sup>th</sup>, 2022. Attendance of the members is as follows:

Name of the Director	Category	No. of Meetings	
		Held	Attended
Mr. Devesh Poddar	Independent Director / Chairman	1	1
Mr. Mahabir Prasad Rungta	Executive Director/Managing Director	1	1
Ms. Shruti Rungta	Executive Director	1	1

Mr. Prateek Sharma is the Compliance Officer cum Company Secretary of the Company for this purpose of Regulation 34(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 to look after the compliances under SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and other SEBI Rules & Regulations, etc. The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including

the Companies Act, 2013 read with rules issued thereunder, Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India.

**COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)(B) TO (I) OF LISTING REGULATIONS**

S.No.	Particulars	Regulation	Compliance Status	Compliance Observed
1.	<b>Board of Directors</b>	17	Yes	<ul style="list-style-type: none"> <li>• Composition.</li> <li>• Meetings.</li> <li>• Review of compliance reports.</li> <li>• Plans for an orderly succession for appointments.</li> <li>• Code of Conduct.</li> <li>• Fees/compensation to non-executive Directors.</li> <li>• Minimum information to be placed before the Board.</li> <li>• Compliance Certificate.</li> <li>• Risk assessment and management.</li> <li>• Performance evaluation of Independent Directors.</li> </ul>
2.	<b>Audit Committee</b>	18	Yes	<ul style="list-style-type: none"> <li>• Composition.</li> <li>• Meetings.</li> <li>• Powers of the Committee.</li> <li>• Role of the Committee and review of information by the Committee.</li> </ul>
3.	<b>Nomination and Remuneration Committee</b>	19	Yes	<ul style="list-style-type: none"> <li>• Composition.</li> <li>• Role of the Committee.</li> <li>• Remuneration Policy</li> </ul>
4.	<b>Stakeholders Relationship Committee</b>	20	Yes	<ul style="list-style-type: none"> <li>• Composition.</li> <li>• Role of the Committee.</li> </ul>
5.	<b>Risk Management Committee</b>	21	NA	NA
6.	<b>Vigil Mechanism</b>	22	Yes	<ul style="list-style-type: none"> <li>• Review of Vigil Mechanism for Directors and employees.</li> <li>• Direct access to Chairperson of the Audit Committee.</li> </ul>
7.	<b>Related Party Transactions</b>	23	Yes	<ul style="list-style-type: none"> <li>• Policy on Materiality of Related Party transactions and dealing with Related Party Transactions.</li> <li>• Approval including the omnibus approval of the Audit Committee.</li> <li>• Review of Related Party transactions.</li> <li>• No material Related Party transactions.</li> </ul>
8.	<b>Subsidiaries of the Company</b>	24	NA	NA
9.	<b>Obligations with respect to Independent Directors</b>	25	Yes	<ul style="list-style-type: none"> <li>• Maximum directorships and tenure.</li> <li>• Meetings of Independent Directors.</li> <li>• Cessation and appointment of Independent Directors</li> <li>• Familiarization of Independent Directors.</li> </ul>
10.	<b>Obligations with respect to employees including Senior Management, Key Managerial Personnel, Directors and Promoters</b>	26	Yes	<ul style="list-style-type: none"> <li>• Memberships / Chairmanships in Committees.</li> <li>• The affirmation on compliance of the Code of Conduct by Directors and Senior Management.</li> <li>• Disclosure of shareholding by non-executive Directors.</li> </ul>
11.	<b>Other Corporate Governance requirements</b>	27	Yes	<ul style="list-style-type: none"> <li>• Filing of quarterly compliance report on Corporate governance.</li> </ul>

12.	<b>Website</b>	<b>46(2)(b) to (i)</b>	<b>Yes</b>	<ul style="list-style-type: none"> <li>Terms and conditions for appointment of Independent Directors.</li> <li>Composition of various committees of the Board of Directors.</li> <li>Code of Conduct of the Board of Directors and Senior Management Personnel.</li> <li>Details of the establishment of the Vigil Mechanism / Whistle-blower policy.</li> <li>Policy on dealing with Related Party Transactions.</li> <li>Policy for determining material subsidiaries.</li> <li>Details of familiarization programmes imparted to Independent Director.</li> </ul>
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**RECORDING MINUTES OF PROCEEDINGS AT BOARD AND COMMITTEE MEETINGS**

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board / Committee members for their comments as prescribed under Secretarial Standard-1. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

**SHARE TRANSFER SYSTEM**

M/s Beetal Financial & Computer Services Pvt. Ltd., Registrar & Share Transfer Agent (“RTA”) of the Company look after share transfer, transmission, transposition, dematerialization and re-materialization of shares, issue of duplicate share certificates, split and consolidation of shares, etc. The Board has delegated the authority for approving transfer, transmission, and so on of the Company’s securities to the Managing Director or Company Secretary. A summary of transfer/transmission of securities of the Company so approved by the Managing Director / Company Secretary is placed at the quarterly Board meeting and Stakeholders’ Relationship Committee. The Company obtains from a Company Secretary in Practice half-yearly certificate to the effect that all certificates have been issued within thirty days of the date of lodgment of the transfer, sub-division, consolidation, and renewal as required under Regulation 40(9) of the Listing Regulations and files a copy of the said certificate with Stock Exchanges.

Details of investor complaints received, redressed and pending during the financial year ended 31<sup>st</sup> March 2022.

Pending at the beginning of the year	Received during the year	Redressed/replied during the year	Pending at the end of year
Nil	Nil	Nil	Nil

**CEO/CFO CERTIFICATION**

The chairman and Managing Director and CFO have submitted certificate, in terms of Regulation 17(8) read with PART B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the Board of Directors in the Board meeting held on May 23, 2022.

**GENERAL BODY MEETINGS**

**A. Particulars of past three Annual General Meetings of the Company:**

Year	Date	Venue	Time
<b>2018-2019</b>	24.09.2019	The Executive Club, 439, Village Shahoorpur, P.O., Fatehpur Beri, New Delhi-110030.	11:00 A.M.
<b>2019-2020</b>	29.09.2020	101 Pragati Tower, Rajendra Place, New Delhi-110008	11:00 A.M.
<b>2020-2021</b>	30.09.2021	101 Pragati Tower, Rajendra Place, New Delhi-110008	05:00 P.M.

**B. Special Resolution passed in the last three Annual General Meeting of the Company:**

**1. At the 35<sup>th</sup> AGM held on 24<sup>th</sup> September 2019:**

- i. Approval of continuation of Mr. Abdul Kalam

**2. At the 36<sup>th</sup> AGM held on 29<sup>th</sup> September, 2020:**

- i. Re-appointment of Mr. Mahabir Prasad Rungta as Chairman cum Managing Director for a further period of Five years w.e.f September 29, 2020 to December, 2025.
- ii. Appointment of Ms. Shruti Rungta as a Whole-Time executive Director of the Company.
- iii. To consider and approve Loans, Investments, Guarantee or Security under Section 185 of Companies Act, 2013.
- iv. To approve the remuneration of Mr. Krishnamurthy Nagarur, Joint Managing Director of the Company.
- v. To approve the remuneration of Mr. Tarun Kumar Megotia, Whole-Time Director of the Company.

**3. At the 37<sup>th</sup> AGM held on 30<sup>th</sup> September, 2021:**

- i. To Appoint a Director in place of Ms. Shruti Rungta (DIN: 00229045), who retires by rotation, and being eligible offers herself for re-appointment.
- ii. To ratify the payment of remuneration to the Cost Auditor (S. Shekhar & Co., Cost accountants) for the Financial Year ending March 31, 2022, and in this regard, to consider and if thought fit, to pass, with or without modification(s).
- iii. To appoint, Mr. Tarun Kumar Megotia (DIN: 01098092) as Whole-Time Executive Director of the Company, and in this regard, to consider and if thought fit, to pass, with or without modification(s).

**VII. DISCLOSURES**

**A. Related Party Transactions:**

There are no materially significant related party transactions with its Promoters, the Directors or the Management, their Subsidiaries or Relatives, etc., which may have potential conflict with the interest of the company at large. The details of transactions with related parties are disclosed in the annual accounts for the Financial Year 2021-2022.

**B. Disclosure on Materially Significant Related Party Transactions:**

During the year, the Company had not entered into any contract/arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. There were no materially significant related party transactions during the financial year 2021-2022, that may have potential conflict with the interest at large. The details of the related party transaction as per the Accounting Standard-24 forms part of notes to the account. All the contracts/arrangements/ transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis. None of the transactions with any of the related parties were in conflict with the Company's interest. The Company's Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is put up on the Company's website and can be accessed at [www.rungtairrigation.in](http://www.rungtairrigation.in).

**C. Disclosure of Accounting Treatment;**

The company earlier followed accounting standards issued by the Institute of Chartered Accountants of India and in the preparation of the financial statement. The Company has adopted the IND AS w.e.f April 1, 2017. In pursuance of the notification issued by the Ministry of Corporate Affairs ("MCA"), notifying the Companies (Indian Accounting Standards (IND AS) Rules 2015, which stipulates the adoption and applicability of IND AS.

**D. Board Disclosures-Risk Management:**

The risk assessment and minimization procedures are in place and the audit committee of the Board is regularly informed about the business risks and the steps taken to mitigate the same.

**E. Management Discussion and Analysis Report:**

The management discussion and analysis report have been provided as **Annexure "B"** of the Directors Report.

**F. Certification from Managing Director and Chief Financial Officer of the Company:**

The requisite certification from Shri M. P. Rungta, Chairman Cum Managing Director and Ms. Swati Garg, Chief Financial Officer of the company for the Financial Year 2021-2022 required to be given under Regulation 17(8) was placed before the Board of Directors of the company and Board Meeting held on 23<sup>rd</sup> May 2022. A copy thereof is reproduced in this report.

**G. Details of Non-Compliance With Regard To Capital Market:**

With regard to the matter related to the capital market, the company has complied with all requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as well as the SEBI Regulations and Guidelines. In this regard, no penalties were imposed or strictures passed against the company by the Stock Exchanges, SEBI or any other authorities during the last three years. The company has paid listing fees to the Bombay Stock Exchanges and Annual Custodial Fees to the depositories for the financial year 2021-2022 in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. There were no penalties imposed nor strictures passed on the company whether stock Exchange, SEBI or any other statutory authorities on any matter related to the capital market, during the last three years.

**H. Details of Compliance with Mandatory Requirement and Adoption of Non-Mandatory Requirements as Per Securities and Exchange Board Of India (Listing Obligations & Disclosure Requirements) Regulations, 2015:**

The company has complied with all the mandatory requirements as mandated under Regulation 34(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. A certificate from the statutory auditors of the company to this effect has been included in this report. Besides the mandatory requirement, the company has constituted a Nomination and Remuneration Committee to consider and recommend the remuneration of the executive directors and administration. No person has been denied access to the Audit Committee.

**VIII. MEANS OF COMMUNICATION:**

**1. Quarterly results and publication thereof in newspapers:**

The Company's quarterly/half-yearly/ annual financial results are sent to the Stock Exchange and published in The Morning Standard (English) and Haribhoomi (Hindi) in the form prescribed by Regulation 47(1) (b) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015. Simultaneously, they are also put on the Company's website and can be accessed at [www.rungtairrigation.in](http://www.rungtairrigation.in).

**2. Display on website:**

Financial results, Shareholding pattern, Corporate Governance, code of conduct for prevention of and other information, etc. are displayed on the company's website [www.rungtairrigation.in](http://www.rungtairrigation.in).

**3. BSE Corporate Compliance & Listing Centre (“Listing Centre”):**

BSE’s Listing Centre is a web-based application designed for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are also filed electronically on the Listing Centre.

**4. SEBI Complaints Redress System (SCORES):**

SCORES is also a centralized web-based complaint redressal system. Through this system, investors can view online their current status of the complaints.

**5. COVID-19 Implications:**

In view of the COVID-19 pandemic and difficulties faced by the corporate, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated no 20/2020 dated May 5, 2020 directed the Companies to send Annual Report along with Notice of the AGM to all the members of the Company. The Annual Report, Notice of the AGM, Audited Financial Statements, Board Report, and Management Discussion and Analysis Report, Corporate Governance Report and other important information are displayed on Company’s website also.

**IX. GENERAL SHAREHOLDERS INFORMATION.**

**A. Annual General Meeting:**

Day & Date	Time	Venue
Monday, the 26 <sup>th</sup> day of September 2022	01.00 P.M	101, Pragati Tower, 26 Rajendra Place, New Delhi-110008

**B. Financial Year - 1<sup>st</sup> April to 31<sup>st</sup> March every year:**

Events	Tentative time frame
Financial Reporting for the first quarter ended 30 <sup>th</sup> June 2021	Second Week of September 2021
Financial Reporting for the second quarter ending 30 <sup>th</sup> September 2021	Second Week of November 2021
Financial Reporting for the third quarter ending 31 <sup>st</sup> December 2021	Second Week of February 2022
Financial Reporting for the fourth quarter ending 31 <sup>st</sup> March 2022	Fourth Week of May 2022

**C. Dates of Book Closure:**

The share transfer book and register of members of the company will remain closed from 24<sup>th</sup> September 2021 to 30<sup>th</sup> September 2021 (both days inclusive) for the purpose of the annual general meeting of the company.

**D. Dividend Payment Date:**

Not applicable.

**E. Listing on Stock Exchange:**

The Shares of the Company are listed on the Bombay Stock Exchange.

**F. BSE Stock Code/ Symbol: 530449:**

Demat ISIN in NSDL and CDSL for equity shares: INE34701013.

**G. Trading Window Closure:**

The trading window closure shall be applicable from the end of year and end of every quarter till 48 hours after the declaration of financial results.

**H. Participation and Voting at AGM:**

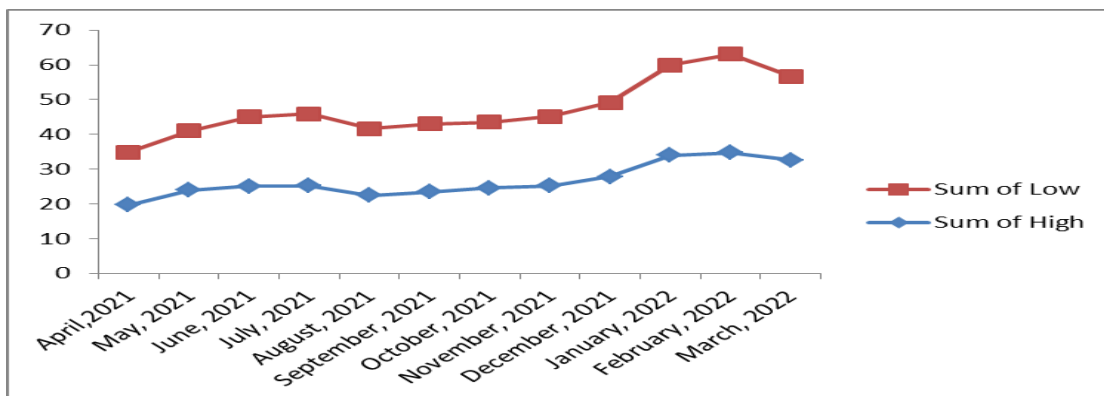
In accordance with General Circular numbers 19/2021 dated 08.12.2021, 21/2021 dated 14.12.2021 and 02/2022 dated 05.05.2022 by the Ministry of Corporate Affairs (“MCA”) and SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the 38<sup>th</sup> AGM of the Company will be conducted through video-conferencing.

**G. Market Price Data:**

**BOMBAY STOCK EXCHANGE (BSE SENSEX):**

Month	High(Rs.)	Low(Rs.)
April, 2021	19.70	15.20
May, 2021	24	16.95
June, 2021	25.05	20.00
July, 2021	25.20	20.75
August, 2021	22.40	19.25
September, 2021	23.50	19.50
October, 2021	24.60	18.95
November, 2021	25.20	19.95
December, 2021	27.80	21.30
January, 2022	33.95	26.05
February, 2022	34.75	28.35
March, 2022	32.55	24.15

**H. Stock Price chart of Rungta Irrigation Limited:**



**I. Registrar and Share Transfer Agent & Share Transfer System:**

M/s. Beetal Financial & Computer Services Private Limited is the Registrar and Share Transfer Agent for the shares of the Company in both physical as well as electronic modes. The Company has authorized the

Registrar and Transfer Agent to approve and execute transfer and transmission of shares. All correspondence with regard to share transfers and matters related therewith may directly be addressed to the Registrar and Share Transfer Agents at the address given below:

Particulars	<b>BEETAL FINANCIAL &amp; COMPUTER SERVICES PRIVATE LIMITED</b>
Contact Person	Mr. Punit Mittal
Address	Beetal House, IIIrd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdass Mandir, New Delhi-110062
Phone Nos.	29961281 & 29961282
Email ID	<a href="mailto:beetalrta@gmail.com">beetalrta@gmail.com</a>

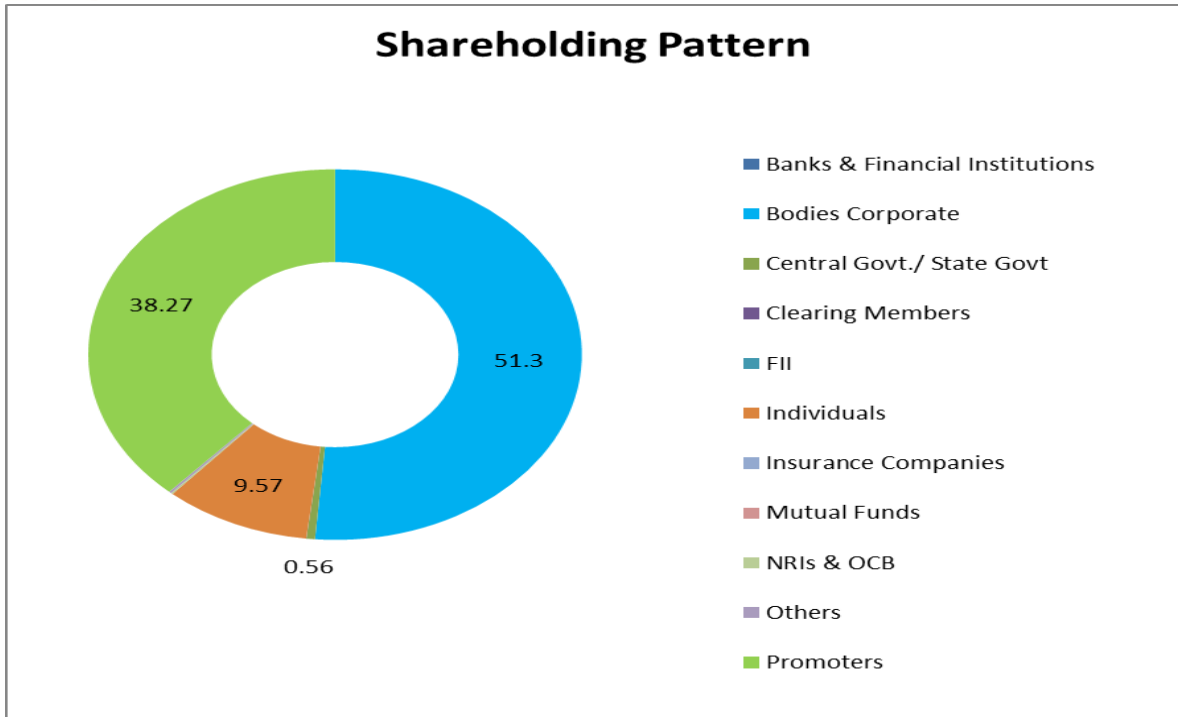
**J. Distribution of Shareholding as on 31<sup>st</sup> March 2022:**

Slab of Shareholding (Rs.)	No. of Shareholders	% of Shareholders	Amount in Rs.	% of Shareholding
0-5000	2253	90.12	31,74,330	3.5843
5001-10000	70	2.80	5,48,290	0.6191
10001-20000	49	1.96	7,43,030	0.8390
20001-30000	45	1.80	11,80,120	1.3326
30001-40000	33	1.32	11,24,280	1.2695
40001-50000	13	0.52	5,98,150	0.6754
50001-100000	11	0.44	6,94,380	0.7841
100001 and above	26	1.04	8,04,98,420	90.8960
<b>Total</b>	<b>2,500</b>	<b>100.00</b>	<b>88561000</b>	<b>100.00</b>

**K. Categories of Shareholders as per Clause 31 of SEBI (LODR) Regulations, 2015. (As on March 31, 2022)**

Category	No. of Shareholders	% of Shares	No. of Shares
<i>Promoters</i>	10	38.27	33,88,900
<i>Mutual Funds</i>	NIL	-	NIL
<i>Banks &amp; Financial Institutions</i>	NIL	-	NIL
<i>Insurance Companies</i>	NIL	-	NIL
<i>Central Govt./ State Govt</i>	1	0.56	50,000
<i>FII</i>	NIL	-	NIL
<i>Bodies Corporate</i>	23	51.30	45,43,474
<i>Individuals</i>	2298	9.57	8,47,742
<i>NRIs &amp; OCB</i>	8	0.12	10,810
<i>Others</i>	32	0.17	15,044
<i>Clearing Members</i>	2	0.00	130





**Dematerialization of shares and liquidity:**

As on 31<sup>st</sup> March 2022, a total of **57,11,234 shares** of the company, which forms **64.489%** of the Company’s Share Capital, stands in dematerialized form. The company has entered into agreements with National Security Depository Limited (NSDL) and Central Depository Services Limited (CDSL) for this purpose. The Company’s shares are regularly traded on the Bombay Stock Exchange.

**M. Plant Locations:**

UNIT-1  
C-165, Industrial Area,  
Bulandshehar Road, Ghaziabad (U.P.).

UNIT-2  
Village Advipolam,  
Distt. Yanam, Pondicherry.

**N. Address for Correspondence:**

The shareholders may send their grievances/ queries to the Registrar and Share Transfer Agents at their Address mentioned above or to the Company at:

- |   |   |
|---|---|
| <p>1. <b><u>Secretarial Department</u></b><br/>Rungta Irrigation Limited,<br/>101, Pragati Tower, 26, Rajendra Place, New<br/>Delhi-110008<br/>e-mail: <a href="mailto:cs@rungtairrigation.in">cs@rungtairrigation.in</a></p> | <p>2. <b><u>M/s. Beetal Financial &amp; Computer Services Pvt.Ltd.,</u></b><br/>Beetal House, 3<sup>rd</sup> Floor,99, Madangir, Behind Local<br/>Shopping Centre, Near Dada Harsukhdas Mandir,<br/><u>New Delhi-110062.</u><br/>e-mail:beetalrta@gmail.com</p> |
|---|---|

**O. Unclaimed Dividends:**

The unclaimed dividend for the financial years 1996-1997 to 1999-2000 has been transferred to the Investors Education and Protection Fund (IEPF) within the stipulated time except dividend amounting to Rs. 9,89,450/- which is under dispute and kept in abeyance.

**P. Non- Mandatory Requirements:**

The Company at present has not adopted the non-mandatory requirements in regards to sending of half-yearly financial performance to the shareholders at their residence. Postal Ballots as required by the Companies Act will be followed by the company.

**XIII. Additional Information**

**A. Code of Conduct:**

In terms of the requirement of Regulation 17(5)(a) of LODR & Section 149(8) read with Schedule IV of the Companies Act, 2013, the Board of Directors of the Company, in line with the Corporate Philosophy, laid down the Code of Conduct (“Code”) for all Board Members and Senior Management of the Company. The Code is displayed at the Company’s website <http://rungtairrigation.com/> (Under Investors Section).

**B. Independence and Familiarization Programme for the Independent Directors:**

The Company conducts Familiarization Programme for the Independent Directors to provide them an opportunity to familiarize themselves with the Company, its management, and its operations. As per Section 149(7) of the Companies Act, 2013, the Company has received a declaration of independence from all the Independent Directors as on March 31, 2020.

**C. Code of Conduct to prevent Insider Trading:**

The Company has formulated the Code of Conduct to prevent Insider Trading as per SEBI Regulation. In pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the existing code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and its Immediate Relative was amended to align it with amended Regulation. This Code was amended on February 07, 2019 and had been effective from April 1, 2019.

**D. Whistle Blower Policy/ Vigil Mechanism:**

The Company believes that the conduct of the Company should be governed in a fair and transparent manner. The Company has adopted Whistle Blower Policy that enables employees, directors and stakeholders to raise concerns on discovering information related to serious malpractices, irregularities or any unethical behavior. The Policy also provides an opportunity to have direct access to the Chairman of the Audit committee in exceptional cases.

**E. Policy on Sexual Harassment:**

The Company as an employer is committed to create a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company believes that all employees of the Company have the right to be treated with dignity and the Company recognizes consequences of sexual harassment as sexual harassment can subject individuals to fear, stress and anxiety. Therefore, in order to deal with sexual harassment at workplace, the Company has set out a Policy on Prevention and Redressal of Sexual Harassment of Women at Workplace as per Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules thereof.

Status of Complaints received relating to Sexual Harassment during FY2022:

<u>Particulars</u>	<u>No. of Complaints</u>
No. of complaints filed during the Financial year	Nil
No. of Complaints disposed of during the Financial year	NA
No. of complaints pending as on end of the Financial year	NA

**F. Certificate from Company Secretary in Practice:**

Mr. Ajit Mishra, Practicing Company Secretaries, has given minor observations find out during the FY 21-22 and the same has been rectified by the company accordingly.

Also they confirmed that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

The certificate is attached as **“Annexure G”** to the Corporate Governance Report.

**For and on behalf of the Board of Directors**

**Sd/-**

**Mahabir Prasad Rungta**

**Chairman cum Managing Director**

**Delhi, September 03, 2022**

## Annexure “B”

### MANAGEMENT’S DISCUSSION AND ANALYSIS REPORT

#### **1. Company Profile:**

Rungta Irrigation Limited being a part of Rungta Group of Companies is owned & managed by the group of people having wealth of experience & high expertise. Currently, it is one of the largest & leading manufacturers of Self fit PVC pipes, Elastomeric PVC Pipes, Casing Pipes, HDPE Pipes, MDPE pipes, PLB Duct, Sprinkler Irrigation Systems & Drip Irrigation System. It is an ISO 9001: 2015 company, with 29 years of successful journey and one of the reputed manufacturers of plastic extruded pipes in PAN India with the brand name of “RUNGTA”. We are associated with major states like Uttar Pradesh, Madhya Pradesh, Maharashtra, Gujarat, Telangana, Tamil Nadu, Karnataka, Rajasthan, Haryana, Punjab, Himachal Pradesh, Uttarakhand, Jharkhand, Bihar, West Bengal, Odisha for execution of micro irrigation system (Online drip, Inline drip, Mini Sprinkler, Micro Irrigation, Rain gun, Portable sprinkler sets, UGPL systems). All the products confirm to the latest relevant IS / ISO & other specifications. It is being marketed PAN INDIA through a network of authorized distributors from our branch offices at Bhiwani, Jabalpur, Hyderabad, Raipur, Ranchi, Kolkata, Patna, Bhubaneswar & Chennai.

#### **2. Industry overview:**

The financial year 2021-2022 started with a bleak mindset on the global economy, the Business environment globally had to bear the severe impact of COVID-19 pandemic second wave disrupting the demand supply situation causing unprecedented inflation in sourcing cost. However, the Indian Economy displayed remarkable resilience.

The effects of Covid disruptions can be seen nationwide, however, the extent of its impact on key sectors like water, wastewater and agriculture is uncertain. The Government is taking several initiatives to protect our sector. Several initiatives and new projects in the areas of major irrigation, minor irrigation, watershed management is been facilitated. The company managed to perform relatively better since it is driven more by domestic consumption. It is anticipated that there shall be increased business opportunities for the company in the near future.

#### **3. Outlook on opportunities, threats, risks, and concerns:**

We are into the business of Micro irrigation (Drip & Sprinkler irrigation system). Farmers are main users of this modern irrigation system. Also, half of the population of our country depends on agriculture for their livelihood. Every year, risks of shortfall in rain, uneven distribution of rainfall, competition from small manufacturers of unorganized sectors, seasonality and drought like situations are faced by the industries. Although this time there were some additional factors responsible for the drip in the market trends and opportunities like 2<sup>nd</sup> wave of pandemic and on-going war between Ukraine and Russia. This although reduced ample business opportunities for the Companies in this Industry, and to reduce this effect, the Government of India has launched number of schemes like e-NAM (National Agricultural Market), PMKSY(Pradhan Mantri Krishi Sinchayee Yojana), PKVY( Paramparagat Krishi Vikas Yojana), Interest Subvention scheme and PMFBY( Pradhan Mantri Fasal Bima Yojana) that favors the farmers and agricultural sectors. The main aim of the government is to promote farming sector to help improve their economic conditions. All products are manufactured as per the latest standards of BIS & ISO.

#### **4. Internal Control System & Adequacy:**

The company has an adequate system of internal controls commensurate with the size and nature of the business of the company designed to provide reasonable assurance that assets are safeguarded;

transactions are executed in accordance with the management’s authorization and properly recorded. Accounting records are adequate for the preparation of financial statements and other financial information. Internal audit is conducted on a continuous basis to ascertain the adequacy and effectiveness of internal control systems. Their observations are reviewed by the senior management and the Audit Committee.

**5. Financial Performance:**

The Sales Turnover for the year under review was Rs.7,025.84 Lakhs as compared to Rs. 4445.29 Lakhs for the previous year ended March 31, 2021. The company was able to earn a profit after tax for the year under review of Rs.127.72 Lakhs as against a profit of Rs. 55.43 Lakhs for the previous year.

**6. Material Development in H.R. Fronts:**

Human capital is the most crucial asset of the Company, the Company has to continue to invest in the development of its employees, which is very important for ensuring sustained high performance. The company is in the process of strengthening and introducing a system that would enable employees to track their own progress as well as bring up issues that concern them and the company for better performance. The industrial relation continued to remain cordial throughout the year.

As on March 31, 2022, the total number of employees in your Company was 259.

**7. Key Financial Ratios:**

The Key Financial Ratios of the Company are given as follows:

Ratio	Standalone	
	FY 2022	FY 2021
Particulars		
Inventory Turnover (Times)	4.15	3.74
Current Ratio (Times)	2.12	2.80
Debt Equity Ratio (Times)	0.35	0.25
Net Profit (%)	1.78%	1.15%
Return on Investment (%)	57.69%	78.82%
Debt Services Coverage Ratio	1.34	(1.20)
Return on Capital Employed(%)	4.31%	3.65%
Trade Receivable Turnover Ratio	2.17	1.69
Trade Payable Turnover Ratio	57.89	20.53
Net Capital Turnover Ratio	1.74	1.07
Return on Equity(%)	2.18%	1.23%

**Cautionary Note**

This management Discussion and Analysis Report contain forward looking statements based on expectations and predictions in line with applicable laws, rules and regulations. Actual results may deviate from those expressed or implied. Ongoing happenings and intervening government policies could make a difference in the Company’s operations resulting in deviations.

For and on behalf of the Board of Directors  
 Sd/-  
 Mahabir Prasad Rungta  
 Chairman cum Managing Director  
 Delhi, August 13, 2022

## CEO AND CFO CERTIFICATION

The Chairman cum Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Chairman and Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations. The annual certificate given by the Chairman and Managing Director and the Chief Financial Officer is published in this Report.

### CEO / CFO CERTIFICATE

To,  
The Board of Directors  
Rungta Irrigation Limited

**Sub: Certificate under Regulation 17(8) and Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;**

1. We have reviewed financial statements and the cash flow statement of Rungta Irrigation Limited for the year ended 31<sup>st</sup> March 2022 and to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omission of any material Fact or contain a statement that might be misleading.
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with applicable Accounting Standards, Applicable Laws and Regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal or in violation of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and the same has been disclosed in the notes to the financial statement; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-  
Swati Garg  
(Chief Financial Officer)  
Delhi, May 23, 2022

Sd/-  
Mahabir Prasad Rungta  
(Chairman and Managing Director)  
Delhi, May 23, 2022

## **Annexure “C”**

### **Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To the Members  
Rungta Irrigation Limited  
101, Pragati Tower, 26, Rajendra Place,  
New Delhi- 110008

1. The Corporate Governance Report prepared by Rungta Irrigation Limited (“the Company”), contains details as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the Listing Regulations”) (“applicable criteria”) with respect to Corporate Governance for the year ended March 31, 2022. This certificate is required by the Company for annual submission to the Stock exchange and to be sent to the shareholders of the Company.

#### **Management’s Responsibility**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors is also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

#### **Auditor’s Responsibility**

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India (“ICAI”). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditors’ judgment, including the assessment of the risks associated with compliance with the Corporate Governance Report with the applicable criteria. The procedure includes, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors.
8. The procedures also include examining the evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

**Opinion**

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations are given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2022, referred to in paragraph 1 above.

**For Mamraj & Co.**  
**Chartered Accountants**  
**FRN No. 006396N**

**Sd/-**  
**CA Mamraj Agarwal**  
**Partner**  
**Membership No.084944**  
**UDIN: 22084944AQKAZJ4026**

**Date:13-08-2022**  
**Place: New Delhi**



## **Annexure “D”**

### **Remuneration Policy for Directors, Key Managerial Personnel and other employees**

#### **1. Purpose:**

The purpose of this “Remuneration Policy” is to provide a framework and principles which will guide the remuneration strategy of Rungta Irrigation Limited (“Company”) for its Directors including the Managing Director and Whole Time Director(s), Key Managerial Personnel and other employees. The Remuneration Policy shall ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate its Directors and personnel to guide and manage the Company successfully.

#### **2. Definitions:**

In this Remuneration Policy, unless the context otherwise requires:

- “**Act**” means the Companies Act, 2013 including any modification or re-enactment thereof;
- “**Board**” means the Board of Directors of the Company;
- “**Committee**” means Nomination and Remuneration Committee of the Board constituted in accordance with the provisions of Section 178 of the Act and the Listing Regulations;
- “**Employees’ Stock Options**” means the options given or to be given by the Company to the Managing Director and/ or employees of the Company which gives them the right to purchase, or to subscribe for, the equity shares of the Company at a future date at a pre-determined price;
- “**Independent Director**” means the independent director of the Company appointed in pursuance of the Act and Listing Regulations;
- “**Key Managerial Personnel**” or “**KMP**” means the person(s) appointed as such in pursuance of Section 203 of the Act read with Section 2(51) of the Act;
- “**Listing Regulations**” means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended or replaced from time to time;
- “**Management Committee**” means a committee of the Company comprising of employees holding the position of Vice President or above and KMPs;
- “**Relevant Laws**” means the Act, Rules and Listing Regulations;
- “**Remuneration**” means any money or its equivalent is given or passed to any person for services rendered by him/ her and includes perquisites and other benefits;
- “**Rules**” means the rules framed under the Act, as amended or replaced from time to time; and
- “**Senior Management**” means the employee of the Company holding the position of Vice President or above, Company Secretary and Chief Financial Officer of the Company.

#### **3. Appointment And Removal Of Directors, KMPs And Senior Management Personnel:**

Appointment Criterion and Qualifications:

A person proposed to be employed by the Company at Senior Management shall fulfill the following criterion:

- a) He/she should be a person of integrity with a high level of ethical standards.
- b) The person should possess the adequate qualification, positive attributes, expertise and experience commensurate with the position he/she is considered for appointment. The Committee has the discretion to decide whether qualifications, expertise, and experience possessed by a person are sufficient/adequate for the concerned position.
- c) The person should not have been convicted by a court of law of any offense, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for 6 months or more during the last 5 years or imprisonment for 7 years or more at any point in time.

- d) The person should possess requisite qualifications (wherever applicable) as may be prescribed under any law, rules, regulations and Listing Regulations.
- e) The persons proposed to be appointed as Directors including Managing Director or Whole Time Director(s) shall fulfill the following criterion:
- f) He/she should be a person of integrity with a high level of ethical standards.
- g) The person should have requisite qualifications and experience in any of the areas like technical, finance, law, public administration, management, marketing, production, human resource, etc., as may be required in the context of the business and operations of the Company. The Committee has the discretion to decide whether the qualifications, expertise, and experience possessed by a person are sufficient/ satisfactory for the concerned position.
- h) The person should not have been disqualified to be a director as per the provisions of the Act, Rules and any other law and regulation for the time being in force.
- i) In the case of appointment as Independent Director, the person should fulfill the criterion of independence prescribed under the Act, Rules and the Listing Regulations.

**Recommendation of the Committee:**

Depending upon the requirement of the Company, the Committee shall identify the persons who are qualified to become Directors including Managing Director and Whole Time Director(s) and who may be appointed in Senior Management and as Key Managerial Personnel in accordance with the criterion mentioned above and recommend to the Board their appointment including the remuneration and other terms of their appointment.

The Committee shall also recommend to the Board, all Remuneration in whatever form payable to the Directors including Managing Director and Whole Time Director(s), KMPs and Senior Management personnel including the increment and performance incentive payable to them.

While considering the Appointment and Remuneration of Directors including Managing Director and Whole Time Director(s), KMPs and Senior Management personnel, the Board shall take into consideration the recommendations of the Committee in this regard. Unless it is required to be determined/approved by the Board or Committee or any other committee of the Board in pursuance of any provision of law, rules or regulation, the terms of employment and Remuneration including increment, performance incentive, etc. of the employees (excluding Senior Management) are determined by the Management Committee or Managing Director of the Company.

**Removal:**

Due to any disqualification mentioned in the Act, Rules or under any other law, rules and regulations or violation of the Code of Conduct and Ethics of the Company, the Committee may recommend to the Board, removal of the concerned Director including Managing Director and Whole Time Director, KMP or Senior Management personnel from the services of the Company, with the reasons recorded in writing. Such removal of a Director, KMP or Senior Management personnel by the Board shall be subject to the provisions and in compliance of the Act, Rules and any other laws, rules and regulations, as may be applicable.

**Retirement:**

Unless removed by the competent authority,

- a) A Director including Managing Director and Whole Time Director(s), if any, shall retire as per the terms of his/ her appointment / re-appointment.
- b) Senior Management personnel shall retire as per the prevailing retirement policy of the Company.
- c) The Board shall have the discretion to retain KMPs or Senior Management personnel on the same or similar position, remuneration or otherwise even after their attaining the age of superannuation, as it may deem fit.

**4. Remuneration Structure & Components:**

**Managing Director and Whole Time Director(s)**

The Managing Director and Whole Time Director(s) shall be paid both fixed and variable components of Remuneration subject to the provisions of the Act, Rules and other laws, rules and regulations and the Listing Regulations. The variable component of Remuneration shall have a co-relationship with the performance of such a Director against a prescribed benchmark along with the factors such as the financial performance of the Company. The Committee shall recommend to the Board from time to time Remuneration packages for Managing Director(s) and Whole Time Director(s) keeping a balance between fixed and variable pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals including internal comparison amongst compensation of Managing Director / Whole Time Director(s) and median employee pay.

**Non-Executive Directors**

Non-executive Directors shall be paid an adequate and reasonable sitting fee for attending meetings of the Board and committees thereof subject to the maximum amount permissible under the Act and Rules. Subject to the adequacy of the profits and approval of the Shareholders, the Company may pay commission to the Non- Executive Directors of the Company.

The Board shall determine the appropriate criterion for payment of commission to Non- Executive Directors which may include the time devoted by the Directors for the business of the Company, the contribution made by the Director in the functioning of the Company, etc.

**Other KMPs and Employees**

The payment structure, salary levels and policies pertaining to perquisites and benefits including retirement benefits are designed as per the industry practice, business needs or other factors related to the business of the Company.

The Human Resource Department undertakes a review of the Remuneration through periodic benchmarking exercises, surveys and/ or market trends. The various Remuneration components are combined to ensure an appropriate and balanced Remuneration package depending upon the level of employee, job profile, performance, future potential, and other relevant variables.

The Remuneration of Senior Management personnel and other employees are based on the following main principles:

- a) Demand-supply relationship of the concerned job expertise.
- b) The need of the organization to retain and attract talent and its ability to pay.
- c) Employees' social aspiration for enhancing the standard of living.
- d) Compensation Trends in the industries in which the Company operates.

The compensation of Senior Management personnel comprises of the fixed component as well as performance-based incentives apart from perquisites and benefits including retirement benefits. While recommending the increment and performance incentive of Senior Management personnel, the Committee shall strike a balance between fixed and variable pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The Remuneration package of other employees depends upon the nature of the business, job profile and other factors mentioned above. Apart from a fixed component, the package may include one or more variable components such as performance-based incentives, annual bonus, production linked bonus, etc., as the case may be.

**5. General:**

This Remuneration Policy can be amended, modified or revised by the Board from time to time. In case any provisions of this Remuneration Policy are contrary or inconsistent with the provisions of the Relevant Laws, the provisions of Relevant Laws shall prevail.

**Annexure “E”**  
**FORM NO. AOC-2**

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

**Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to subsection (1) of section 188 of the Companies Act, 2013 including certain Arm Length transaction under third proviso thereto.**

**1. Details of Contracts or Arrangements or Transactions not at Arm’s Length basis – Not Applicable**

**2. Details of Contracts or arrangements or transactions at Arm’s length basis.**

Name(s) of the related party & nature of the relationship	Nature of the contracts/arrangements/transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount paid as advances if any
Smt. Urmila Rungta (Wife of Shri Mahabir Prasad Rungta)	Appointment in office or place of profit	Salary from the Month of April 1, 2021, till March 31, 2022	7,64,482/-	NIL
	Rent Agreement	11 month starting from April 1, 2021	13,50,000/-	NIL
Smt. Priya Rungta (Daughter of Shri Mahabir Prasad Rungta)	Appointment in office or place of profit	Remuneration from the Month of April 1, 2021, till March 31, 2022	12,59,310/-	NIL
Smt. Jyoti Rungta (Daughter of Shri Mahabir Prasad Rungta)	Appointment in office or place of profit	Salary from the Month of April 1, 2021, till March 31, 2022	10,52,646/-	NIL
Shri Mahabir Prasad Rungta (Chairman Cum Managing Director)	Rent Agreement	11 month starting from April 1, 2022	4,02,000/-	NIL
Smt. Namrata Megotia	Appointment in office or place of profit	Salary from the Month of April 1, 2021, till March 31, 2022	7,79,315/-	NIL
Ramgarh Sponge Iron Pvt. Ltd.	Loan Given	One Time	1,77,29,047/-	NIL
	Loan Taken	One Time	7,27,00,000/-	NIL
	Loan Repaid	One Time	1,80,000/-	NIL
Deserve Dealtrade Pvt. Ltd.	Interest Paid	One Time	12,77,142/-	NIL
	Loan Repaid	One Time	2,00,00,000/-	NIL
Gladiolus Finance	Reimbursement	One Time	843/-	NIL

Consultants Private Limited	Interest Received	One Time	22,10,409/-	NIL
	Loan Taken	One Time	9,49,55,188/-	NIL
Samara Realty Pvt. Ltd.	Rent Agreement	11 month starting from April 1, 2021	4,80,000/-	NIL
Shri Ram Powers & Steel Pvt. Ltd.	Loan Taken	One Time	2,65,00,000/-	NIL
	Loan Repaid	One Time	2,65,00,000/-	NIL
	Reimbursement	One Time	607.08	NIL

For and on behalf of the Board of Directors

Sd/-

Mahabir Prasad Rungta  
Chairman and Managing Director  
Delhi, April 15, 2022

**Annexure “F”**

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

**As on financial year ended on March 31, 2022**

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

<b>Registration and other Details</b>	
CIN	L74899DL1986PLC023934
Registration Date	17.04.1986
Name of the Company	RUNGTA IRRIGATION LIMITED
Category/Sub-category of the Company	Public Company Limited by share
Address of the Registered office & contact details	101, Pragati Tower, 26 Rajendra Place, New Delhi – 110008
Whether listed Company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	BEETAL Financial & Computer Services Pvt Ltd. BEETAL HOUSE, 3rd Floor, 99, Madangir, behind LSC, New Delhi - 110062 Ph. 011-29961281-283 Fax 011-29961284
<b>Principal Business Activities of the Company</b>	
All the business activities contributing 10% or more of the total turnover of the Company	As per Attachment A
<b>Particulars of holding, subsidiary, and associate companies</b>	As per Attachment B
<b>Shareholding Pattern (Equity Share Capital breakup as a percentage of total equity)</b>	
Category-wise Shareholding	As per Attachment C
Shareholding of Promoters	As per Attachment D
Change in Promoters' Shareholding	As per Attachment E
Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment F
Shareholding of Directors and Key Managerial Personnel	As per Attachment G
<b>Indebtedness</b>	
Indebtedness of the Company including interest outstanding /accrued but not due for payment	As per Attachment H
<b>Remuneration of Directors and Key Managerial Personnel</b>	
Remuneration to Managing Director (MD), Whole-time Directors (WTD) and /or Manager	As per Attachment I
Remuneration to other directors	As per Attachment J
Remuneration to Key Managerial Personnel other than MD / Manager / WTD	As per Attachment K
<b>Penalties / Punishment/ Compounding of Offences</b>	As per Attachment L

**Attachment 'A'**

**Principal Business Activities of the Company**

All the business activities contributing 10% or more of the total turnover of the company are given below: -

S.No.	Name and Description of the main products /services	NIC Code of the Product/service	% of the total turnover of the company
1.	Drip & Sprinkler Irrigation System	01612	50.45%

**Attachment 'B'**  
**Particulars of holding, subsidiary, and associate companies**

S.No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	-	-	-	-	-

**Attachment 'C'**  
**Shareholding Pattern (Equity Share Capital breakup as a percentage of total equity)**  
Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on March 31, 2022]				No. of Shares held at the end of the year [As on March 31, 2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	3173000	178100	3351100	37.84%	3169600	181500	3351100	37.84%	0.00%
b) Central Govt.	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s).	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	37800	37800	0.43%	-	37800	37800	0.43%	(0.43%)
e) Banks / F.I.	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	3173000	215900	3388900	38.27%	3169600	219300	3388900	38.27%	(0.43%)
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>TOTAL (A)</b>	<b>3173000</b>	<b>215900</b>	<b>3388900</b>	<b>38.27%</b>	<b>3169600</b>	<b>219300</b>	<b>3388900</b>	<b>38.27%</b>	<b>(0.43%)</b>

**B. Public Shareholding**

<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	50000	-	50000	0.56%	50000	-	50000	0.56%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%

f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(1)</b>	<b>50000</b>	<b>-</b>	<b>50000</b>	<b>0.56%</b>	<b>50000</b>	<b>-</b>	<b>50000</b>	<b>0.56%</b>	<b>0.00%</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	2187865	2229100	4416965	51.24%	2192479	2345800	4538279	51.24%	0.59%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	250492	538703	789195	8.91%	255896	542668	796664	9%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	20247	38300	58547	0.66%	20247	38300	58547	0.66%	0.00%
c) Others (Clearing Member)	130	-	130	0.00%	601	-	601	0.01%	0.01%
Non Resident Indians	4039	6771	10810	0.12%	1868	6100	7968	0.09%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
HUF	15044	-	15044	0.17%	15141	-	15141	0.17%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>2477817</b>	<b>2812874</b>	<b>5290691</b>	<b>61.17%</b>	<b>2486232</b>	<b>2930968</b>	<b>5417200</b>	<b>61.17%</b>	<b>0.86%</b>
<b>Total Public (B)</b>	<b>2527817</b>	<b>2812874</b>	<b>5340691</b>	<b>61.73%</b>	<b>2536232</b>	<b>2930968</b>	<b>5467200</b>	<b>61.73%</b>	<b>0.86%</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	<b>5700817</b>	<b>3028774</b>	<b>8856100</b>	<b>100%</b>	<b>5705832</b>	<b>3150268</b>	<b>8856100</b>	<b>100%</b>	<b>0.00%</b>



**Attachment 'D'**

**Shareholding Pattern (Equity Share Capital breakup as a percentage of total equity)**

Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year [As on March 31, 2022]			No. of Shares held at the end of the year [As on March 31, 2021]			% change in shareholding during the year
		No. of Shares	% of the total shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of the total shares of the company	% of Shares Pledged/encumbered to total shares	
1.	Shri Nand Kishore Rungta	142800	1.61%	-	142800	1.61%	-	0.00%
2.	Smt. Urmila Rungta	501400	5.66%	-	498200	5.63%	-	0.03%
3.	Deepak Rungta	-	-	-	1700	0.02%	-	0.00%
5.	Shri Sunil Rungta	-	-	-	1700	0.02%	-	0.00%
6.	Shri Ram Chandra Rungta	34200	0.39%	-	34200	0.39%	-	0.00%
7.	Smt. Shalini Rungta	-	-	-	1500	0.02%	-	0.00%
8.	Smt. Menakshi Rungta	1100	0.01%	-	1100	0.01%	-	0.00%
9.	Shri Mahabir Prasad Rungta	1347300	15.21%	-	1345600	15.19%	-	0.02%
10.	Smt. Priya Rungta	812900	9.18%	-	812900	9.18%	-	0.00%
11.	Smt. Shruti Rungta	511400	5.77%	-	511400	5.77%	-	0.00%
12.	Sky Blue Earth Movers & Investment Pvt. Ltd.	34300	0.39%	-	34300	0.39%	-	0.00%
13.	Rungta Projects Ltd.	500	0.01%	-	500	0.01%	-	0.00%
14.	Bir Auto Agencies Pvt. Ltd.	3000	0.03%	-	3000	0.03%	-	0.00%

**Attachment 'E'**

**Shareholding Pattern (Equity Share Capital breakup as a percentage of total equity)**

Change in Promoters' Shareholding

Particulars	Shareholding during the year (01-04-2020 to 31-03-2021)		Shareholding during the year (01-04-2021 to 31-03-2022)	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	3441500	38.86	3388900	38.27
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus /sweat equity, etc.)	Note-I	Note-I	Note-I	
At the end of the year	3388900	38.27	3388900	38.27

**Note-I Details of Increase and Decrease in Promoters' Shareholding**

				Cumulative Shareholding

S.No.	Particulars	Date	Reason	Shareholding		during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	Smt. Urmila Rungta						
	<i>At the beginning of the year</i>	1 <sup>st</sup> April 2021		498200	5.63%	498200	5.63%
	<i>At the end of the year</i>	31 <sup>st</sup> March 2022		501400	5.66%	501400	5.66%
2.	Shri Deepak Rungta						
	<i>At the beginning of the year</i>	1 <sup>st</sup> April 2021		1700	0.02%	1700	0.02%
	<i>At the end of the year</i>	31 <sup>st</sup> March 2022		-	-	-	-
3.	Shri Sunil Rungta						
	<i>At the beginning of the year</i>	1 <sup>st</sup> April 2021		1700	0.02%	1700	0.02%
	<i>At the end of the year</i>	31 <sup>st</sup> March 2022		-	-	-	-
4.	Smt. Shalini Rungta						
	<i>At the beginning of the year</i>	1 <sup>st</sup> April 2021		1500	0.02%	1500	0.02%
	<i>At the end of the year</i>	31 <sup>st</sup> March 2022		-	-	-	-
5.	Shri Mahabir Prasad Rungta						
	<i>At the beginning of the year</i>	1 <sup>st</sup> April 2021		1345600	15.19%	1345600	15.19%
	<i>Changes during the year</i>	13 <sup>th</sup> November 2020	Purchase	1700	0.9%	1700	15.19%
	<i>At the end of the year</i>	31 <sup>st</sup> March 2022		1347300	15.21%	1347300	15.21%
6.	Smt. Priya Rungta						
	<i>At the beginning of the year</i>	1 <sup>st</sup> April 2021		812900	9.18%	812900	9.18%
	<i>At the end of the year</i>	31 <sup>st</sup> March 2022		812900	9.18%	812900	9.18%
7.	Smt. Shruti Rungta						
	<i>At the beginning of the year</i>	1 <sup>st</sup> April 2021		511400	5.77%	511400	5.77%
	<i>At the end of the year</i>	31 <sup>st</sup> March 2022		511400	5.77%	511400	5.77%
8.	Sky Blue Earth Movers & Investment Pvt. Ltd.						
	<i>At the beginning of the year</i>	1 <sup>st</sup> April 2021		34300	0.39%	34300	0.39%
	<i>At the end of the year</i>	31 <sup>st</sup> March 2022		34300	0.39%	34300	0.39%
9.	Shri Nand Kishore Rungta						
	<i>At the beginning of the year</i>	1 <sup>st</sup> April 2021		142800	1.61%	142800	1.61%
	<i>At the end of the year</i>	31 <sup>st</sup> March 2022		142800	1.61%	142800	1.61%

10.	Shri Ram Chandra Rungta						
	At the beginning of the year	1 <sup>st</sup> April 2021		34200	0.39%	34200	0.39%
	At the end of the year	31 <sup>st</sup> March 2022		34200	0.39%	34200	0.39%
11.	Rungta Projects Ltd.						
	At the beginning of the year	1 <sup>st</sup> April 2021		53100	0.60%	53100	0.60%
	At the end of the year	31 <sup>st</sup> March 2022		500	0.01%	500	0.01%
12.	Bir Auto Agencies Pvt. Ltd.						
	At the beginning of the year	1 <sup>st</sup> April 2021		3000	0.03%	3000	0.03%
	At the end of the year	31 <sup>st</sup> March 2022		3000	0.03%	3000	0.03%
13.	Smt. Menakshi Rungta						
	At the beginning of the year	1 <sup>st</sup> April 2021		1100	0.01%	1100	0.01%
	At the end of the year	31 <sup>st</sup> March 2022		1100	0.01%	1100	0.01%

**Attachment 'F'**

**Shareholding Pattern (Equity Share Capital breakup as a percentage of total equity)**

Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S.No.	Particulars	Date	Reason	Shareholding		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	Samara Realty Pvt. Ltd.						
	At the beginning of the year	1 <sup>st</sup> April 2021		1605100	18.12%	1605100	18.12%
	At the end of the year	31 <sup>st</sup> March 2022		1605100	18.12%	1605100	18.12%
2.	Gladiolus Finance Consultants Pvt Ltd. (formerly known as Pleasure Investments Pvt Ltd)						
	At the beginning of the year	1 <sup>st</sup> April 2021		1377300	15.55%	1377300	15.55%
	At the end of the year	31 <sup>st</sup> March 2022		1377300	15.55%	1377300	15.55%
3.	Manorath Distributors Pvt Ltd.						
	At the beginning of the year	1 <sup>st</sup> April 2021		503465	5.68%	503465	5.68%
	At the end of the year	31 <sup>st</sup> March 2022		503465	5.68%	503465	5.68%
4.	Apex Finance Ltd.						
	At the beginning of the year	1 <sup>st</sup> April 2021		500000	5.64%	500000	5.64%
	At the end of the year	31 <sup>st</sup> March 2022		500000	5.64%	500000	5.64%
5.	JISL Irrigation Pvt. Ltd.						
	At the beginning of the year	1 <sup>st</sup> April 2021		175300	1.98%	175300	1.98%
	At the end of the year	31 <sup>st</sup> March 2022		175300	1.98%	175300	1.98%

6.	JISL Irrigation Ltd.						
	At the beginning of the year	1 <sup>st</sup> April 2021		164000	1.85%	164000	1.85%
	At the end of the year	31 <sup>st</sup> March 2022		164000	1.85%	164000	1.85%
7.	Orbit Vyapar Pvt. Ltd.						
	At the beginning of the year	1 <sup>st</sup> April 2021		91800	1.04%	91800	1.04%
	At the end of the year	31 <sup>st</sup> March 2022		91800	1.04%	91800	1.04%
8.	Vatsal Investment Pvt. Ltd.						
	At the beginning of the year	1 <sup>st</sup> April 2021		75000	0.84%	75000	0.84%
	At the end of the year	31 <sup>st</sup> March 2022		-	-	-	-
9.	The Pradeshiya Industrial And Investment Corporation of U.P.						
	At the beginning of the year	1 <sup>st</sup> April 2021		50000	0.56%	50000	0.56%
	At the end of the year	31 <sup>st</sup> March 2022		-	-	-	-
10.	Shri Bishnu Kumar						
	At the beginning of the year	1 <sup>st</sup> April 2021		38300	0.43%	38300	0.43%
	At the end of the year	31 <sup>st</sup> March 2022		-	-	-	-

**Attachment 'G'**

**Shareholding Pattern (Equity Share Capital breakup as a percentage of total equity)**

Shareholding of Directors and Key Managerial Personnel

S.No.	Name	Date	Reason	Shareholding		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	Shri Mahabir Prasad Rungta						
	At the beginning of the year	1 <sup>st</sup> April 2021		1345600	15.19%	1345600	15.19%
	Changes during the year	13 <sup>th</sup> November 2021	Purchase	1700	0.9%	1700	0.9%
	At the end of the year	31 <sup>st</sup> March 2022		1347300	15.21%	1347300	15.21%
2.	Smt. Shruti Rungta						
	At the beginning of the year	1 <sup>st</sup> April 2021		511400	5.77%	511400	5.77%
	At the end of the year	31 <sup>st</sup> March 2022		511400	5.77%	511400	5.77%

**Attachment 'H'**

**Indebtedness**

Indebtedness of the Company including interest outstanding /accrued but not due for payment

(Rs.in Lacs)				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	1087.17	306.70	-	1393.87

i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
* Addition	805	577.08	-	1382.08
* Reduction	819.75	323.02	-	1142.77
Net Change	(14.75)	254.06	-	239.31
<b>Total</b>				
i) Principal Amount	1072.42	560.75	-	1633.17
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total ( i+ii+iii )	1072.42	560.75	-	1633.17

#### Attachment 'I'

#### Remuneration of Directors and Key Managerial Personnel

Remuneration to Managing Director (MD), Whole-time Directors (WTD) and /or Manager

S.No	Particulars of Remuneration	Total			
	Name	Shri Mahabir Prasad Rungta	Smt. Shruti Rungta	Shri Tarun Kumar Megotia	(In Rs)
		Chairman cum Managing Director	Executive Director	Executive Director	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,43,792	12,59,310	3,46,446	25,49,548
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5.	Others, please specify (Bonus)	-	-	-	-
	<b>Total (A)</b>	<b>9,43,792</b>	<b>12,59,310</b>	<b>3,46,446</b>	<b>25,49,548</b>

#### Attachment 'J'

#### Remuneration of Directors and Key Managerial Personnel

Remuneration to other Directors

S.No	Particulars of Remuneration	Total Amount			
		Mr. Vivek Agrawal	Mr. Devesh Poddar	Mr. Abdul Kalam	(In Rs)
1.	Independent Directors				

	Fee for attending board committee meetings	-	1,07,000	75,000	1,82,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	1,07,000	75,000	1,82,000
<b>2.</b>	<b>Other Non-Executive Directors</b>				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	1,07,000	75,000	1,82,000
	<b>Total Managerial Remuneration</b>	-	<b>1,07,000</b>	<b>75,000</b>	<b>182,000</b>

**Attachment 'K'**

**Remuneration of Directors and Key Managerial Personnel**

Remuneration to Key Managerial Personnel other than MD / Manager / WTD

S.No	Particulars of Remuneration	Total Amount		
	<u>Name</u>	Ms. Prateek Sharma	Ms. Swati Garg	
	<u>Designation</u>	(Company Secretary)	(Chief Financial Officer)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,21,343	14,62,648	20,83,991
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others, please specify (Bonus)	18,861	24,545	43,406
	<b>Total</b>	<b>6,40,204</b>	<b>14,87,193</b>	<b>21,27,397</b>

**Attachment 'L'**

**Penalties / Punishment/ Compounding of Offences**

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made if any (give Details)
A. COMPANY					
Penalty					
Punishment					



Compounding	
B. DIRECTORS	
Penalty	
Punishment	
Compounding	
C. OTHER OFFICERS IN DEFAULT	
Penalty	
Punishment	
Compounding	

For and on behalf of the Board of Directors  
Sd/-  
Mahabir Prasad Rungta  
(Chairman cum Managing Director)  
Delhi, September 03, 2022

**Annexure "G"**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

For the financial year ended 31st March 2022  
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Managerial Personnel) Rules, 2014]

CIN	:	L74899DL1986PLC023934
AUTHORISED SHARE CAPITAL	:	Rs.20,00,00,000/-
PAID UP SHARE CAPITAL	:	Rs.8,85,61,000/-

To,  
The Members,  
RUNGTA IRRIGATION LIMITED  
101, Pragati Towers,  
Rajindra Place,  
New Delhi-110008

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Rungta Irrigation Limited. (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;



- b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to Company during audit period);
- c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to Company during audit period);
- d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(Not applicable to Company during the audit period);
- f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to Company during the audit period)
- g) The Securities and Exchange Board of India(Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013- (Not Applicable for the period under review)
- h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.
- i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- j) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;
- k) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

The Management has identified and confirmed the following laws as being specifically applicable to the Company.

- a) Environment (Protection) Act, 1986 and rules made thereunder,
- b) Legal Metrology Act, 2009 and rules made thereunder
- c) Industrial Dispute Act, 1947
- d) Payment of Bonus Act, 1965,
- e) Minimum wages Act, 1948,
- f) Payment of Gratuity Act, 1972,
- g) Workmen's Compensation Act, 1923,
- h) Employees State Insurance Act, 1948,

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

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

We further report that:

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

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

Majority decision at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes.

We further report that based on review of compliance mechanism established by the company and on the basis of compliance certificate issued by the Company executives and taken on record by the Board of Directors and Audit committee at their meetings, we are in opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no major actions have a bearing on the Company's affairs in pursuance to the above referred laws, rules, regulations, guidelines etc. above taken place.

Further, this report to be read along with the following, stating that:

1. The maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of Company.
4. Wherever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provision of corporate and other applicable laws, rules, and regulations, standard is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company not on the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Ajit Mishra & Associates  
Company Secretaries**

**Place: New Delhi  
Date: 01-07-2022**

**Sd/-  
(Ajit Kumar Mishra)  
Proprietor  
FCS No.: 9703  
CP No.: 20737**

**Per Review Certificate No.: 2255/2022  
UDIN: F009703D000554049**

**Annexure "H"**

**Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014**

{PURSUANT TO SECTION 134 (3) (M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 (3) OF THE COMPANIES (ACCOUNTS) RULES, 2014}

**FORM – A**

A.	Power and Fuel consumption	Current Year(2021-22)	Previous Year(2020-21)
1.	Electricity		
a.	Purchased		
	Unit	24,57,037.60	18,69,402.80
	Total Amount	2,14,12,927.58	Rs.1,47,21,217.00
	Rate/unit	8.71	Rs.7.87
b.	Own Generation		
	Through diesel generator:-		
	Unit	3,216.59	11042.53
	Units per-liter of diesel oil	0.74	3.06
	Cost/unit	91.06	Rs.20.24
B.	Consumption per units of production	Current Year	Previous Year
1.	Electricity	0.70 Per Kg.	0.76 Per Kg

## INDEPENDENT AUDITOR'S REPORT

To,  
**The Members of Rungta Irrigation Limited**

### Report on the IND AS Financial Statements

We have audited the accompanying IND AS financial statements of Rungta Irrigation Limited [CIN: L74899DL1986PLC023934] ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including other comprehensive income), and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

### 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial

performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with IND-AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss [including other comprehensive income], the Statement of changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid IND AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 IND AS financial statements. Refer Note No. 38 to the IND AS financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For MAMRAJ & CO.**  
**Chartered Accountants**  
**Firm Regd. No. 006396N**

**Sd/-**  
**CA Mamraj Agarwal**  
**(Partner)**  
**M.NO.084944**

**Place: New Delhi**  
**Date: 23.05.2022**  
**UDIN: 22084944AMMHXE6341**

**Annexure 'A'**

- i. To the Independent Auditor's Report – 31<sup>st</sup> March 2022 on the IND AS Financial Statements  
(Referred to in our report of even date)
  - (b) The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
  - (c) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
  - (d) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
- ii. We have been explained by the management that the inventory has been physically verified at reasonable interval and the procedure of physical verification of the inventory followed by the management are reasonable in relation to the size of the company and nature of its business. However, due to Covid-19 related lock-down restrictions imposed by the government, our attendance at the physical Inventory verification done by the management near to year end, was impracticable considering such lock-down restrictions. Consequently, we have performed alternative audit procedures to obtain comfort over the existence and condition of inventory at the year-end as per the guidance provided by SA 501 "Audit Evidence – Specific Considerations for Selected Items" and have obtained sufficient audit evidence. As far as we could ascertain and accordingly to the information and explanations given to us, no material discrepancies were noticed between the physical stock and book records.
- iii. **According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.**
- iv. In our opinion and according to the information and explanations given to us, the company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, the company has not accepted any deposits during the year and does not have any unclaimed deposits as at March 31<sup>st</sup>, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by Central Government for maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value



Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax (except as mentioned in the notes to accounts), Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- viii. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company.
- ix. Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.
- x. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records, the Company has paid or provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Therefore paragraph 3 (xii) of the order is not applicable to the company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the IND AS Financial Statements etc. as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly paragraph 3(xvi) of the Order is not applicable to the company.

**FOR MAMRAJ & CO.  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO. 006396N**

**Sd/-  
CA Mamraj Agarwal  
UDIN: 22084944AMMHXE6341  
(PARTNER)  
M.NO. 084944  
PLACE: NEW DELHI  
DATE: 23.05.2022**

## Annexure 'B'

### ***Report on Internal Financial Controls over Financial Reporting***

#### 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 M/S Rungta Irrigation Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the IND AS financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the IND AS 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 IND AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisation 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 IND AS 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, 2022, 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.

**FOR MAMRAJ & CO.  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO. 006396N**

**Sd/-  
CA Mamraj Agarwal  
(PARTNER)  
UDIN: 22084944AMMHXE6341  
M.NO. 084944  
PLACE: NEW DELHI  
DATE: 23.05.2022**

**Rungta Irrigation Limited**  
**Statement of Profit and Loss for the Year ended 31<sup>st</sup> March 2022**

In lacs

Particulars	Note	For The	
		Year Ended March 31,2022	Year Ended March 31,2021
<b>Revenue:</b>			
Revenue from Operations (Net)	23	7,025.84	4,445.29
Other income	24	161.30	361.92
<b>Total revenue (I)</b>		<b>7,187.14</b>	<b>4,807.21</b>
<b>Expenses:</b>			
Purchases of Stock in Trade		980.02	509.89
Cost of Material Consumed	25	4,060.34	2,379.99
Changes in inventories of Finished Goods, Work in Progress and stock in Trade	26	(207.32)	(293.40)
Employee benefit expenses	27	760.37	695.47
Finance costs	28	117.68	123.72
Depreciation and Amortization	29	125.19	94.83
Other expenses	30	1,176.88	1,173.37
<b>Total Expenses (II)</b>		<b>7,013.16</b>	<b>4,683.87</b>
<b>Profit before Exception Items and Taxes (III)=(I)-(II)</b>		<b>173.98</b>	<b>123.34</b>
<b>Less: Exceptional Items (IV)</b>		-	-
<b>Profit before Tax (V)</b>		<b>173.98</b>	<b>123.34</b>
(I) Current tax expense for current year		54.98	29.09
(II) Income tax related to previous year		(6.11)	7.91
(III) Deferred tax		(2.61)	30.91
<b>Tax Expense (VI)</b>	31	<b>46.26</b>	<b>67.91</b>
<b>Profit for the period/ year (VII)= (V)-(VI)</b>		<b>127.72</b>	<b>55.43</b>
Other Comprehensive Income (OCI) (after tax)		16.58	24.57
<b>Total Comprehensive Income for the period/year, net of tax (VIII)</b>		<b>144.30</b>	<b>80.00</b>
Earning per equity share of ₹ 10 each		885.61	885.61
- Basic		1.44	0.63
- Diluted		1.44	0.63

The above Statement of Profit & Loss should be read in conjunction with the accompanying notes  
This is the Statement of Profit & Loss referred to in our report of even date

As per our Report of even date

For Mamraj & Co.

CHARTERED ACCOUNTANTS

Firm Registration Number: 006396N

For and On Behalf of the Board

Sd/-

CA Mamraj Agarwal  
Partner  
Membership No. :084944

Sd/-

Mahabir Prasad Rungta  
Chairman cum Managing Director  
DIN- 00235632

Sd/-

Shruti Rungta  
Director  
DIN- 00229045

Place: New Delhi

Date: 23.05.2022

UDIN: 22084944AMMHXE6341

Sd/-

Swati Garg  
Chief Financial Officer

Sd/-

Prateek Sharma  
Company Secretary

**Rungta Irrigation Limited**  
**Balance Sheet as on 31st March 2022**

Rs in Lacs

Particulars	Note	As at march 31,2022	As at March 31,2021
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	3.1	1,109.73	892.66
Capital work in progress		12.10	128.29
Intangible Assets	3.1	-	-
Intangible Asset Under Development		16.48	3.21
Financial Assets			
(i) Investments	4	1,392.72	1,403.18
(ii) Others	5	171.49	132.13
Deferred tax assets (Net)	6	35.91	32.08
<b>Total non-current assets(A)</b>		<b>2,738.43</b>	<b>2,591.55</b>
<b>Current Assets</b>			
Inventories	7	1,865.96	1,518.16
Financial Assets			
(i) Trade receivables	8	3,678.41	2,785.24
(ii) Cash and cash equivalent	9	9.87	90.53
(iv) Loans	10	891.13	946.84
(v) Others	11	1.23	3.07
Current Tax assets (Net)	12	-	9.25
Other current assets	13	1,178.10	1142.52
<b>Total Current assets(B)</b>		<b>7,624.70</b>	<b>6495.61</b>
<b>TOTAL ASSETS(A+B)</b>		<b>10,363.13</b>	<b>9,087.16</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	885.61	885.61
Other equity	15	5,726.27	5,603.59
<b>Total equity(A)</b>		<b>6,611.88</b>	<b>6,489.20</b>
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	16	111.24	222.89
(ii) Others		-	-
Long term provisions	17	45.41	52.39
Deferred tax liabilities (Net)	6	-	-
<b>Total non-current liabilities(B)</b>		<b>156.65</b>	<b>275.28</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	18	2,228.83	1,410.28
(ii) Trade Payables	19	105.56	73.65
(iii) Others	20	74.52	70.89
Other current liabilities	21	1,174.44	764.71
Short term provisions	22	11.25	3.15
<b>Total current liabilities(C)</b>		<b>3,594.60</b>	<b>2,322.68</b>
<b>TOTAL EQUITY AND LIABILITIES(A+B+C)</b>		<b>10,363.13</b>	<b>9,087.16</b>

The above balance sheet should be read in conjunction with the accompanying notes  
This is the balance sheet referred to in our report of even date

As per our Report of even date  
For Mamraj & Co.  
CHARTERED ACCOUNTANTS  
Firm Registration Number: 006396N

For and On Behalf of the Board

Sd/-  
CA Mamraj Agarwal  
Partner  
Membership No.: 084944

Sd/-  
Mahabir Prasad Rungta  
Chairman cum Managing Director  
DIN-00235632

Sd/-  
Shruti Rungta  
Director  
DIN-00229045

Place: New Delhi  
Date: 23.05.2022  
UDIN: 22084944AMMHXE6341

Sd/-  
Swati Garg  
Chief Financial Officer

Sd/-  
Prateek Sharma  
Company Secretary

**Rungta Irrigation Limited**  
**Statement of Cash Flow for the Year Ended 31st March 2022**

Rs in Lacs

Particulars	For The	
	Year Ended March 31,2022	Year Ended March 31,2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (Loss) before Exceptional items and Tax	173.98	123.34
<b>Non-cash adjustments:</b>		
Depreciation and amortisation expenses	125.19	94.83
Interest Expense	107.21	113.56
Interest Income	(150.08)	(311.27)
Prior Period Item	21.62	21.37
Dividend Received	(0.05)	(0.30)
Loss/ (Gain) on Sale of Property, Plant and Equipment	(0.38)	(38.20)
<b>Operating profit before working capital changes</b>	<b>234.25</b>	<b>3.33</b>
<b>Changes in working capital :</b>		
(Increase)/ Decrease in Inventories	(347.80)	(656.97)
(Increase)/Decrease in Trade Receivables	(893.17)	(297.37)
(Increase)/Decrease in Other receivables	(19.23)	288.34
Increase/(Decrease) in Trade Payables	31.91	(169.18)
Increase/(Decrease) in Other Liabilities	423.96	285.92
<b>Cash generated from operations</b>		
Income tax (Refund)/ paid during the year	(37.97)	(44.43)
<b>Net cash from operating activities (A)</b>	<b>(608.05)</b>	<b>(590.36)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(241.84)	(372.36)
Sale of Property, Plant and Equipment	2.88	48.94
Sale/(Purchase) of Investment	14.69	30.98
Dividend Received	0.05	0.30
Interest Received	151.92	310.24
<b>Net cash from investing activities (B)</b>	<b>(72.30)</b>	<b>18.10</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of share capital/application money	-	-
Interest paid on borrowings	706.90	(113.56)
Proceeds/(Repayment) of Borrowings	(107.21)	239.30
<b>Net cash from financing activities (C)</b>	<b>599.69</b>	<b>125.74</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(80.66)</b>	<b>(446.52)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>90.53</b>	<b>537.05</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>9.87</b>	<b>90.53</b>

- i) The above Cash Flow Statement has been prepared under the ' Indirect Method' as set out in Indian Accounting Standard 7, "Statement of Cash flows"
- ii) Figures in Bracket indicate cash outgo
- iii) The figures for the previous year have been regrouped in order to make them comparable with the current year figures.



**As per our Report of even date  
For Mamraj & Co.  
CHARTERED ACCOUNTANTS  
Firm Registration Number: 006396N**

**For and On Behalf of the Board**

**Sd/-  
CA Mamraj Agarwal  
Partner  
Membership No.: 084944**

**Sd/-  
Mahabir Prasad Rungta  
Chairman cum Managing Director  
DIN-00235632**

**Sd/-  
Shruti Rungta  
Director  
DIN-00229045**

**Place: New Delhi  
Date: 23.05.2022  
UDIN: 22084944AMMHXE6341**

**Sd/-  
Swati Garg  
Chief Financial Officer**

**Sd/-  
Prateek Sharma  
Company Secretary**



**Rungta Irrigation Limited**  
**Statement of Changes in Equity for the period ended 31st March 2021.**

**A. Equity Share Capital**

Particulars	Amount
<b>Balance as at March 31,2021</b>	885.61
Changes in equity share capital during the year	-
<b>Balance as at March 31,2022</b>	885.61

**B. Other Equity**

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	General Reserve#	Retained Earnings	Capital Redemption Reserve	Securities Premium Reserve^	Equity Instruments through OCI	Re-measurement of defined benefit Plan	
<b>Balance as at April 1,2021</b>	1,198.03	1,329.57	500.00	2,469.37	1.38	3.87	5,502.22
Profit for the year	-	55.43	-	-	-	-	55.43
Prior Period Exp	-	21.37	-	-	-	-	21.37
Other Comprehensive Income	-	-	-	-	-	-	-
-Defined Benefit Plan	-	-	-	-	20.80	3.77	24.57
-Fair Value Gain/(Loss) on investments	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	-	76.80	-	-	20.80	3.77	101.37
<b>Balance as at Mar 31,2021</b>	<b>1,198.03</b>	<b>1,406.37</b>	<b>500.00</b>	<b>2,469.37</b>	<b>22.18</b>	<b>7.64</b>	<b>5,603.59</b>
Profit for the year	-	127.72	-	-	-	-	127.72
Prior Period Exp	-	(21.62)	-	-	-	-	(21.62)
Other Comprehensive Income	-	-	-	-	-	-	-
-Defined Benefit Plan	-	-	-	-	-	9.76	9.76
-Fair Value Gain/(Loss) on investments	-	-	-	-	6.82	-	6.82
<b>Total Comprehensive Income for the year</b>	-	106.10	-	-	6.82	9.76	122.68
<b>Balance as at Mar 31,2022</b>	<b>1,198.03</b>	<b>1512.47</b>	<b>500.00</b>	<b>2469.37</b>	<b>29.00</b>	<b>17.40</b>	<b>5,726.27</b>

Notes :

# General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by the transfer from one component of equity to another and is

not an item of other comprehensive income; items included in the General Reserve will not be reclassified subsequently to profit or loss.

^ Securities Premium Reserve is used to record the premium on issue of shares. This is utilized in accordance with the provisions of the Companies Act, 2013.

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is the statement of changes in equity referred to in our report of even date.

As per our Report of even date

For Mamraj & Co.

CHARTERED ACCOUNTANTS

Firm Registration Number: 006396N

For and On Behalf of the Board

Sd/-

CA Mamraj Agarwal

Partner

Membership No.: 084944

Sd/-

Mahabir Prasad Rungta

Chairman cum Managing Director

DIN-00235632

Sd/-

Shruti Rungta

Director

DIN-00229045

Place: New Delhi

Date: 23.05.2022

UDIN: 22084944AMMHXE6341

Sd/-

Swati Garg

Chief Financial Officer

Sd-

Prateek Sharma

Company Secretary

### Notes to the financial statements for the year ended 31 March 2022

#### NOTE 3.1: PROPERTY, PLANT & EQUIPMENT

Particulars	Land	Building	Plant & Machinery	Vehicles	Furniture & Fixture	Office Equipment	Computers	Softwares	Total
<b>Gross Block Balance as at April 1, 2021</b>	<b>367.14</b>	<b>112.14</b>	<b>629.52</b>	<b>297.46</b>	<b>19.67</b>	<b>30.69</b>	<b>24.96</b>	<b>0.46</b>	<b>1,482.04</b>
-Additions for the period	170.00	71.63	91.41	-	3.01	3.76	4.95	-	344.76
-Disposals	-	-	1.68	0.82	-	-	-	-	2.50
<b>Balance as at March 31, 2022</b>	<b>537.14</b>	<b>183.77</b>	<b>719.25</b>	<b>296.64</b>	<b>22.68</b>	<b>34.45</b>	<b>29.91</b>	<b>0.46</b>	<b>1,824.30</b>
<b>Accumulated Depreciation Balance as at April 1, 2021</b>	<b>-</b>	<b>43.49</b>	<b>266.19</b>	<b>230.50</b>	<b>7.77</b>	<b>24.58</b>	<b>16.39</b>	<b>0.46</b>	<b>589.38</b>
Depreciation for the year	-	12.89	77.47	20.41	3.31	3.49	7.62	-	125.19
Deductions/adjustments	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>56.38</b>	<b>343.66</b>	<b>250.91</b>	<b>11.08</b>	<b>28.07</b>	<b>24.01</b>	<b>0.46</b>	<b>714.57</b>
<b>Net Carrying Value</b>									
<b>Balance as at March 31, 2021</b>	<b>367.14</b>	<b>68.65</b>	<b>363.33</b>	<b>66.96</b>	<b>11.90</b>	<b>6.11</b>	<b>8.57</b>	<b>-</b>	<b>892.66</b>
<b>Balance as at March 31, 2022</b>	<b>537.14</b>	<b>127.39</b>	<b>375.59</b>	<b>45.73</b>	<b>11.60</b>	<b>6.38</b>	<b>5.90</b>	<b>-</b>	<b>1,109.73</b>

**NOTE 4 : INVESTMENTS**

Particulars	Paid Up Value (Rs.)	As at Mar 31,2022		As at March 31,2021	
		No. of Shares	Amount	No. of Shares	Amount
<b>Investment in Equity Instruments</b>					
<b>I) Quoted (at Fair Value through OCI)</b>					
Caprihans Limited	10 each	10.00	0.01	10.00	0.01
Finolex Industries Limited	2 each#	500.00	0.77	100.00	0.64
Gammon India Limited	2 each	100.00	-	100.00	-
Kingfa Science and Technologies(India) Limited	10 each	10.00	0.13	10.00	0.06
Jindal Poly Films Limited	10 each	-	-	1,000.00	7.40
Jindal Poly Investment and Finance Co. Limited	10 each	250.00	0.72	250.00	0.08
Mcleod Russell India Limited	10 each	333.00	0.08	333.00	0.06
Nilkamal Limited	10 each	100.00	2.03	100.00	1.95
PIL ITA LICA Lifestyle Limited	1 each*	400.00	0.04	400.00	0.07
Pearls Polymers Limited	10 each	100.00	0.02	100.00	0.01
Reliance Communication Limited	10 each	2,000.00	0.05	2,000.00	0.03
Padmini Tech limited	10 each	100.00	-	100.00	-
Reliance Industries Limited	10 each	-	-	250.00	5.01
Suzlon Energy Limited	2 each	1,000.00	0.09	1,000.00	0.05
		-			
Unitech Limited	2 each	1,000.00	0.02	1,000.00	0.02
Universe Photo Imagings Limited		250.00	1.37	250.00	0.04
(A)		<b>6,153.00</b>	<b>5.33</b>	<b>7,003.00</b>	<b>15.79</b>
<b>II) Unquoted (at Fair Value Through OCI)</b>					
Akshay Ispat Udyog Private Limited	100 each	27,500.00	27.50	27,500.00	27.50
Sangam Aluminium Limited	10 each	13,200.00	0.39	13,200.00	0.39
JISL irrigation Limited	10 each	18,400.00	4.62	18,400.00	4.62
Manortha Distribution Private Limited	10 each	1,27,715.00	12.77	1,27,715.00	12.77
Alchemist Aviation Private Limited	10 each	5,00,000.00	50.00	5,00,000.00	50.00
Ramgarh Sponge Iron Private Limited	10 each	31,64,601.00	1,242.11	31,64,601.00	1,242.11
Jharkhand Ispat Private Limited	10 each	5,00,000.00	50.00	5,00,000.00	50.00
(B)		<b>43,51,416.00</b>	<b>1,387.39</b>	<b>43,51,416.00</b>	<b>1,387.39</b>
<b>Total (A) +(B)</b>	-	<b>43,57,569.00</b>	<b>1,392.72</b>	<b>43,58,419.00</b>	<b>1,403.18</b>

\* Face Value changed from Rs. 4 per share to Rs. 1 per share

# Face Value changed from Rs. 10 per share to Rs. 2 per share

**NOTE 5 : OTHER FINANCIAL ASSETS**

Particulars	As at	
	31-Mar-22	31-Mar-21
(Unsecured considered good, unless otherwise stated)		
Security deposits	80.20	57.47
Balance with Banks		
- In Fixed Deposits *	91.29	74.66
<b>Total</b>	<b>171.49</b>	<b>132.13</b>

\* Pledged with Bank as Margin Money

**NOTE 6 : DEFERRED TAX ASSETS/LIABILITIES (NET)**

Particulars	As at	
	31-Mar-22	31-Mar-21
Deferred Tax Assets	39.20	36.59
Deferred Tax Liabilities	3.29	4.51
<b>Net deferred tax assets/ (liabilities)</b>	<b>35.91</b>	<b>32.08</b>

**NOTE 7: INVENTORIES**

Particulars	As at	
	31-Mar-22	31-Mar-21
<i>(Valued at lower of cost or net realisable value)</i>		
Raw Materials	702.69	555.63
Finished Goods/Semi Finished Goods/ Work in Progress	1125.15	917.83
Stores and Spares	38.12	44.7
<b>Total</b>	<b>1,865.96</b>	<b>1,518.16</b>

**NOTE 8 : TRADE RECEIVABLES**

Particulars	As at	
	31-Mar-22	31-Mar-21
Unsecured, Considered Good	3,678.41	2,785.24
Unsecured, Considered Doubtful	-	-
	3,678.41	2,785.24
Less : Provision for Doubtful Debts	-	-
<b>Total</b>	<b>3,678.41</b>	<b>2,785.24</b>

**NOTE 9 : CASH AND CASH EQUIVALENTS**

Particulars	As at	
	31-Mar-22	31-Mar-21
-Balance with banks in current accounts	2.01	82.73
-Cash in hand	7.86	7.80
<b>Total</b>	<b>9.87</b>	<b>90.53</b>

**NOTE 10: CURRENT LOANS**

Particulars	As at	
	31-Mar-22	31-Mar-21
<i>(Unsecured considered good, unless otherwise stated)</i>		
Loan to Employees	5.71	3.04
Others	885.42	943.80
<b>Total</b>	<b>891.13</b>	<b>946.84</b>

**NOTE 11: OTHER FINANCIAL ASSETS**

Particulars	As at	
	31-Mar-22	31-Mar-21
Interest accrued on:		
Term deposits	1.23	3.07
Others	-	-
<b>Total</b>	<b>1.23</b>	<b>3.07</b>

**NOTE 12: CURRENT TAX ASSETS (NET)**

Particulars	As at	
	31-Mar-22	31-Mar-21
Advance Income Tax (Net of Provision for Tax)	-	9.25
<b>Total</b>	-	9.25

**NOTE 13: OTHER CURRENT ASSETS**

Particulars	As at	
	31-Mar-22	31-Mar-21
<b>Unsecured, considered good:</b>		
Balance with Government Authorities	928.73	977.92
Prepaid Expenses	7.09	8.61
Advance for Capital Goods	75.17	-
Advance to Suppliers	76.37	67.77
Insurance Claim Recoverable	35.90	35.90
Other	54.84	52.32
<b>Total</b>	<b>1,178.10</b>	<b>1,142.52</b>

**NOTE 14 : SHARE CAPITAL**

Particulars	31-Mar-22		31-Mar-21	
	No. of shares	Amount	No. of shares	Amount
<b>Authorised Share Capital</b>				
Equity Shares of ₹ 10 each	2,00,00,000.00	2,000.00	2,00,00,000.00	2,000.00
<b>Total</b>	<b>2,00,00,000.00</b>	<b>2,000.00</b>	<b>2,00,00,000.00</b>	<b>2,000.00</b>
<b>Issued, Subscribed and Fully Paid Up</b>				
Equity Shares of ₹ 10 each	88,56,100.00	885.61	88,56,100.00	885.61
<b>Total</b>	<b>88,56,100.00</b>	<b>885.61</b>	<b>88,56,100.00</b>	<b>885.61</b>

**a) Rights, Preferences and restrictions attached to shares**

The company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**b) Reconciliation of Equity Share Capital**

Particulars	31-Mar-22		31-Mar-21	
	No. of shares	Amount	No. of shares	Amount
<b>Shares outstanding at the beginning of the year</b>	88,56,100.00	885.61	88,56,100.00	885.61
Shares issued during the year	-	-	-	-
<b>Share outstanding at the end of the year</b>	<b>88,56,100.00</b>	<b>885.61</b>	<b>88,56,100.00</b>	<b>885.61</b>

**c) Details of Shareholding more than 5% of the aggregate shares in the company**

Name of Shareholder	31-Mar-22		31-Mar-21	
	Number of shares held	% of holding	Number of shares held	% of holding
Skyblue Earthmovers and Investment Pvt. Ltd.	-	-	-	-
Gladiolus Finance Consultants Pvt. Ltd.	13,77,300	15.55%	13,77,000	15.55%
Samara Realty Pvt Ltd	16,05,100	18.12%	16,05,000	18.12%
Apex Finance Ltd	5,00,000	5.65%	5,00,000	5.65%

Manoratha Distributor Pvt Ltd	5,03,465	5.68%	5,03,000	5.68%
Mr. Mahabir Prasad Rungta	13,47,300	15.21%	13,45,600	15.19%
Mrs. Priya Rungta	8,12,900	9.18%	8,12,900	9.18%
Mrs. Shruti Rungta	5,11,400	5.77%	5,11,400	5.77%
Mrs. Urmila Rungta	5,01,400	5.66%	4,98,200	5.63%

**d) Rights, preferences and restrictions attached to equity shares**

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**NOTE 15: OTHER EQUITY**

Particulars	As at	
	31-Mar-22	31-Mar-21
Capital Redemption Reserve	500.00	500.00
Securities Premium Reserve	2,469.37	2,469.37
General Reserve	1,198.03	1,198.03
Retained Earnings	1,512.47	1,406.37
Other Comprehensive Income	46.40	29.82
<b>Total</b>	<b>5,726.27</b>	<b>5,603.59</b>

**NOTE 16: NON-CURRENT BORROWINGS**

Particulars	As at	
	31-Mar-22	31-Mar-21
<b>At Amortised Cost</b>		
Term Loans(secured)		
Indian rupee loan from Bank (refer note a and b below)	222.86	381.96
Less: Amount disclosed under the head other current financial liabilities 'Current Maturities of Long Term Debt'	(111.62)	(159.07)
<b>Total</b>	<b>111.24</b>	<b>222.89</b>

**a. Term Loan**

India Rupee loan from bank comprises of loans having interest in the range of 8.00% p.a. to 8.50 % p.a. Term Loan are secured by first pari passu charge on entire present and future current assets and second charge on present and future movable fixed assets of the Company situated at Industrial Property located at TS No. F32 1PT and Cadastre No. 120-3pt, Rs No. 64, Beside Vasavi Pigments, Near Durgamma Temple, Dariyalatippa Road, Adavipolam Yanam, Pondicherry-533464, & Industrial Property located at Plot No. C-176, Bulandshahar Road, Industrial Area, Site No. 1, Ghaziabad, UP and industrial property located at Plot No. C-165, Bulandshahar Road, Industrial Area, Site No. 1, Ghaziabad, UP.

b. Loans against movable assets hypothecated for vehicles carries an interest rate of 8.00% to 9.25% p.a.

**NOTE 17: LONG TERM PROVISIONS**

Particulars	As at	
	31-Mar-22	31-Mar-21
Provision for Gratuity	45.41	52.39
<b>Grand Total</b>	<b>45.41</b>	<b>52.39</b>

**NOTE 18: SHORT-TERM BORROWINGS**

Particulars	As at	
	31-Mar-22	31-Mar-21
<b>Secured</b>		
Loans repayable on demand from Banks (Refer Note)	374.01	690.46
Current Maturities of Long Term Debt (Refer Note 16)(from Banks)	111.62	159.07
<b>Unsecured</b>		
Loans from Related Parties	1,743.20	560.75
Other	-	-
<b>Total</b>	<b>2,228.83</b>	<b>1,410.28</b>

Working Capital Facilities of the Company from banks are secured by first pari passu charge on entire present and future current assets and second charge on present and future movable fixed assets of the Company situated at Industrial Property located at TS No. F32 1PT and cadastre No. 120-3pt, RS No. 64, Beside Vasavi Pigments, Near Durgamma Temple, Dariyalatippa Road, Adavipolam Yanam, Pondicherry-533464, & Industrial Property located at Plot No. C-176, Bulandshahar Road, Industrial Area, Site No. 1, Ghaziabad, UP and industrial property located at Plot No. C-165, Bulandshahar Road, Industrial Area, Site No. 1, Ghaziabad, UP.

**NOTE 19: TRADE PAYABLES**

Particulars	As at	
	31-Mar-22	31-Mar-21
Total outstanding dues to micro enterprises and small enterprises	83.39	44.67
Total outstanding dues to other than micro enterprises and small enterprises	21.67	28.98
<b>TOTAL</b>	<b>105.56</b>	<b>73.65</b>

**NOTE 20: OTHER FINANCIAL LIABILITIES**

Particulars	As at	
	31-Mar-22	31-Mar-21
Unpaid Dividend^^	15.05	15.05
Security Deposits	59.47	55.84
<b>TOTAL</b>	<b>74.52</b>	<b>70.89</b>

^^Amount held in abeyance due to legal cases pending and does not include any amount due and outstanding, to be credited to Investor Education and Protection Fund.

**NOTE 21 :OTHER CURRENT LIABILITIES**

Particulars	As at	
	31-Mar-22	31-Mar-21
Statutory Remittances	18.26	18.26
Advances from customers and others	475.73	118.54
Employee related payables	90.74	106.72
Expense payable	588.62	518.71
Other payables	1.15	2.48
<b>Total</b>	<b>1,774.44</b>	<b>764.71</b>

**NOTE 22: SHORT-TERM PROVISIONS**

Particulars	As at	
	31-Mar-22	31-Mar-21
Provision for Gratuity	9.60	3.15
Provision for Income Tax (Net of Advance Tax)	1.65	-

<b>Grand Total</b>	<b>11.25</b>	<b>3.15</b>
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**NOTE 23: REVENUE FROM OPERATIONS**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Sale of Products</b>		
<b>Finished Goods:</b>		
Within India	7,001.98	4,424.16
Outside India	23.86	21.13
<b>Total</b>	<b>7,025.84</b>	<b>4,445.29</b>

**NOTE 24 :OTHER INCOME**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income	150.08	311.27
Dividend Received	0.05	0.30
Profit on Sale of Property, Plant & Equipment	0.38	38.20
Foreign Exchange Fluctuation Gain	6.64	6.86
Sundry Balances W.off/Back	-	-
Purchase Discount	-	-
Miscellaneous Income	4.15	5.29
<b>Total</b>	<b>161.30</b>	<b>361.92</b>

**Note 25 : COST OF MATERIALS CONSUMED**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening Stock of Raw Material	555.63	197.35
Add: Purchases of Raw Material	4,207.40	2,738.27
Less: Closing Stock of Raw Material	702.69	555.63
<b>Total</b>	<b>4,060.34</b>	<b>2,379.99</b>

**NOTE 26: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>As at the end of the reporting period/year</b>		
Finished Goods	1,047.00	863.83
Work in Progress	78.15	54.00
Store and Spare Parts	-	-
<b>Total (A)</b>	<b>1,125.15</b>	<b>917.83</b>
<b>As at the beginning of the reporting period/year</b>		
Finished Goods	863.83	578.56
Work in Progress	54.00	45.87
Store and Spare Parts	-	-
<b>Total (B)</b>	<b>917.83</b>	<b>624.43</b>
<b>Total (B-A)</b>	<b>(207.32)</b>	<b>(293.40)</b>

**NOTE 27: EMPLOYEE BENEFIT EXPENSE**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	663.52	602.84
Contribution to provident and other funds	30.49	29.52
Gratuity expense	14.73	14.44
Staff welfare expenses	51.63	48.67
<b>Total</b>	<b>760.37</b>	<b>695.47</b>



**NOTE 28: FINANCE COSTS**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Expense	107.21	113.56
Foreign Exchange Fluctuation Loss	-	-
Others (Bank Charges)	10.47	10.16
<b>Total</b>	<b>117.68</b>	<b>123.72</b>

**NOTE 29: DEPRECIATION AND AMORTISATION EXPENSES**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Propert, Plant and Equipment	125.19	94.83
Intangible Assets	-	-
Right of Use Assets	-	-
<b>Total</b>	<b>125.19</b>	<b>94.83</b>

**NOTE 30: OTHER EXPENSES**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Consumable Stores	12.03	21.01
Power and Fuel	162.2	162.28
<u>Repairs and Maintenance:</u>		
Plant & Machinery	15.29	27.38
Buildings	1.27	7.16
Others	16.48	3.57
Other Manufacturing expenses	10.07	7.19
Auditors Remuneration	4.25	4.25
Carriage Outwards	154.86	90.98
Sales Promption	2.71	2.30
Electricity & Water Expenses	9.13	16.22
Insurance Charges	5.27	5.27
Legal & Professional Charges	30.80	45.14
Telephone & Internet Expenses	4.86	5.76
Rent Expenses	72.97	49.81
Rates and taxes	8.79	5.81
Installation Expenses	1.95	2.01
Donation	3.29	1.62
Commission to selling agents	382.49	543.49
Travelling & Conveyance Expenses	75.90	53.58
Festival Expenses	0.89	1.38
Vehicle Running & Maintenance	26.82	25.87
Inspection/Testing Exp	20.19	24.08
Selling & Disrtibution Exp	31.47	6.90
Miscellaneous Expenses	39.43	36.64
Printing & Stationery	7.36	4.64
Bad Debts Written Off (Net of write back of liabilities)	0.60	19.03
<b>Total</b>	<b>1,176.88</b>	<b>1,173.37</b>

**Remuneration to Auditor's comprises:**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<u>To Statutory Auditors</u>		
For Audit (including quarterly reviews)	3.00	3.00

For Taxation Matters	1.25	1.25
Other Services	-	-
<b>Total</b>	<b>4.25</b>	<b>4.25</b>

**Note 31: Tax Expenses**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Income Tax</b>		
Current Tax on profits for the year	54.98	29.09
Adjustments for current tax of prior periods	(6.11)	7.91
<b>Total current tax expense (A)</b>	<b>48.87</b>	<b>37.00</b>
<b>Deferred Tax</b>		
(Decrease) / increase in deferred tax liabilities	(2.61)	30.91
<b>Total deferred tax expense/(benefit) (B)</b>	<b>(2.61)</b>	<b>30.91</b>
<b>Total</b>	<b>46.26</b>	<b>67.91</b>

**Note 32: Fair Value Measurements**

32.1	Financial instruments by category					
	As at 31 March 2022			As at 31 March 2021		
	FVTPL	Amortised Cost	Cost	FVTPL	Amortised Cost	Cost
	<b>Financial assets</b>					
Investments						
Quoted Equity Shares	5.33	-	-	15.79	-	-
Un-Quoted Equity Shares		1,387.39			1,387.39	
Other non-current financial assets	-	171.49	-	-	132.13	-
Trade receivables	-	3678.41	-	-	2,785.24	-
Cash and cash equivalents	-	9.87	-	-	90.53	-
Loans & Advances	-	891.13	-	-	946.84	-
Other current financial assets	-	1.23	-	-	3.07	-
	<b>5.33</b>	<b>6,139.52</b>	<b>-</b>	<b>15.79</b>	<b>5,345.20</b>	<b>-</b>
	<b>Financial liabilities</b>					
Borrowings		111.24	-		222.89	-
Short terms borrowings		2,228.83	-		1,410.28	-
Trade payables		105.56	-		73.65	-
Other current financial liabilities		74.52	-		70.89	-
	<b>-</b>	<b>2,520.15</b>	<b>-</b>	<b>-</b>	<b>1,777.71</b>	<b>-</b>
<b>32.2</b>	<b>Fair Value Hierarchy</b>					
(a)	This section explains the judgments and estimates made in determining the fair values of the financial instruments. To provide an indication about the reliability of the inputs used in determining fair value,					

the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 & Level 3 as below:

**Financial assets and liabilities measured at fair value**

**Rs In Lacs**

As at 31st March 2022	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Financial Investments at FVTPL</b>				
Investments	-	-	-	-
Quoted Equity Shares	5.33	-	-	5.33
Unquoted Equity Shares	-	-	1,387.39	1,387.39
<b>Total</b>	<b>5.33</b>	<b>-</b>	<b>1,387.39</b>	<b>1392.72</b>
<b>Note: Sangam Aluminium Ltd, 13200 shares amounting Rs.0.39 classified under unquoted.</b>				
As at 31st March 2021	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Financial Investments at FVTPL</b>				
Investments	-	-	-	-
Quoted Equity Shares	15.79	-	-	15.79
Unquoted Equity Shares	-	-	1,387.39	1,387.39
<b>Total</b>	<b>15.79</b>	<b>-</b>	<b>1,387.39</b>	<b>1403.18</b>

	Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.
	Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
	Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.
	There are no transfers between level 1 and level 2 during the year
<b>(b)</b>	<b>Valuation technique used to determine fair value</b>
	Specific valuation techniques used to value financial instruments include: <ul style="list-style-type: none"> <li>- the use of quoted market prices or dealer quotes for similar instruments</li> <li>- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date</li> <li>- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.</li> </ul> <p>All of the resulting fair value estimates are included in level 2 or level 3, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.</p>
<b>(c)</b>	<b>Fair value estimation</b>

	<p>Estimated fair value disclosures of financial instruments are made in accordance with the requirements of Ind AS 107 “Financial Instruments: Disclosure”. Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm’s length transaction, other than in forced or liquidation sale. As no readily available market exists for a large part of the Company’s financial instruments, judgment is necessary in arriving at fair value, based on current economic conditions and specific risks attributable to the instrument. The estimates presented herein are not necessarily indicative of the amounts the Company could realize in a market exchange from the sale of its full holdings of a particular instrument.</p> <p>The following summarizes the major methods and assumptions used in estimating the fair values of financial instruments.</p> <p><b>Interest-bearing borrowings</b></p> <p>Fair value is calculated based on discounted expected future principal and interest cash flows. The carrying amount of the Company’s loans due after one year is also considered as reasonable estimate of their fair values as the nominal interest rates on the loans due after one year are variable and considered to be a reasonable approximation of the fair market rate with reference to loans with similar credit risk level and maturity period at the reporting date.</p> <p><b>Trade and other receivables / payables</b></p> <p>Receivables / payables typically have a remaining life of less than one year and receivables are adjusted for impairment losses. Therefore, the carrying amounts for these assets and liabilities are deemed to approximate their fair values, as the allowance for estimated irrecoverable amounts is considered a reasonable estimate of the discount required to reflect the impact of credit risk.</p> <p><b>Other long term receivables</b></p> <p>These receivables are regularly reviewed and adjusted for impairment losses. Therefore, management considers the carrying amount of these receivables to approximate fair value.</p>
<b>(d)</b>	<b>Valuation process</b>
	<p>The accounts &amp; finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee (AC).</p> <p>Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every three months, in line with the Company’s quarterly reporting periods.</p> <p>The main level 3 inputs for unlisted equity securities, contingent considerations and indemnification asset used by the Company are derived and evaluated as follows:</p> <ul style="list-style-type: none"> <li>• Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.</li> <li>• Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the Company’s internal credit risk management group.</li> <li>• Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.</li> </ul> <p>Changes in level 2 and 3 fair values are analyzed at the end of each reporting period during the quarterly valuation discussion between the CFO, AC and the valuation team. As part of this discussion the team presents a report that explains the reason for the fair value movements.</p>
<b>33.</b>	<b>Financial risk management</b>
<b>(a)</b>	<b>Risk management framework</b>

	<p>In the ordinary course of business, the Company is exposed to a different extent to a variety of financial risks: foreign currency risk, interest rate risk, liquidity risk, price risk and credit risk. In order to minimize any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.</p> <p>This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.</p>
<b>(b)</b>	<b>Credit risk</b>
	<p>Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in financial instruments.</p> <p>The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely both in domestic and export market. The Management impact analysis shows credit risk and impact assessment as low.</p>
	<b>Trade and other receivables</b>
	<p>Credit risk is the risk that a customer may default or not meet its obligations to the company on a timely basis, leading to financial losses by the Company. The management has an advance collection /credit policy criteria in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. Before accepting a new customer, the Company uses an internal credit system to assess the potential customer's credit quality and defines credit limits separately for each individual customer. The gross carrying amount of trade receivables as at 31st March 2022 aggregates Rs 3678.41 lacs (Previous year ended 31st March 2021 Rs 2785.24 Lacs). The Company reviews for any required allowance for impairment that represents its expected credit losses in respect of trade receivables.</p> <p>Investments are reviewed for any fair valuation loss on periodically basis and necessary provision/fair valuation adjustments has been made based on the valuation carried by the management to the extent available sources, the management does not expect any investment counterparty to fail to meet its obligations.</p>
<b>(c)</b>	<b>Liquidity Risk</b>
	<p>Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due. The Company's liquidity position is carefully monitored and managed. The Company has in place a detailed budgeting and cash forecasting process to help ensure that it has adequate cash available to meet its payment obligations.</p> <p>Further, the Company continues to maintain enough liquidity buffer to meet additional demands that may emerge on account of COVID-19 crisis.</p> <p>The following table provides details of the remaining contractual maturity of the Company's financial Liabilities. It has been drawn up based on the undiscounted cash flows and the earliest date on which the Company can be required to pay. The table includes only principal cash flows.</p>

		Rs in Lacs				
	Carrying Amounts 31 March 2022	Contractual cash flows				
		Total	0 to 1 years	1 to 2 years	2 to 5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Borrowings	111.24	111.24	-	97.77	13.47	-

Short term borrowings	2,228.83	2,228.83	2,228.83	-	-	-
Trade payables	105.56	105.56	105.56	-	-	-
Other current financial liabilities	74.52	74.52	74.52	-	-	-
<b>Total non-derivative liabilities</b>	<b>2,520.15</b>	<b>2,520.15</b>	<b>2408.91</b>	<b>97.77</b>	<b>13.47</b>	<b>-</b>
	<b>Carrying Amounts 31 March 2021</b>	<b>Contractual cash flows</b>				
		<b>Total</b>	<b>0 to 1 years</b>	<b>1 to 2 years</b>	<b>2 to 5 years</b>	<b>More than 5 years</b>
<b>Non-derivative financial liabilities</b>						
Borrowings	222.89	222.89	-	111.65	97.77	13.47
Short term borrowings	1,410.28	1,410.28	1,410.28	-	-	-
Trade payables	73.65	73.65	73.65	-	-	-
Other current financial liabilities	70.89	70.89	70.89	-	-	-
<b>Total non-derivative liabilities</b>	<b>1,777.71</b>	<b>1,777.71</b>	<b>1,554.82</b>	<b>111.65</b>	<b>97.77</b>	<b>13.47</b>

<b>(d) Market risk</b>	Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements can not be normally predicted with reasonable accuracy.					
<b>(e) Currency risk</b>	The Company's functional currency in Indian Rupees (INR). The Company undertakes transactions denominated in the foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports, primarily in relation to raw material. The Company is exposed to exchange rate risk under its trade and debt portfolio.					
	<b>Exposure to currency risk</b>					
	The summary of quantitative data about the Company's exposure (Unhedged) to currency risk as reported to the management of the Company is as follows :					
	<b>Rs in Lacs</b>					
	<b>Nature</b>	<b>Cross Currency</b>	<b>As at 31st March 2022</b>		<b>As at 31st March 2021</b>	
			<b>Foreign Currency</b>	<b>INR (In Lacs)</b>	<b>Foreign Currency</b>	<b>INR (In Lacs)</b>
	<b>Financial Liabilities</b>					
	Trade and Other Payables	USD : INR	-	-	-	-
	<b>Financial Assets</b>					
	Advance to Supplier	USD : INR	98,400	75.17	-	-
<b>(f) Interest rate risk</b>	Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in INR					

**Note 34: Income Tax**

		For the year ended 31st March 2022	For the year ended 31st March 2021
<b>34.1</b>	Income Tax Expenses recognised in Statement of Profit and Loss		
	Current income tax expense for the year	54.98	29.09
	Income tax related to previous year	-6.11	7.91
	Deferred Tax		
	Deferred income tax (benefit)/expense for the year	-2.61	30.91
	MAT Credit Entitlement	-	-
	Total Income tax expense recognised in statement of profit and loss for the year	<b>51.48</b>	<b>67.91</b>
<b>34.2</b>	Reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of comprehensive income		
	Income before income taxes	173.98	123.34
	Indian Statutory Income tax Rate	25.168	27.82
	Estimated income tax expenses	<b>43.79</b>	<b>34.31</b>
	Tax effects of adjustments to reconcile expected income tax expense to reported income tax expense:		
	Effect of Expenses disallowed	8.66	10.63
	Deductions	2.53	-16.09
	Others	-	0.24
		<b>54.98</b>	<b>29.09</b>

**Note 35: Capital Management**

<p>The Company manages its capital to ensure to continue as a going concern while maximizing the return to the equity holders through optimization of the debt to equity balance. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capitalized one through judicious combination of equity and borrowing, both short term and long term.</p> <p>Consistent with others in the industry, the Company monitors capital on the basis of the optimum gearing ratio of Net debt (comprising total borrowings net of cash &amp; bank balances and current investment) in proportion to Total Equity.</p>			
		<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>
	Debt to Equity Ratio :	0.57	0.40

**Note 36: Contingent Liabilities and Capital Commitments:**

<b>36.01</b>	Contingent Liabilities not provided for :
	The company has given counter guarantee to the bankers against guarantees issued by Banks on behalf of the company amounting to Rs.570.53 Lacs (Previous Year: Rs. 431.76 Lacs). The liability may arise in case of failure in supply of material or malfunctioning of products supplied by the Company.
<b>36.02</b>	Few cases under various laws are pending against the Company at different judiciaries, the outcome of which may result in certain losses to the Company to the extent of Rs. 104.81/-lacs (previous year Rs.104.81/- lacs.)
<b>36.03</b>	<b>Income Tax Cases</b>
a)	According to Central Processing Centre Bangalore certain demands are outstanding against the company for 3-4 years, which are very old. However no details are available regarding these demands and hence no provisions are made for such demands. The same will be accounted for at the time of

	payment, if any.		
<b>b)</b>	Year wise details of demands alongwith their assessment status is as under:-		
	<b>Assessment Year</b>	<b>Demand (Rs.)</b>	<b>Status</b>
	2012-13	3,18,70,100	Pending before CIT (A)
	2013-14	95,15,960	Pending before CIT (A)
	2014-15	91,03,196	Pending before CIT (A)
	2015-16	15,34,68,080	Pending before CIT (A)
	2016-17	84,48,225	Pending before CIT (A)
	2017-18	19,97,040	Pending before CIT (A)

**Note 37: Related Party Transactions**

<b>1</b>	<b>Relationships:</b>
<b>a)</b>	<b>Company/Firm in Which Director and Their Relatives Are Interested</b>
1	Jisl Irrigation Private Limited
2	Ramgarh Sponge Iron Private Limited
3	Global Earthmovers Private Limited
4	Kalinga Power Corporation Private Limited
5	Manorath Distributors Private Limited
6	Gladilous Micro Services Private Limited
7	Shriram Power & Steel Private Limited
8	Samara Reality Private Limited
9	Alchemist Aviation Private Limited
10	MP Homes Private Limited
11	Wax India Specialties LLP
12	Deserve Deal Trade Private Limited
13	Gladious Finance Consultants Private Limited
14	Gladious Mercantile Private Limited
15	Gladious Stock Management Private Limited
16	Nextgen Vincom Private Limited
17	Sangini Suppliers Private Limited
18	Depose Vintrade Private Limited
19	DBS Building Products Private Limited
20	Akshay Ispat Udyog Private Limited
21	Arvind Construction Private Limited
22	Arvind Medicare Private Limited
23	Arvind Overseas Project Services Private Limited
24	Chanderi Wax Specialities Private Limited
25	Delhi Builders Store
26	Vaishnodevi Vinimay Private Limited
<b>b)</b>	<b>Directors and their Relatives</b>
1	Sh. Mahabir Prasad Rungta (Chairman cum Managing Director)
2	Sh. Tarun kumar Megotia (Whole Time Director)
3	Mrs. Priya Rungta
4	Mrs. Shruti Rungta (Whole Time Director )
5	Sh. Daves Poddar
6	Sh. Abul Kalam
7	Sh. Vivek Aggarwal
8	Mrs. Namrata Megotia
9	Mrs. Jyoti Rungta



10	Mrs. Sweta Rasiwasia
11	Mrs. Urmila Rungta
12	Sh. Aditya Rasiwasia
13	Sh. Gaurav Jain
14	Sh. Samrat Jain
15	Sh. Ankur Gupta
<b>c)</b>	<b>Key Management Personnel &amp; Relatives</b>
1	Ms Swati Garg (CFO)
2	Mr. Prateek Sharma (C.S.)

<b>2</b>	<b>Following transactions were carried out with related parties in the ordinary course of business:</b>						
	Particular of Transaction	As at 31st March 2022			As at 31st March 2021		
		Company/Firm in Which Director and Their Relatives Are Interested	Directors and their Relatives	Key Management Personnel & Relatives	Company/Firm in Which Director and Their Relatives Are Interested	Directors and their Relatives	Key Management Personnel & Relatives
	Sale	-	-	-	0.99	-	
	Purchase	-	-	-	-	-	
	Director Remuneration	-	28.73	-	-	51.12	
	Sale of Fixed Asset	-	-	-	-	-	
	Rent Paid	4.80	24.00	-	4.8	9.12	
	Rent Received	-	-	-	-	-	
	Loan Taken	2462.01	56.45	-	1,571.54	-	
	Repayment of Loan	1312.13	56.45	-	272.50	-	
	Interest Paid	36.20	-	-	17.28	-	
	Interest Received	-	-	-	22.1		
	Loan Given	-	-	-	657.74	-	
	Reimbursement of Exp	7.38	0.61	2.32	-	-	
	Board Sitting Fee	-	1.45	-	-	1.34	
	Salary	-	26.87	22.02	-	33.13	16.35
	<b>Balance As At 31.03.2022</b>	-1743.20	-	-	-560.65	-4.58	-0.01
	Receivable	-	-	-	0.10		
	(Payable)	-1743.20	-	-	-560.75	-4.58	-0.01
	<b>Investment As At 31.03.2022</b>	1,387.39			1,387.39		

**Note 38: Disclosure of Employee benefit**

	Particulars	As at 31st March 2022	As at 31st March 2021
<b>i.</b>	<b>Change in defined benefit obligation</b>		
	A. Present Value of Obligation as at the beginning of the year	136.22	126.78
	B. Current Service cost	13.35	12.36
	C. Interest Cost	6.89	6.44
	D. Benefit Paid	-28.25	-4.14
	E. Actuarial (Gain)/Loss	-11.1	-5.22
	F. Past service cost including curtailment Gains/loss		-
	<b>G. Present defined Value of obligation (G=A+B+C+D+E+F)</b>	<b>117.11</b>	<b>136.22</b>

<b>ii.</b>	<b>Change in Fair Value of Plan Assets</b>		
	A. Present Value of Obligation as at the beginning of the year	80.68	65.46
	B. Interest Income	5.5	4.35
	C. Actual Company contribution	3.67	15.00
	D. Benefit Paid from fund	-27.75	-4.13
	E. Actuarial (Gain)/Loss	-	-
	F. Past service cost including curtailment Gains/loss	-	-
	<b>G. Present Value of obligation (G=A+B+C+D+E+F)</b>	<b>62.1</b>	<b>80.68</b>
<b>iii.</b>	<b>Net Liability recognised in Balance Sheet</b>	55.00	55.54
	Recognized Under:		
	Short Term Provision	9.6	3.15
	Long Term Provision	45.4	52.39
<b>iv.</b>	<b>Expense Recognised in the Profit and Loss Account</b>		
	A. Current Service Cost	13.35	12.36
	B. Net Interest Cost	1.38	2.08
	C. Remeasurement - Actuarial (Gain)/Loss	-	-
	D. Past Service Cost including curtailment Gains/Losses		-
	<b>E. Net Charge (A+B+C+D)</b>	<b>14.73</b>	<b>14.44</b>
<b>v.</b>	<b>Principal Actuarial Assumptions</b>		
	A. Discount Rate (P.A.)	7.23%	6.82%
	B. Salary Escalation Rate (P.A.)	5%	For First Year : 0% Thereafter: 5%
<b>vi.</b>	<b>Demographic Assumptions</b>		
	1. Retirement Age	58 Years	58 Years
	2. Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
	3. Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
	Upto 30 Years	5	5
	From 31 to 44 Years	3	3
	Above 44 Years	2	2

**Note 39: Turnover, Opening and Closing Stock of Finished Goods**

a.	Turnover	Units	2021-22		2020-21	
			Qty.	Rs. In Lacs	Qty.	Rs. In Lacs
	Aluminium Pipes	NOS	440	9.60	6,979	112.86
	HDPE Pipes	NOS	2,96,225	2,109.47	3,45,749	1,229.81
	PVC Pipes	NOS	1,79,103	806.32	29,808	252.35
	HDPE Coils	MTR	1,16,787	70.06	26,079	17.28
	MDPE Coils	MTR	29,51,002	1,757.65	8,83,810	544.23
	LLDPE Coils	MTR	42,29,258	664.02	78,61,477	727.05
	Accessories, Fittings & Other		-	1,608.72	-	1,561.71
	<b>Total</b>		-	<b>7,025.84</b>	-	<b>4,445.29</b>
	Trading Goods ( Coal & Other )		-	-	-	-

	<b>Gross Total</b>		-	<b>7,025.84</b>	-	<b>4,445.29</b>
<b>b.</b>	<b>Opening Stock</b>					
	Aluminium Pipes	NOS	1,191.68	12.67	1,659	18.38
	HDPE Pipes	NOS	48,306	204.03	28,757	158.46
	PVC Pipes	NOS	12,044	57.65	11,233	46.47
	MDPE Pipe	NOS	59	1.14	13	0.09
	HDPE Coils	MTR	39,135	9.17	6,472	0.29
	MDPE Coils	MTR	83,751	31.12	-	-
	LLDPE Coils	MTR	33,07,448	150.11	9,73,811	115.27
	Accessories, Fittings & Other		-	397.94	-	239.6
			-	<b>863.83</b>	-	<b>578.56</b>
<b>c.</b>	<b>Closing Stock</b>					
	Aluminium Pipes	NOS	329	5.29	1191.68	12.67
	HDPE Pipes	NOS	31,984	170.00	48,306	204.03
	PVC Pipes	NOS	10,159	53.16	12,044	57.65
	MDPE Pipes	NOS	-	-	59	1.14
	HDPE Coils	MTR	58,293	18.60	39,135	9.17
	MDPE Coils	MTR	1,61,909	159.30	83,751	31.21
	LLDPE Coils	MTR	23,56,475	88.45	33,07,448	150.11
	Accessories, Fittings & Other		-	552.20	-	397.94
			-	<b>1,047.00</b>	-	<b>863.83</b>
<b>d.</b>	<b>Raw Material Consumption</b>					
	HDPE Granuels	MT	1,051.64	1,029.44	949.60	838.47
	PVC Resin	MT	526.47	738.03	286.15	296.89
	MDPE Granuels	MT	1,107.25	1,348.00	453.45	463.06
	LLDPE Granuels	MT	289.28	277.52	349.6	345.23
	Accessories, Fittings & Others		-	667.35	-	436.34
				<b>4,060.34</b>		<b>2,379.99</b>

e.	Value of imported and indigenous Raw Material, Stores & Spares consumed:		% of total Consumption	Rs. In lacs	% of total Consumption	Rs. In lacs
<b>(i)</b>	<b>Raw Material</b>					
	Imported		32.72%	1,328.56	12.93%	307.82
	Indigenous		67.28%	2,731.78	87.07%	2,072.17
			<b>100%</b>	<b>4,060.34</b>	<b>100%</b>	<b>2,379.99</b>
<b>(ii)</b>	<b>Stores and Spares</b>					
	Imported		-	-	-	-
	Indigenous		100%	12.03	100%	21.01
			<b>100%</b>	<b>12.03</b>	<b>100%</b>	<b>21.01</b>
<b>(iii)</b>	<b>Trading Goods</b>					
	Imported		-	-	-	-
	Indigenous		100%	980.02	100%	509.89
			<b>100%</b>	<b>980.02</b>	<b>100%</b>	<b>509.89</b>
<b>f.</b>	<b>CIF Value of imports</b>			<b>1202.73</b>		<b>590.74</b>
<b>g.</b>	<b>Earnings in Foreign Exchange</b>					
	FOB Value of Export of Goods			<b>23.86</b>		<b>21.13</b>
<b>h.</b>	<b>Expenditure in Foreign Currency</b>					

	Travelling Expenses			3.01		2.46
	Medical expenses			-		-
	Goods			1,083.46		590.74
	Fixed Assets			-		-
				<b>1,086.47</b>		<b>593.2</b>
i	<b>Managerial Remuneration:</b>			<b>2021-22</b>		<b>2020-21</b>
	Details of payments and provisions on account of Remuneration to Managing Director and Whole Time Director.					
	- Salary			17.88		26.37
	- Provident Fund			0.56		1.55
	- Allowances and Benefits			10.85		21.96
				<b>29.29</b>		<b>49.88</b>

**Note 40: Segment Reporting**

39.1.	The company operates in only one reportable operating segment of manufacturing of Irrigation products. Hence product wise segment reporting is not applicable as per Ind AS 108.		
	The Segment Revenue taking the Geographical Segments are disclosed as under:		
	<b>Particulars</b>	<b>For the year ended 31st March 2022</b>	<b>For the year ended 31st March 2021</b>
	<b>Turnover</b>		
1.	Within India	7,001.98	4,424.16
2.	Outside India	23.86	21.13

**Note 41: Corporate Social Responsibility**

	As per Sec 135(1) of Companies Act 2013, Corporate Social Responsibility is not applicable to the Company.
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**Note 42**

Previous GAAP figures have been re-classified/regrouped to conform to the presentation requirements under INDAS and the requirements laid down in Division-II to the Schedule-III of the Companies Act 2013.
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As per our Report of even date  
For Mamraj & Co.  
CHARTERED ACCOUNTANTS  
Firm Registration Number: 006396N

For and On Behalf of the Board

Sd/-  
CA Mamraj Agarwal  
Partner  
Membership No.: 084944

Sd/-  
Mahabir Prasad Rungta  
Chairman cum Managing Director  
DIN-00235632

Sd/-  
Shruti Rungta  
Director  
DIN-00229045

Place: New Delhi  
Date: 23.05.2022  
UDIN: 22084944AMMHXE6341

Sd/-  
Swati Garg  
Chief Financial Officer

Sd/-  
Prateek Sharma  
Company Secretary

## **SIGNIFICANT ACCOUNTING POLICIES**

### **Notes to the Financial Statements**

#### **1) Corporate Information**

Rungta Irrigation Limited ('The Company') is a public company domiciled in India and incorporated under the provision of the Companies Act. The shares of the Company are listed in India on Bombay Stock Exchange Limited. The Registered office of the Company is located at 101 Pragati Tower 26, Rajendra Place, New Delhi-110008. The Company is primarily engaged in the activity of Manufacturing, assembling and marketing of Sprinkler Irrigation systems. The product range of the company includes HDPE, PVC, Aluminium, MDPE, Sprinklers Pipes & Drip Irrigation systems.

#### **2) Significant Accounting Policies**

This note provides a list of significant accounting policies adopted in the presentation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **2.1 Basis of Preparation**

The Financial Statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the "Ind-AS") as notified by the Ministry of Corporate Affairs, pursuant to section 133 of the Companies Act 2013 (The Companies (Indian Accounting Standards) Rules, 2015) and comply in all material aspects with their provisions.

##### **Historical Cost Conventions and Fair Value**

The Financial statements are prepared as per IND AS notified under companies (Indian accounting standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Rules, 2016.

The Financial Statements are prepared on Historical Cost method except for:-

- Derivative financial instruments
- Plan Assets of Defined employee benefit plans
- Certain financial assets and liabilities measured at Fair Value (refer accounting policy regarding financial instruments)

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

##### **Reporting Presentation Currency**

All amounts in the financial statements and notes thereon have been presented in Indian Rupees (INR) (reporting and primarily functional currency of the company) and rounded off to the nearest Lakhs with two decimals, unless otherwise stated.

##### **2.2 Classification of Assets and Liabilities**

All the assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Ind-AS 1 notified under the Companies (Indian Accounting Standards) Rules, 2015. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, twelve months has been considered by the Company for the purpose of current/ non-current classification of assets and liabilities. However certain liabilities such as trade payables and some accruals for employee and other operating costs are part of the working capital used in the Company's normal operating cycle,

accordingly classified as current liabilities even if they are due to be settled more than twelve months after the reporting period.

### **2.3 Accounting Estimates & Judgements and key sources of estimation uncertainty**

Due to the nature of the Company's operations, critical accounting estimates and judgements principally relate to the:

- Tangible fixed assets (estimate useful life);
- Intangible fixed assets (estimate useful life)
- Impairment testing (if and when applicable)
- Provision inventories (obsolescence / lower net realizable value)
- Provision for doubtful debts
- Provision for employee's post-employment benefits (actuarial assumptions)

In preparing the financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period in which the same is determined.

The management of the Company makes assumptions about the estimated useful lives, depreciation methods or residual values of items of property, plant and equipment, based on past experience and information currently available. In addition, the management assesses annually whether any indications of impairment of intangible assets and tangible assets. The management of the Company believe that on balance sheet date no impairment indications were existing.

The management of the Company believe that the inventory balances on hand could be sold to the third parties at the disclosed value taking into consideration the condition of inventories held and current conditions in the market.

Furthermore, the management believe that the net carrying amount of trade receivables is recoverable based on their past experience in the market and their assessment of the credit worthiness of debtors at 31st March 2022.

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. COVID-19 is significantly impacting business operation of the companies, by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lockdown of production facilities etc. On 24th March, 2020, the Government of India ordered a nationwide lockdown for 21 days which further got extended till 3rd May, 2020 to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities. In assessing the recoverability of Company's assets such as Investments, Loans, Intangible assets, Trade receivable etc. the Company has considered internal and external information. The Company's has done analysis of the assumptions used basis the internal and external information/indicators of future economic conditions, the Company's expects to recover the carrying amount of the assets.

### **2.4 Operating Segments**

Company operates in only one reportable operating segment of manufacturing of irrigation products, in accordance with the Ind AS 108 (Operating Segments).

## **2.5 Inventories**

Inventories are measured at lower of cost or net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, stores, packing materials are determined on FIFO basis. Finished Goods & Work in progress are valued at lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Non usable wastes are valued at net realizable value.

## **2.6 Property, Plant and Equipment**

Land, buildings, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes are stated at historical cost or deemed cost less accumulated depreciation (except Land) and any accumulated impairment losses. Cost comprises of purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Capital work-in-progress includes cost of property, plant & equipment under installation/under development as at the balance sheet date.

## **2.7 Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at historical cost. Intangibles assets have a finite life and are subsequently carried at cost less any accumulated amortization and accumulated impairment losses if any.

Intangible assets with finite lives are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

Amortization methods and estimated useful lives:

Software - 4-6 Years

## **2.8 Impairment of Assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## 2.9 Depreciation

Depreciation is provided on a pro-rata basis on the written down value method over the estimated useful lives of asset Land and capital work in progress are not depreciated. The estimated useful lives considered for providing depreciation on other substantial assets are as follows:

Factory Buildings – 30 Years  
Non Factory Buildings- 60 Years  
Plant and Machinery – 10-15 Years  
Furniture and Fixtures- 10 Years  
Office Equipment- 5 Years  
Computers- 3 Years  
Vehicles- 6-8 Years

The asset's useful lives and methods of depreciation are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount of the asset.

These are included in profit or loss within other income. Assets costing less than or equal to Rs. 5,000 are fully depreciated pro-rata from date of acquisition

## 2.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial Assets

#### (a) Initial recognition and measurement:

All financial assets are recognized initially at fair value and, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

#### (b) Subsequent measurement:

For purposes of subsequent measurement financial assets are classified in two broad categories:  
Financial assets at fair value  
Financial assets at amortized cost

#### (c) Classification:

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

#### (d) Financial assets measured at amortized cost:

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely for payments of principal and interest. Such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR)



method. The losses arising from impairment are recognized in the Statement of profit and loss. This category generally applies to trade and other receivables.

**(e) Financial assets measured at fair value through other comprehensive income (FVTOCI):**

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

**(f) Financial assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

**(g) Derecognition of Financial assets:**

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset, if an entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it shall recognize either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation shall be recognized at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset shall be recognized for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

**(h) Impairment of Financial assets:**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) Model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

**Financial Liabilities**

**(a) Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

**(b) Classification & Subsequent measurement:**

If a financial instrument that was previously recognized as a financial asset is measured at fair value through profit or loss and its fair value decreases below zero, it is a financial liability measured in accordance with IND AS. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term.

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

**(c) Financial liabilities measured at fair value through profit or loss:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. At initial recognition, such financial liabilities are recognized at fair value. Financial liabilities at fair value through profit or loss are, at each reporting date, measured at fair value with all the changes recognized in the Statement of Profit and Loss.

**(d) Derecognition of Financial Liabilities:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an

exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

**Offsetting financial instruments:**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis to realize the asset and settle the liability simultaneously. Subsequent recoveries of amounts previously written off are credited to Other Income.

**2.11 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and in hand, short-term deposits and highly liquid investments with an original maturity of three months or less which are readily convertible in cash and subject to insignificant risk of change in value.

**2.12 Trade Receivables**

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. If collection is expected to be collected within a period of 12 months or less from the reporting date, they are classified as current assets otherwise as non-current assets.

Trade receivables are measured at their transaction price unless it contains a significant financing component.

**2.13 Provisions**

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Provisions in the nature of long term are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

**2.14 Employee Benefits**

**a) Short Term Obligations**

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages etc. and the expected cost of bonus, ex-gratia, and incentives are recognized in the period during which the employee renders the related service.

**b) Post-Employment Obligations**

**Defined contribution plans**

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

**Defined benefit plan**

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in the Other Comprehensive Income in the period in which

they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized.

### **2.15 Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is received. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excludes taxes/ duties collected on behalf of the government.

#### **(a) Sale of goods**

Revenue from the sale of goods is recognized, when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of consideration received or receivable, net of returns and allowances, trade discounts, volume rebates. Accordingly, revenues from sale of goods are stated gross of GST not received by the company on its own account but collected on behalf of the government and accordingly, are excluded from revenue.

#### **(b) Interest income**

Interest income is recognized using the time proportion basis, based on the underlying interest rates.

#### **(c) Rental Income**

Rental income is recognized on a time-apportioned basis in accordance with the underlying substance of the relevant contract.

#### **(d) Dividend**

Dividend is recognized when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

### **2.16 Income Taxes**

The income tax expense is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### **2.17 Foreign currency transactions and translation**

Transactions in foreign currencies are recorded in functional currency at the exchange rates prevailing at the date of the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rates prevailing at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss with the exception for exchange differences on foreign currency borrowings relating to qualifying assets under construction are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

### **2.18 Borrowing Costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Transaction cost in respect of long-term borrowings are amortised over the tenure of respective loans using effective interest method. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

### **2.19 Contingent Liability and Contingent Assets**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, Contingent assets are not recognized, but are disclosed in the notes. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

### **2.20 Earnings per Share**

As per Ind AS 33, Earning per Share, Basic earnings per share are computed by dividing the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments. Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

### **2.21 Share Capital and Securities Premium Reserve**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.



Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as securities premium reserve.