



**SYMBOL OF  
QUALITY**



# RUNGTA IRRIGATION LIMITED

**REGD. & HEAD OFFICE:**

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

Ph.: 011-40453330, 331, 332, Fax : 91-11-25716231

CIN : L74899DL1986PLC023934

E-mail : [info@rungtairrigation.in](mailto:info@rungtairrigation.in)

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

To,

September 07, 2020

The General Manager,  
BSE Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400001

**Sub: Intimation under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Submission of Annual Report for FY 2019-20 (along with Notice of AGM)**

Dear Sir,

Please find enclosed herewith the Annual report and Annual Accounts of Rungta Irrigation Limited for the FY 2019-2020 along with Notice of 36<sup>th</sup> AGM of the company. The Annual Report is also being sent to all the members whose e-mail addresses are registered with the Company/Registrars and Transfer Agents.

The abovementioned documents are also mentioned on the website of the Company [www.rungtairrigation.in](http://www.rungtairrigation.in).

This is submitted for your information and records.

Thanking you,  
Yours faithfully,

**FOR RUNGTA IRRIGATION LIMITED**



Mr. Prateek Sharma  
(Compliance Officer & Company Secretary)  
M.No.-49283



**WORKS / BRANCHES / DEPOTS :**

Ghaziabad • Ranchi • Bhiwani • Jaipur • Jabalpur • Raipur • Lucknow



(AN ISO 9001 : 2008 CERTIFIED COMPANY)

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### MR. MAHABIR PRASAD RUNGTA

Chairman Cum Managing Director

### MR. KRISHNA MURTHY NAGARUR

Joint Managing Director

### MR. TARUN KUMAR MEGOTIA

Whole Time Director

### MS. SHRUTI RUNGTA

Whole Time Director

### MR. DEVANAND MISHRA

Independent Director

### MR. DEVESH PODDAR

Independent Director

### MR. ABDUL KALAM

Independent Director

### MR. VIVEK AGRAWAL

Independent Director

### COMPANY SECRETARY

Mr. Prateek Sharma

### STATUTORY AUDITORS

M/s Mamraj & Co.

### COST AUDITOR

M/s S. Shekhar & Co

### BANKERS

Kotak Mahindra Bank  
Allahabad Bank

### REGISTERED OFFICE

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

### ZONAL OFFICE

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

### WORKS

#### 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.

Beetal House, IIIrd Floor, 99, Madangir,

Behind Local Shopping Centre,

Near Dada Harsukhdass Mandir, New Delhi-110062

### CORPORATE IDENTITY NUMBER (CIN)

**L74899DL1986PLC023934**

## INSIDE THIS REPORT

S. No.	CONTENTS	Pg. No.
1.	Chairman's Message	3
2.	Notice	5
3.	Board Report	23
4.	Management Discussion And Analysis Report	31
5.	Corporate Governance Report	34
6.	CEO And CFO Certification	51
7.	Auditor's Certificate On Corporate Governance	52
8.	Remuneration Policy	54
9.	Disclosure Of Related Parties Transaction	57
10.	Extract Of Annual Return	59
11.	Secretarial Audit Report	70
12.	Particulars With Respect To Conservation Of Energy	72
13.	Independent Auditor's Report	73
14.	Profit & Loss Account	81
15.	Balance Sheet	82
16.	Cash Flow Statement	83
17.	Statement of Change In Equity	84
18.	Accounting Policies	85
19.	Notes To Financial Statement	93



**Mahabir Prasad Rungta**  
**Chairman cum Managing Director**

## *Chairman's Message*

Rungta Irrigation Limited, a Listed Public Limited Company based on quality commitments to our customers, consistency & sustainability enables us to report a significant evaluation and performance.

In 2019-20, Rungta Irrigation Limited redefines its model size & organization in order to manage its business more efficiently in the new competitive world. This year has been very challenging considering slow economic growth and emergence of COVID-19. Both of them together have a huge impact on the industry at large. Hence, in the time of distress, 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.

We continue to incorporate improvement to the quality of our products, so that, this boosts the sustainability and Company's 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.



# Rungta Irrigation Limited

**Registered Office:** 101, Pragati Tower 26, Rajendra Place, New Delhi-110008

**CIN:** L74899DL1986PLC023934, **TEL:** 011-40453332

**Email:** [cs@rungtairrigation.in](mailto:cs@rungtairrigation.in), **Website:** [www.rungtairrigation.in](http://www.rungtairrigation.in)

## NOTICE

NOTICE is hereby given that the Thirty-sixth Annual General Meeting of the Members of Rungta Irrigation Limited will be held on Tuesday, September 29, 2020 at 11:00 A.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 Consider & Adopt the Audited Financial Statements of the Company for the Financial Year Ended March 31, 2020 and the Reports Of The Board Of Directors & Auditors Thereon.**
2. **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.**

### Special Business

3. **To ratify the payment of remuneration to the Cost Auditor (S. Shekhar & Co., Cost accountants ) for the Financial Year ending March 31, 2021, 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/-, 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, 2021 be and is hereby ratified, approved and confirmed."

4. **To re-appoint Mr. Mahabir Prasad Rungta (DIN: 00235632) as Chairman cum Managing director for a further period of Five years w.e.f September 29, 2020 to December, 2025, and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution.**

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provision(s) of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 & the recommendation of the Nomination & Remuneration Committee, Mr. Mahabir Prasad Rungta (DIN: 00235632), Chairman cum Managing Director be and is hereby re-appointed as Chairman cum Managing Director of the Company for a further period of (5) five years with effect from September 29, 2020 to December, 2025, on the terms and conditions of appointment and remuneration at Rs. 70,000 per month as approved by Board.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year the Board may pay remuneration to Shri Mahabir Prasad Rungta in excess of the limits as specified in appropriate slab of Schedule V of the Companies Act, 2013, and the rules made thereunder, applicable if any.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and execute all such documents, instruments, writings as, in its absolute discretion, it may be considered necessary, expedient or desirable, in order to give effect to the foregoing resolution or otherwise as considered by the Board to be in the best interest of the Company as it may deem fit.”

5. **To appoint, Ms. Shruti Rungta (DIN: 00229045) as a Whole-Time Executive Director of the Company, and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution.**

“**RESOLVED THAT** pursuant to the provisions of Section 152, 161 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Ms. Shruti Rungta (DIN:00229045) who was appointed as an Additional Director with effect from October 15, 2019 and who holds office upto the date of Annual General Meeting be and is hereby appointed as the Whole-Time Executive Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of section 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Shruti Rungta (DIN:00229045) be and is hereby appointed as a Whole-Time Executive Director of the Company for the period of (5) five years i.e. with effect from October 15, 2019 till October 14, 2024 on the terms and conditions of appointment and remuneration as set out in explanatory statement annexed to the notice.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year the Board may pay remuneration to Ms. Shruti Rungta in excess of the limits as specified in appropriate slab of Schedule V of the Companies Act, 2013, and the rules made thereunder, applicable if any.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and execute all such documents, instruments, writings as, in its absolute discretion, it may be considered necessary, expedient or desirable, in order to give effect to the foregoing resolution or otherwise as considered by the Board to be in the best interest of the Company as it may deem fit.”

6. **To consider and approve Loans, Investments, Guarantee or Security under Section 185 of Companies Act, 2013, 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 185 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force, approval of members of the Company be and is hereby accorded for making of loan(s) including loan represented by way of Book Debt (the “Loan”) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan to be taken by Ramgarh Sponge Iron Private Limited, Shriram Power & Steel Private Limited, Deserve Dealtrade Private Limited, Gladiolus Merchantile Private Limited, Gladiolus Finance Consultants Private Limited and Manorath Distributors Private Limited being entities covered under the category of ‘a person in whom any of the director of the company is



interested' as specified in the explanation to Sub section 2 of the said Section, of an aggregate amount not exceeding 10 Crores (Rupees Ten Crores only) per annum, respectively for each entity.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any committee thereof) be and is hereby authorized to negotiate, finalise and agree to the terms and conditions of the aforesaid Loan/ Guarantee/ security, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable."

- 7. To approve the remuneration of Mr. Krishnamurthy Nagarur, Joint 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 all other applicable provisions, if any, of the Companies Act, 2013 and the Rules prescribed thereunder, the consent of the shareholders of the Company be and is hereby accorded to vary the terms and conditions of appointment of Mr. Krishnamurthy Nagarur, Joint 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 28, 2018 and that the rest of the terms and conditions of appointment of Mr. Krishnamurthy Nagarur remain unchanged.

**The Board may pay remuneration to Mr. Krishnamurthy Nagarur in excess of the limits as specified in appropriate slab of Schedule V of the Companies Act, 2013, and the rules made thereunder, applicable if any.**

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and to execute all such documents as may be required to give effect to the aforesaid resolution."

- 8. To approve the remuneration of Mr. Tarun Kumar Megotia, Whole-time 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 all other applicable provisions, if any, of the Companies Act, 2013 and the Rules prescribed thereunder, the consent of the shareholders of the Company be and is hereby accorded to vary the terms and conditions of appointment of Mr. Tarun Kumar Megotia, Whole-Time 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 28, 2018 and that the rest of the terms and conditions of appointment of Mr. Tarun Kumar Megotia remain unchanged.

**The Board may pay remuneration to Mr. Tarun Kumar Megotia in excess of the limits as specified in appropriate slab of Schedule V of the Companies Act, 2013, and the rules made thereunder, applicable if any.**



**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and to execute all such documents as may be required to give effect to the aforesaid resolution.”

By Order of the Board of Directors

Sd/-

**Prateek Sharma**

Company Secretary and Compliance Officer

Delhi, September 02, 2020

## Notes:

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the Annual General Meeting (“Meeting”) is annexed hereto.
2. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the Company 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 and Circular No. 20/2020 dated May 05, 2020. 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.
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 FACILITY OF APPOINTMENT OF PROXY WILL NOT BE AVAILABLE. THEREFORE, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED HERETO.**
4. Also, since the AGM will be held through VC/OAVM, the Route MAP is not annexed to the Notice.
5. In compliance with circulars dated May 5, 2020, April 8, 2020 and April 13, 2020, issued by the Ministry of Corporate Affairs (“MCA”) and circular No. SEBI/HO/CFD1/CIR/P/2020/79 dated May 12, 2020 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).
6. The Register of Members and Share Transfer Books shall remain closed from September 23, 2020 to September 29, 2020 (both days inclusive).
7. SEBI has decided that securities of listed companies can be transferred only in dematerialized form w.e.f April 1, 2019. Accordingly, the Company has stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail the facility of dematerialization.
8. 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.

9. Members holding shares in physical form are requested to intimate changes with respect to their bank account (viz. name and address of the branch of the bank, MICR code of branch, type of account and account number), mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. immediately to the Company.
10. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to 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.
11. The Notice of AGM along with Annual Report for the financial year 2019-20, is available on the website of the Company [www.runtairrigation.in](http://www.runtairrigation.in), on the website of Stock Exchanges i.e. BSE Limited and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).

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

12. **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 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 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 atleast 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.
  - Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and

Section 113 of the Companies Act, 2013, representatives of the Members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

- The 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 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins on September 26, 2020 at 10:00 A.M. and ends on September 28, 2020 at 5:00 P.M. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 22, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on “Shareholders” module.
- (v) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL’s EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL’s EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Shareholders holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the</li> </ul>

	PAN Field.
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
<b>OR</b> Date of Birth (DOB)	<ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant **Rungta Irrigation Limited** on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

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 provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 the Company at [cs@rungtairrigation.in](mailto:cs@rungtairrigation.in) and also to the RTA at [beetalrta@gmail.com](mailto:beetalrta@gmail.com).

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

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders 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/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.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. 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.
3. 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.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

#### NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address [cs@runtairrigation.in](mailto:cs@runtairrigation.in) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, 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 terms of the provision of section 152 of the Act, Mr. Tarun Kumar Megotia, a Director, retires by rotation at the Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company commend his respective re-appointment.
2. 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.
3. The Register of Members and Share Transfer Books of the Company will remain closed from September 23, 2020 to September 29, 2020 (both days inclusive) for the purpose of the AGM.
4. Members are requested to notify any change in their address/mandate/ bank details immediately to the Share Transfer Agent of the Company.

5. The relative explanatory statements pursuant to section 102 of the Companies Act, 2013 in respect of the business under Item No. 3 to 8 above, are annexed hereto.
6. 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.
7. 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.
8. 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).
9. 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 22, 2020.
10. 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 28, 2020.
11. The Board of Directors of the Company has appointed Mr. Nakul Pratap Singh, a Practicing Company Secretary (Membership No. A55529) of M/s NPS 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.
12. 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).

## **Statement pursuant to Section 102(1) of the Companies Act, 2013**

### **Item No. 3**

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, 2021, on a remuneration of Rs.20,000/-.



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, 2021, through an Ordinary Resolution as set out at Item No. 3 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. 3 of the Notice for consideration and approval by the Members.

#### **Item No. 4**

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company has proposed the re-appointment of Mr. Mahabir Prasad Rungta (DIN: 00235632) as Chairman cum Managing Director, pursuant to the provisions of Sections 196, 197, 198, 203 of the Companies Act, 2013 ("the Act"), and the Articles of Association of the Company for a further period of Five (5) years from September 29, 2020 to September, 2025.

Mr. Mahabir Prasad Rungta is not disqualified from being appointed as a director in terms of Section 164 of the Act and has given his consent to act as a director.

Details of Mr. Mahabir Prasad Rungta are provided in the "**Annexure**" to the Notice, pursuant to the provisions of Listing Regulations and Secretarial Standards of General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

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.4 of the Notice with regard to his appointment.

He shall be paid remuneration at the rate of Rs. 70,000 (Rupees Seventy Thousand only) per month effective from September 29, 2020, which may be reviewed by the Board. In addition to this, he is also entitled for various perquisites and allowances such as:

- 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, 2020 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 September 2, 2020 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 of the appointment of Shri Mahabir Prasad Rungta to enable the Board to fix, vary and pay remuneration to Shri Mahabir Prasad Rungta in line with Schedule V of the Companies Act, 2013 and also to vary, if required, the other terms and conditions of appointment of Shri Mahabir Prasad Rungta to accommodate the desired level of remuneration based on the financial position of the Company.

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. 4 of the Notice for consideration and approval by the Members.

#### Item No. 5

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company had appointed, pursuant to the provisions of Section 152, 161(1) of the Companies Act, 2013, and the Articles of Association of the Company, Ms. Shruti Rungta (DIN: 00229045) as an Additional Director, to hold office as Whole Time Executive Director of the Company for a term of 5(Five) consecutive years with effect from October 15, 2019.

Ms. Shruti Rungta is not disqualified from being appointed as a director in terms of Section 164 of the Act and has given her consent to act as a director.

Details of Ms. Shruti Rungta are provided in the “Annexure” to the Notice, pursuant to the provisions of Listing Regulations and Secretarial Standards of General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

She shall be paid remuneration at the rate of Rs. 80,000 (Rupees Eighty Thousand only) per month effective from October 15, 2019, which may be reviewed by the Board.

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, 2020 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 September 2, 2020 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 of the appointment of Ms. Shruti Rungta to enable the Board to fix, vary and pay remuneration to Ms. Shruti Rungta in line with Schedule V of the Companies Act, 2013 and also to vary, if required, the other terms and conditions of appointment of Ms. Shruti Rungta to accommodate the desired level of remuneration based on the financial position of the Company.

Copy of the letter of appointment of Ms. Shruti Rungta setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

She is not holding Directorship on the Board of other Companies.

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

Save and except Ms. Shruti Rungta, herself and Mr. Mahabir Prasad Rungta, Chairman and Managing Director of the Company, being her 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.

This Statement may also be regarded as an appropriate disclosure under section 190 of the Companies Act, 2013 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

#### Item No. 6

Ramgarh Sponge Iron Private Limited's & Shriram Power & Steel Private Limited's principal business activities interalia consists of manufacturing of Sponge Iron. Gladiolus Finance Consultants Private Limited is a NBFC Company & principal business activities of the Deserve Dealtrade Private Limited, Gladiolus Merchantile Private Limited, Manorath Distributors Private Limited consist of Trading of Goods. Hereinafter above mentioned companies will be termed as "**Borrowers**".

The Company may be required to make loan(s) including loan represented by way of Book Debt (the "loan") to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan, including loan represented by way of Book debt, if any (the "Loan") to be taken by Companies mentioned above, the said Loan(s)/ guarantee(s)/security(ies) shall be utilised by them for their principal business activities and the matters connected and incidental thereto (the "Principal Business Activities").

The borrowers are entities covered under the category of 'a person in whom any of the director of the company is interested' as specified in the explanation to Sub-section 2 of the Section 185 of Companies Act, 2013 and hence

consent of the members is being sought by way of a special resolution pursuant to Section 185 of the Companies Act, 2013 for making of Loan(s) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan to be taken by borrowers of an aggregate amount not exceeding 10 Crores (Rupees Ten crores only) per annum respectively for each entity on the terms mentioned in the resolution set out at item no. 6 and necessary delegation of authority to the Board for this purpose. Your Directors recommend the resolution set out at Item no. 6 to be passed as a special resolution by the members.

Following are the brief particulars of Loan proposed to be given or guarantee to be given or security to be provided by your Company to borrowers:

Name of the Company	Particulars of loans to be given, or guarantee to be given or security to be provided	Purpose
Ramgarh Sponge Iron Private Limited	Aggregate amount of loans to be given or guarantee to be given or securities to be provided shall not exceed an amount of Rs. 10 Crores per annum.	Working capital requirements to support its Principal Business Activities and all the other activities incidental thereto.
Shriram Power & Steel Private Limited	Aggregate amount of loans to be given or guarantee to be given or securities to be provided shall not exceed an amount of Rs. 10 Crores per annum.	Working capital requirements to support its Principal Business Activities and all the other activities incidental thereto.
Manorath Distributors Private Limited	Aggregate amount of loans to be given or guarantee to be given or securities to be provided shall not exceed an amount of Rs. 10 Crores per annum.	Working capital requirements to support its Principal Business Activities and all the other activities incidental thereto.
Gladiolus Finance Consultants Private Limited	Aggregate amount of loans to be given or guarantee to be given or securities to be provided shall not exceed an amount of Rs. 10 Crores per annum.	Working capital requirements to support its Principal Business Activities and all the other activities incidental thereto.
Deserve Dealtrade Private Limited	Aggregate amount of loans to be given or guarantee to be given or securities to be provided shall not exceed an amount of Rs. 10 Crores per annum.	Working capital requirements to support its Principal Business Activities and all the other activities incidental thereto.
Gladiolus Merchantile Private Limited	Aggregate amount of loans to be given or guarantee to be given or securities to be provided shall not exceed an amount of Rs. 10 Crores per annum.	Working capital requirements to support its Principal Business Activities and all the other activities incidental thereto.

Except Mr. Mahabir Prasad Rungta and Mr. Tarun Kumar Megotia being in common Directorship between Rungta Irrigation Limited and the Borrowers, and their relatives, none of the other Directors or the Key Managerial Personnel or their relatives are in any way interested or concerned, financially or otherwise in this Resolution.

**Item No. 7**

Mr. Krishnamurthy Nagarur is a Joint Managing Director of the Company. He was appointed as the Director on August 5, 2018. He is instrumental in the growth of the Company and because of his vast experience and knowledge; the Company has achieved various milestones. Mr. Krishnamurthy Nagarur was appointed as the Director of the Company by the members in the 34<sup>th</sup> Annual General Meeting of the Company held on September 28, 2018.

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 31st March, 2020 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 September 2, 2020 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 of the appointment of Mr. Krishnamurthy Nagarur to enable the Board to fix, vary and pay remuneration to him in line with Schedule V of the Companies Act, 2013 and also to vary, if required, the other terms and conditions of appointment of Mr. Krishnamurthy Nagarur to accommodate the desired level of remuneration based on the financial position of the Company.

By addition of the above mentioned new clause in the terms of appointment of Mr. Krishnamurthy Nagarur, the board will be able to fix and pay the amount of remuneration in excess of the limits as specified in appropriate slab of Schedule V of the Companies Act, 2013, and the rules made thereunder, applicable if any.

The detailed particulars in respect of the Company and of the aforesaid managerial personnel are given in “Annexure” forming part of this Notice.

None of the Directors and their relative or Key Managerial Personnel of the Company, except Shri Mahabir Prasad Rungta is concerned or interested in the above resolution. The Board recommends passing of the Special Resolution as set out at Item No. 7 of the Notice.

**Item No. 8**

Mr. Tarun Kumar Megotia is a Whole-time Executive Director of the Company. He was appointed as the Director on August 5, 2018. He is instrumental in the growth of the Company and because of his vast experience and knowledge; the Company has achieved various milestones. Mr. Tarun Kumar Megotia was appointed as the Director of the Company by the members in the 34<sup>th</sup> Annual General Meeting of the Company held on 28<sup>th</sup> September 2018.

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 31st March, 2020 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 September 2, 2020 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 of the appointment of Mr. Tarun Kumar Megotia to enable the Board to fix, vary and pay remuneration to him in line with Schedule V of the Companies Act, 2013 and also to vary, if required, the other terms and conditions of appointment of Mr. Tarun Kumar Megotia to accommodate the desired level of remuneration based on the financial position of the Company.

By addition of the above mentioned new clause in the terms of appointment of Mr. Tarun Kumar Megotia, the board will be able to fix and pay the amount of remuneration in excess of the limits as specified in appropriate slab of Schedule V of the Companies Act, 2013, and the rules made thereunder, applicable if any.

The detailed particulars in respect of the Company and of the aforesaid managerial personnel are given in “Annexure” forming part of this Notice.

None of the Directors and their relative or Key Managerial Personnel of the Company, except Mr. Tarun Kumar Megotia is concerned or interested in the above resolution. The Board recommends passing of the Special Resolution as set out at Item No. 8 of the Notice.

## Annexure to the Notice dated September 07, 2020

### Details of Directors seeking regularization/re-appointment at the Meeting

Smt. Shruti Rungta	
<i>Age</i>	39 Years
<i>Qualifications</i>	Graduate in Business Administration
<i>Experience (including expertise in specific functional area) / Brief Resume</i>	Vast experience in the Irrigation and Coal Industry as Marketing and Purchase Head.
<i>Terms and Conditions of Re-appointment</i>	As per the resolution at Item No. 5 of the Notice convening this meeting read with explanatory statement thereto.
<i>Commission last drew</i>	NA
<i>Remuneration last drew</i>	5,72,487
<i>Remuneration proposed to be paid</i>	As per existing approved terms and conditions.
<i>Date of the first appointment on the Board</i>	September 28, 2004

<i>Shareholding in the Company as on March 31, 2020</i>	5,11,400 equity shares of Rs.10/each
<i>Relationship with other Directors / Key Managerial Personnel</i>	Daughter of Shri Mahabir Prasad Rungta, Chairman cum Managing Director of the Company.
<i>Number of meetings of the Board attended during the financial year (2019-2020)</i>	01
<i>Directorships of other Boards as on March 31, 2020</i>	NIL

### Shri Mahabir Prasad Rungta

<i>Age</i>	65 Years
<i>Qualifications</i>	Post Graduate
<i>Experience (including expertise in specific functional area) / Brief Resume</i>	Vast experience in the Irrigation and Coal Industry
<i>Terms and Conditions of Re-appointment</i>	As per the resolution at Item No. 4 of the Notice convening this meeting read with explanatory statement thereto.
<i>Commission last drew</i>	NA
<i>Remuneration last drew</i>	5,60,000
<i>Remuneration proposed to be paid</i>	As per existing approved terms and conditions.
<i>Date of the first appointment on the Board</i>	August 03, 1993
<i>Shareholding in the Company as on March 31, 2020</i>	12,65,100 equity shares of Rs.10/each
<i>Relationship with other Directors / Key Managerial Personnel</i>	Father of Smt. Shruti Rungta, Whole-Time Executive Director
<i>Number of meetings of the Board attended during the financial year (2019-2020)</i>	05
<i>Directorships of other Boards as on March 31, 2020</i>	10

### Shri. Krishnamurthy Nagarur

<i>Age</i>	68 years
<i>Qualifications</i>	Chartered Accountant and Company Secretary
<i>Experience (including expertise in specific functional area) / Brief Resume</i>	Vast experience in Finance, Investment and taxation matters.
<i>Terms and Conditions of Re-appointment</i>	As per the resolution at item no. 7 of the Notice convening this Meeting read with explanatory statement thereto, Shri Krishna Murthy Nagarur is proposed to be re-appointed as Joint Managing Director
<i>Remuneration last drew</i>	₹ 28,21,439
<i>Remuneration proposed to be paid</i>	As per existing approved terms and conditions
<i>Date of the first appointment on the Board</i>	December 20, 1997
<i>Shareholding in the Company as on March 31, 2020</i>	563 equity shares of 10 each
<i>Relationship with other Directors / Key Managerial Personnel</i>	Not related to any Director / Key Managerial Personnel.
<i>Number of meetings of the Board attended during</i>	1



<i>the financial year (2019-2020)</i>	
<i>Directorships of other Boards as on March 31, 2020</i>	0
<b>Shri. Tarun Kumar Megotia</b>	
<i>Age</i>	33 years
<i>Qualifications</i>	Post Graduate
<i>Experience (including expertise in specific functional area) / Brief Resume</i>	Vast experience in Irrigation Industry.
<i>Terms and Conditions of Re-appointment</i>	As per the resolution at item no. 8 of the Notice convening this Meeting read with explanatory statement thereto, Shri Tarun Kumar Megotia is proposed to be re-appointed as Whole Time Director.
<i>Remuneration last drew</i>	₹ 7,04,396
<i>Remuneration proposed to be paid</i>	As per existing approved terms and conditions
<i>Date of the first appointment on the Board</i>	August 05, 2010
<i>Shareholding in the Company as on March 31, 2020</i>	NIL
<i>Relationship with other Directors / Key Managerial Personnel</i>	Not related to any Director / Key Managerial Personnel.
<i>Number of meetings of the Board attended during the financial year (2019-2020)</i>	6
<i>Directorships of other Boards as on March 31, 2020</i>	7

By Order of the Board of Directors

Sd/-

Prateek Sharma

Company Secretary & Compliance officer

Delhi, September 02, 2020

## DIRECTOR'S REPORT

### REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS FOR THE YEAR ENDED MARCH 31, 2020.

*Dear Members,*

Your Directors are pleased to present the Company's 36<sup>th</sup> Annual Report and the Company's audited financial statements for the financial year ended March 31, 2020.

#### FINANCIAL PERFORMANCE

The Company's financial performance for the year ended March 31, 2020 is summarized below:

Particulars	STANDALONE	
	2019-20 ₹ lakhs	2018-19 ₹ lakhs
Revenue from operation	4514.30	5774.36
Other Income	652.23	324.57
Total Revenue	5166.54	6098.93
Profit before Depreciation and Tax	-	-
Depreciation and amortization expenses	103.81	135.31
Profit Before Extraordinary items and Tax	100.25	118.93
Extraordinary Items	-	-
Tax Expense	-	-
(Current Tax)	(32.00)	(30.00)
(Deferred Tax)	16.97	(0.26)
Income Tax Related to Previous Year	(2.46)	30.26
Profit After Tax	82.76	58.41
Other Comprehensive Income	(6.90)	-
Total Comprehensive Income for the Year	75.86	58.41

#### OPERATIONS REVIEW AND ANALYSIS

The Sales Turnover for the year under review was Rs. 4514.30 Lakhs as compared to Rs. 5774.36 Lakhs for the previous year. The company was able to earn a profit after tax for the year under review of Rs. 75.86 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 ₹ 8,85,61,000 as on March 31, 2020. During the year, the Company has not issued any shares or convertible securities. The Company does not have any Scheme for issue of shares including sweat equity shares to the employees or directors of the Company.

### **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.

### **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There has been no change in the nature of the business of the Company during the year under review.

### **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 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 "A" & 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 complied 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 March 31, 2020, 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 Regulations.

During the year under review, Mrs. Priya Rungta (DIN: 00234715) ceased to be a Director of the Company w.e.f October 11, 2019. The Board places on record its appreciation towards valuable contribution made by Mrs. Priya Rungta during her tenure as a Director of the Company.

During the year, on the recommendation of Nomination and Remuneration Committee, the Board appointed Ms. Shruti Rungta (DIN: 00229045) as its Executive Director w.e.f October 15, 2019.

During the year, Shri Sheo Kumar Poddar (DIN: 00992376), Non-Executive and Independent Directors of the Company has ceased from the office of Independent Director with effect from June 18, 2019, due to his sad demise.

During the year, Mr. Sanjiv Rao (DIN: 08452534), Independent Director ceased to be Independent Director with effect from October 30, 2019. The Board places on record deep sense of gratitude and appreciation for his immense contributions.

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 the SEBI Listing Regulations.

During the year under review, Mr. Vikas Kumar Gupta, Chief Financial Officer tendered his resignation from the position of CFO w.e.f May 3, 2019. In his place, Mr. Akhilesh Saxena was appointed as the Chief Financial Officer of the Company w.e.f from May 6, 2019. On July 24, 2019, Mr. Akhilesh Saxena, Chief Financial Officer stepped down from his position and Mr. Sachin was appointed as new Chief Financial Officer of the Company w.e.f August 13, 2019.

In place of Ms. Pooja Juneja, Company Secretary of the Company who resigned w.e.f November 18, 2019, Mr. Prateek Sharma was appointed as the Company Secretary and Compliance Officer of the Company w.e.f February 7, 2020.

### **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, two Independent Directors namely Mr. Devesh Poddar and Mr. Abdul Kalam are registered on the Independent Directors Databank.

### **PERFORMANCE EVALUATION**

The Company has devised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which include 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 <http://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. The Company has complied with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. 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 2019-20, 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 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 were placed before the Audit Committee for review and approval. Related Party Transactions were entered at Arm's Length basis. 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 SEBI Listing Regulations.

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 directors for each Board/Committee meeting(s) attended was paid to Independent director, 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, New Delhi, were appointed as Statutory Auditors for a term of five years at the Annual General Meeting held on September 26, 2017, to hold office from 33rd Annual General Meeting up to the conclusion of the 38th Annual General Meeting of the Company.

The requirement of seeking ratification of the members for the continuance of the Statutory Auditor's appointment has been withdrawn consequent upon the changes made by the Companies (Amendment) Act, 2017 w.e.f. May 7, 2018. Hence, the resolution seeking ratification of the members for their appointment is not being placed at the ensuing Annual General Meeting.

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, 2020, is a part of the Annual Report. The said Audit Report does not contain any qualification, reservation or adverse remark. During the year 2020, 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 appointed as the Cost Auditors of the Company to carry out an audit of the cost records of the Company for the financial year 2019-2020. They, being eligible and willing to be re-appointed as Cost Auditors, were appointed as the Cost Auditors of the Company for the financial year 2020-2021 by the Board of Directors, upon the recommendation of the Audit Committee.

The resolution seeking ratification of the remuneration to the said cost auditors for the financial year 2020-21 is set out in the Notice calling the 36<sup>th</sup> Annual General Meeting of the Company.

### **SECRETARIAL AUDITORS**

Mr. Ajit Mishra, Practising Company Secretary was appointed as the Secretarial Auditor of the Company to undertake the Secretarial Audit for the financial year 2019-2020. The Secretarial Auditor's report to the members does not contain any qualification, reservation and adverse remarks and the same is annexed to this report as "Annexure G".

### **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**

Six 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 Directors (including Independent Directors) namely, Shri Devesh Poddar (Chairman) and Shri Abdul Kalam and Shri Tarun Kumar Megotia. 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 3 and 4 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.

### Cost Audit

In terms of the Section 148 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the cost audit is applicable for following businesses such as PVC Pipes, Drip and Sprinkler Irrigation systems. The accounts and records for the above applicable businesses are made and maintained by the Company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

### 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	5.64
2	Shri Krishna Murthy Nagarur	Joint Managing Director	23.75
3	Smt. Priya Rungta	Executive Director	4.26
4	Shri Tarun Kumar Megotia	Whole Time Director	5.86
5	Smt. Shruti Rungta	Executive Director	4.70
5	Shri Devanand Mishra	Independent Director	NA

6	Shri Sheo Kumar Poddar	Independent Director	NA
7	Shri Abdul Kalam	Independent Director	NA
8	Shri Devesh Poddar	Independent Director	NA
9	Shri Vivek Agrawal	Independent Director	NA
10	Shri Sanjiv Rao	Independent Director	NA

- 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	(19.3%)
2.	Krishna Murthy Nagarur	Joint Managing Director	3.4%
3.	Priya Rungta	Former Executive Director	26.3%
4.	Shruti Rungta	Executive Director	NA
5.	Tarun Kumar Megotia	Executive Director	5.8%
6.	Pooja Juneja	Company Secretary	NA
7.	Prateek Sharma	Chief Financial Officer	NA
8.	Vikas Kumar Gupta	Chief Financial Officer	NA
9.	Akhilesh Saxena	Chief Financial Officer	NA
10.	Sachin	Chief Financial Officer	NA

- The percentage increase in the median remuneration of employees in the financial year is 7%.
- The numbers of permanent employees on the rolls of the company were 60 as on March 31, 2020.
- It is hereby affirmed that the remuneration paid during financial year 2019-2020 as per the remuneration policy of the company.

### Acknowledgments

Your Directors place on record their sincere thanks to 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 gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board of Directors

SD/-

Mahabir Prasad Rungta  
Chairman Cum Managing Director  
Delhi, September 2, 2020

## MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

### 1. Company Profile:

Rungta Irrigation Ltd is a part of Rungta Group of Companies. It started with a vision of making a mark in the area of Irrigation systems. In order to withstand toppled economy, it is important to contribute to diversified sectors having countrywide presence.

The Company is primarily engaged in the activity of Manufacturing, Designing, Assembling and Marketing of Sprinkler Irrigation systems. The product range of the company includes Sprinklers, Drip Irrigation systems. With it's Research & Development wing continuously engaged in new innovations, the Company is capable of supplying the best products being used by the Agriculture sector of the country for it's irrigation needs.

The Company aims at upgrading it's systems and processes being adopted for manufacturing on continuous basis as per the changing requirements of it's clients. This is possible only by adopting the latest technology to upgrade it's production processes at all the two state-of-art production units and also deep involvement of it's experienced and committed staff teams.

### 2. Industry overview:

The financial year 2019-2020 started on a positive note with a broadmindset on the global economy but afterwards, it dwindled due to shrinking economy and COVID-19. This financial year 2019-2020 saw 22% decline in sales in comparison to previous year 2018-2019. The year under review was expected to face the force of the economic crises. However, the Indian Economy displayed remarkable resilience and is still trying to bounce back from the after-effects of the recent global meltdown and arrival of COVID-19.

Due to nationwide lockdown, among all the sectors, manufacturing sector is the worst hit sector leading to shutting down of all the plants and manufacturing units. This has dampened the spirit of economy all over India resulting in major job loss, layoffs and huge unemployment of workforce.

There has been a decline in demand impacting both, exports as well as domestic consumption. However, the Indian government is continuously coming up with slew of measures both for manufacturing and agriculture sectors. The aim of the government is to convert the COVID crisis into an opportunity. This has also given us some hope to take an advantage of this situation and try performing better in our core competency in the field of agriculture. Also, it is anticipated that there shall be increased business opportunities for the Company in the near future in consistent with big market reforms announced by the government.

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

The Company is focused on PVC Pipes as well as its core product Sprinkler Irrigation System and Drip Irrigation System to the retail segment. India is home to almost 120 million shareholders who contribute over 40% of the country's grain production. 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 sector and drought like situation are faced by the Company. All the irrigation companies are also affected by seasonality. However, through better and improved operations we can tap

right opportunities in the right direction. It is expected that recovery in the economy and stress of the government in the agriculture area will together result in ample business opportunities for the Company.

**4. Implications of COVID-19 crises:**

In combination with other risks, this year COVID-19 is an inevitable and unprecedented challenge encountered by all the countries. Looking at the future, it is likely that COVID-19 will not vanish immediately. The actions of the corporates need to be managed alongside persistent infection risks. The possible risk assessment taking into account all the factors is done by the Company and response to mitigate risks is incorporated in the business policies and business continuity plan.

**5. 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.

**6. Financial Performance:**

The Sales Turnover for the year under review was Rs. 4514.30 Lakhs as compared to Rs. 5774.36 Lakhs for the previous year ended March 31, 2019. The Company was able to earn a profit after tax for the year under review of Rs. 75.86 Lakhs as against a profit of Rs. 58.41 Lakhs for the previous year March 31, 2019.

**7. 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 training and development of its employees, which is very important for ensuring sustained high performance. The Company organizes induction programme for the employees. 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 and harmonious throughout the year under review.

As on March 31, 2020, the total number of employees in your Company was 60.

**8. Key Financial Ratios:**

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

Ratio	Standalone	
	FY 2020	FY 2019
Debtors Turnover (Times)	1.66	1.79
Inventory Turnover (Times)	4.8	5.9
Interest Coverage Ratio (Times)	1.71	1.67
Current Ratio (Times)	3.22	3.01
Debt Equity Ratio (Times)	0.36	0.40
Operating Profit Margin (%)	4.96%	5.08%
Net Profit Margin (%)	1.68%	1.01%



Return on Net Worth (%)	1.19%	0.93%
-------------------------	-------	-------

**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, September 02, 2020

## REPORT ON CORPORATE GOVERNANCE

Corporate Governance means adhering to laws, rules, regulations, processes and systems by which a Company is governed. 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, and 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 plays a crucial role in implementing the highest standards of Corporate governance. It oversees the management and protects the interests of all the stakeholders.

#### I. COMPOSITION

The composition of Board is in line with the requirement of Regulation 17(1) of SEBI Listing Regulations.

The board of director of your company as on March 31, 2020 consisted of 8 directors as under:

- Four are Executive Directors including Chairman Cum Managing Director.
- Four are independent directors.

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, 2020:

Category of Directors	No. of Directors	% of Total No. of Directors
Executive Directors	4	50%
Non-Executive Directors (including Independent Directors)	4	50%
Total	8	100%

## II. 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 the daughter of Mr. Mahabir Prasad Rungta.

## III. 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 March 31, 2020 is as follows:-

Name of the Director	Category (i.e. Promoter, Executive, Non-Executive, Independent)	No. of Board Meetings of the Company F.Y. 2019-2020		Attendance at the Last AGM	As on 31-03-2020		
		Held during the year	Attended during the year		No. of Directorship in other Public Co.	Committee membership in other Companies	No. of Members hip/ Chairman in Committe

							es in which they are members
Shri Mahabir Prasad Rungta	Promoter & Chairman cum Managing Director	06	5	YES	NIL	NIL	02
Shri Krishnamurthy Nagarur	Joint Managing Director	06	1	NO	NIL	NIL	NIL
Shri Devanand Mishra	Independent Director	06	1	NO	NIL	NIL	NIL
Shri Tarun Megotia	Whole time Director	06	6	YES	NIL	NIL	02
Smt. Shruti Rungta (Appointed on 15.10.2019)	Executive Director	02	1	YES	NIL	NIL	NIL
Shri Sheo Kumar Poddar*	Independent Director	01	0	NO	NIL	NIL	NIL
Smt. Priya Rungta (Resigned on 11.10.2019)	Promoter & Non-Executive Director	03	1	YES	NIL	NIL	NIL
Shri Devesh Poddar	Independent Director	06	4	YES	NIL	NIL	03
Shri Abdul Kalam	Independent Director	06	3	YES	NIL	NIL	02
Shri Vivek Agrawal	Independent Director	06	1	NO	NIL	NIL	NIL

\*Shri Sheo Kumar Poddar, Non-Executive and Independent Director of the company has ceased from the office of Independent Director with effect from June 18, 2019, due to his sad demise.



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 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 2019-2020, Six (06) Board meetings were held on, May 25, 2019, August 13, 2019, September 26, 2019, October 15, 2019, November 12, 2019 and February 7, 2020 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.

In line with the notification dated October 21, 2019, issued by Ministry of Corporate Affairs (MCA), all the Independent Directors were required to register online with the Indian Institute of Corporate Affairs (IICA) within the time prescribed for inclusion of their names in the Independent Directors Databank. Out of all our Independent Directors, two Independent Directors namely Mr. Devesh Poddar and Mr. Abdul Kalam are registered on the Independent Directors Databank.

#### IV. PERFORMANCE 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.

#### Disclosure Regarding Appointment & Re-appointment of Directors in the ensuing AGM.

##### 1. Appointment of Ms. Shruti Rungta as Executive Director of the Company

Ms. Shruti Rungta	
Age	39 years
Date of Birth	August 19, 1981
Qualifications	Graduate in Business Administration
Experience (including expertise in specific functional area) / Brief Resume	Vast experience in the Irrigation and Coal Industry as Marketing and Purchase Head.
Remuneration last drawn	Rs. 10,20,000
Remuneration proposed to be paid	As per existing approved terms and conditions
Date of the first appointment on the Board	September 28, 2004
Shareholding in the Company as on March 31, 2020	5,11,400 equity shares of Rs.10/each
Relationship with other Directors / Key Managerial Personnel	Daughter of Shri Mahabir Prasad Rungta, Chairman cum Managing Director of the Company.

Number of meetings of the Board attended during the financial year (2019-20)	02
Directorships of other Boards as on March 31, 2020	NIL

### 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 March 31, 2020 comprises Mr. Devesh Poddar as its Chairperson, Mr. Tarun Kumar Megotia and Mr. Abdul Kalam 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 2019-2020 on the following dates: May 25, 2019, August 13, 2019, November 12, 2019 and February 7, 2020. 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. Devanand Mishra *	Independent Director	2	2
Mr. Devesh Poddar	Independent Director/ Chairman	4	4
Mr. Tarun Kumar Megotia (Appointed on 20.08.2018)	Executive Director	4	4
Mr. Abdul Kalam (Appointed on 13.08.2019)	Independent Director	2	1

\* Shri Sheo Poddar, Non-Executive and Independent Director of the Company has ceased from the office of Independent Director with effect from June 18, 2019, due to his sad demise.

\* Mr. Devanand Mishra, Non-Executive Independent Director ceased to be a member of Audit Committee w.e.f August 13, 2019.

### IV. 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 there under 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 four (4) times during the Financial Year 2019-2020 on May 24, 2019, August 24, 2019, October 14, 2019 and February 5, 2020. The necessary quorum was present at all 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
Shri Sheo Kumar Poddar *	Independent Director/ Chairman	1	1
Mr. Devesh Poddar	Independent Director	4	4
Mr. Mahabir Prasad Rungta (Appointed on 20.08.2018)	Managing Director	4	3
Mr. Abdul Kalam (Appointed on 13.08.2019)	Independent Director	3	0

**\*Shri Sheo Poddar, Non-Executive and Independent Director of the Company has ceased from the office of Independent Director with effect from June 18, 2019, due to his sad demise.**

#### 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 to receive sitting fee for attending Board/ Committee Meeting.

#### c. Details of the Directors' Remuneration for the financial year ended March 31, 2020

Name	Salary (Rs.)	Others (Rs.)	Commission (Rs.)	Sitting Fees ( per meeting) (Rs.)	Total (Rs.)	No. of shares held
Shri Mahabir Prasad Rungta	5,60,000	1,17,319	-	-	6,77,319	12,65,100
Shri Krishnamurthy Nagarur	28,21,439	-	-	-	28,21,439	563
Smt. Priya Rungta	3,00,000	2,12,487	-	-	5,12,487	8,12,900
Shri Tarun Kumar Megotia	5,88,000	1,16,336	-	-	7,04,336	-
Shri Sheo Kumar Poddar	-	-	-	-	-	-
Shri Devanand Mishra	-	-	-	-	-	-
Shri Devesh Poddar	-	-	-	70,000	70,000	-
Shri Abdul Kalam	-	-	-	59,000	59,000	-
Shri Vivek Agrawal	-	-	-	-	-	-
Smt Shruti Rungta	3,60,000	2,12,487	-	-	5,72,487	5,11,400

## V. 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 on March 31, 2020 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. Tarun Megotia, 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 Seven (7) meetings of the Stakeholders Grievances Committee was held on April 2, 2019, June 3, 2019, July 15, 2019, July 22, 2019, December 9, 2019, February 3, 2020 and March 19, 2020 respectively. Attendance of the members is as follows:

Name of the Director	Category	No. of Meetings	
		Held	Attended
Mr. Tarun Kumar Megotia	Whole-time Director	7	7
Mr. Mahabir Prasad Rungta	Executive Director	7	7
Mr. Devesh Poddar (Appointed on 13.08.2019)	Independent Director	3	0

**\*Shri Sheo Poddar, Non-Executive and Independent Director of the Company has ceased from the office of Independent Director with effect from June 18, 2019, due to his sad demise.**

Mr. Prateek Sharma is the Compliance Officer of the Company for the purpose of looking after the compliances under SEBI Listing Regulations. 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, SEBI Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India.

## VI. 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</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</li> </ul>

	<b>Management, Key Managerial Personnel, Directors and Promoters</b>			Directors.
<b>11.</b>	<b>Other Corporate Governance requirements</b>	<b>27</b>	<b>Yes</b>	<ul style="list-style-type: none"> <li>Filing of quarterly compliance report on Corporate governance.</li> </ul>
<b>12.</b>	<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 programmers imparted to Independent Director.</li> </ul>

#### 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 transposition 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 March 31. 2020.

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

## VII. 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 July 29 2020.

## VIII. GENERAL BODY MEETINGS

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

Year	Date	Venue	Time
2016-17	26.09.2017	The Executive Club,439, Village Shahoorpur, P.O., Fatehpur Beri, New Delhi-110030.	10:00 A.M.
2017-18	28.09.2018	The Executive Club,439, Village Shahoorpur, P.O., Fatehpur Beri, New Delhi-110030.	11:00 A.M.
2018-19	24.09.2019	The Executive Club, 439, Village Shahoorpur, P.O., Fatehpur Beri, New Delhi-110030.	11:00 A.M.

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

#### 1. At the 33<sup>rd</sup> AGM held on September 26, 2017

- i. Appointment of Mr. Paras Vats as a Whole-time Director of the Company.
- ii. Approval of the limit of Managerial Remuneration of Mr. N Krishnamurthy, Joint Managing Director of the company.
- iii. Approval of the limit of Managerial Remuneration of Mr. Tarun Megotia, Whole Time Director of the company.
- iv. Approval of the limit of Managerial Remuneration of Ms. Priya Rungta, Director of the company.

#### 2. At the 34<sup>th</sup> AGM held on September 28, 2018

- i. Approval of the remuneration of Shri Mahabir Prasad Rungta, Managing Director of the Company.
- ii. Re-classification of the Promoters of the Company.
- iii. Consider and approve Loans, Investments, Guarantee or Security under Section 185 of Companies Act, 2013.
- iv. Approval of continuation of the current term of Shri Sheo Kumar Poddar, Independent Director and if thought fit, as per the Section 149 of the Companies Act and Rules made thereunder.
- v. Approval of continuation of the current term of Mr. Ramesh Behari Mathur, Independent Director and if thought fit, as per the Section 149 of the Companies Act and Rules made thereunder.vi. Approval of the remuneration of Smt. Priya Rungta, Director of the Company and in this regard, as specified under Schedule V of the Companies Act, 2013.

### 3. At the 35<sup>th</sup> AGM held on September 24, 2019

- i. Approval of continuation of current term of Mr. Abdul Kalam.

## IX. DISCLOSURES

### A. Related Party Transactions

There are no materially significant related party transactions with its Promoters, 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 2019-2020.

### 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 2019-2020, that may have potential conflict with the interest of the Company at large. The details of the related party transactions as per the Indian Accounting Standard-24 form part of notes to the account. All the contracts/arrangements/ transactions entered by the Company, during the financial year under review, 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 in the preparation of the financial statement. The Company has adopted the IND AS w.e.f. 1<sup>st</sup> April 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 "A"** to the Directors Report.

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

The requisite certification from Mr. M. P. Rungta, Chairman Cum Managing Director and Mr. Sachin, Chief Financial Officer of the Company for the Financial Year 2019-2020 required to be given under Regulation 33(1)(e) read with



Schedule IV Part A was placed before the Board of Directors of the Company in the Board Meeting held on July 29, 2020. 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 2019-2020, in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

#### **H. Details of Compliance with 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.

#### **X. 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 Exchanges and published in Financial Express and Pioneer (English) and Jansatta and Pioneer (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 and other information 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 corporates, 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, Management Discussion and Analysis Report, Corporate Governance Report and other important information are displayed on Company’s website also.

## XII. GENERAL SHAREHOLDERS INFORMATION

### A. Annual General Meeting:

Day & Date	Time	Venue
Tuesday, the September 29, 2020	11.00 A.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 2020	Second Week of September 2020
Financial Reporting for the second quarter ending 30 <sup>th</sup> September 2020	Second Week of November 2020
Financial Reporting for the third quarter ending 31 <sup>st</sup> December 2020	Second Week of February 2021
Financial Reporting for the fourth quarter ending 31 <sup>st</sup> March 2021	Fourth Week of May 2021

### C. Dates of Book Closure:

The share transfer book and register of members of the company will remain closed from September 23, 2020 to September 29, 2020 (both days inclusive) for the purpose of the annual general meeting of the company.

**D. Dividend Payment Date:** Not applicable.

**E. Listing on Stock Exchanges:** 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 every quarter till 48 hours after the declaration of financial results.

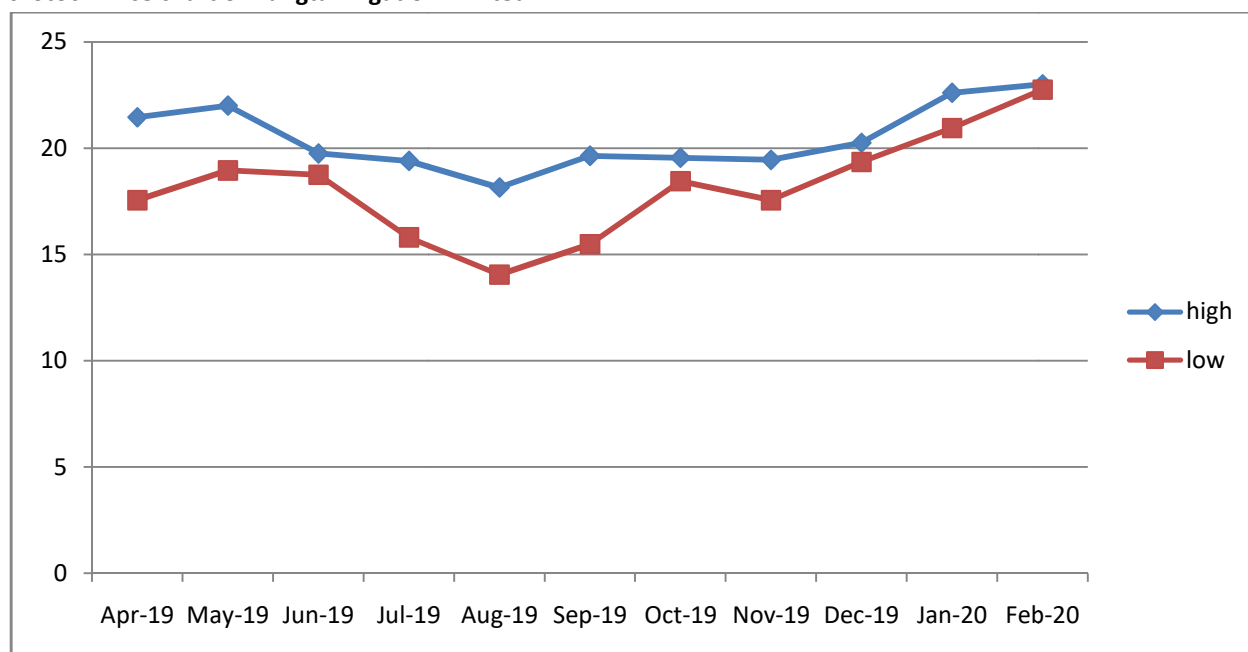
**H. Participation and Voting at AGM:** In accordance with General Circular numbers 20/2020, 14/2020, 17/2020 issued by the Ministry of Corporate Affairs (“MCA”) and SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the 36<sup>th</sup> AGM of the Company will be conducted through video-conferencing.

**I. Market Price Data:**

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

Month	High(Rs.)	Low(Rs.)
April, 2019	21.45	17.55
May, 2019	22	18.95
June, 2019	19.75	18.75
July, 2019	19.4	15.8
August, 2019	18.15	14.05
September, 2019	19.64	15.48
October, 2019	19.55	18.45
November, 2019	19.45	17.55
December, 2019	20.25	19.35
January, 2020	22.6	20.95
February, 2020	23	22.75
March, 2020	22.35	18.50

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



**K. 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:

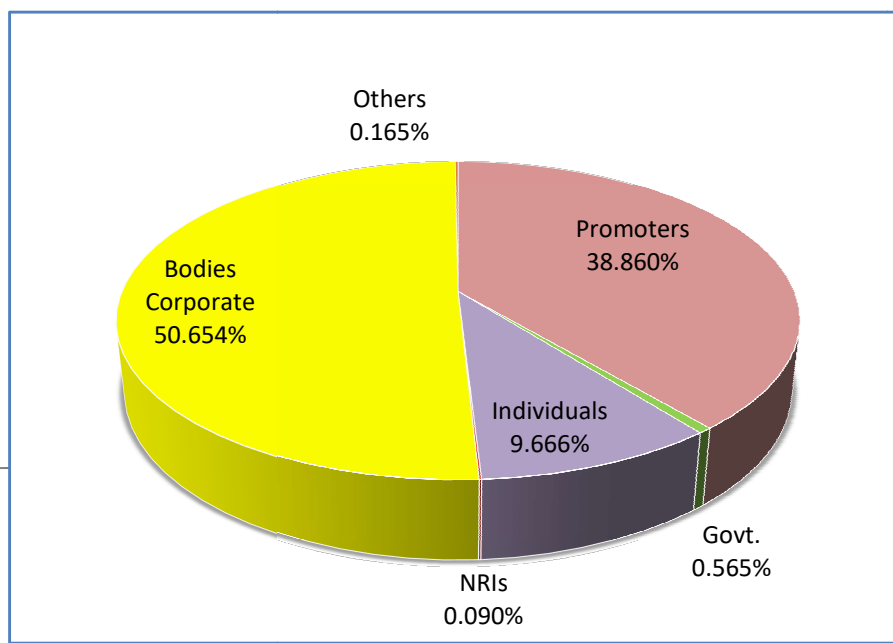
Particulars	BEETAL FINANCIAL & COMPUTER SERVICES PRIVATE LIMITED
Contact Person	Mr. Punit Mittal
Address	Beetal House, IIIrd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdass Mandir, New Delhi-110062
Phone Nos.	29961281 & 29961282
Email ID	<a href="mailto:beetalrta@gmail.com">beetalrta@gmail.com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

**L. Distribution of Shareholding as on March 31, 2020:**

Slab of Shareholding (Rs.)	No. of Shareholders	% of Shareholders	Amount in Rs.	% of Shareholding
0-5000	2065	89.16	3196790	3.6097
5001-10000	69	2.97	552260	0.6236
10001-20000	55	2.37	835310	0.9432
20001-30000	47	2.02	1227880	1.3865
30001-40000	34	1.46	1157710	1.3072
40001-50000	11	0.47	504630	0.5698
50001-100000	10	0.43	647490	0.7311
100001 and above	25	1.07	80438930	90.8288
<b>Total</b>	<b>2316</b>	<b>100.00</b>	<b>88561000</b>	<b>100.00</b>

**M. Categories of Shareholders as per Clause 31 of SEBI (LODR) Regulations, 2015. ( As on March 31, 2020)**

Category	No. of Shareholders	% of Shares	No. of Shares
<i>Promoters</i>	18	38.8602	3441500
<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	0.5646	50000
<i>FII</i>	NIL	-	NIL
<i>Bodies Corporate</i>	21	50.6540	4485969
<i>Individuals</i>	2236	9.666	856029
<i>NRIs &amp; OCB</i>	8	0.0900	7968
<i>Others</i>	32	0.1652	14634



#### **N. Reconciliation of Share Capital Audit**

As per provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Reconciliation of share capital audit is required to be conducted by a qualified Company Secretary in practice for the purpose of reconciliation of total issued and listed share capital of the Company. The Company Secretary in practice conducts such audit every quarter.

#### **O. Dematerialization of shares and liquidity**

As on **March 31 2020**, a total of **5262232 shares** of the company, which forms **59.42%** 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.

#### **P. Plant Locations**

##### UNIT-1

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

##### UNIT-2

Village Advipolam,  
Distt. Yanam, Pondicherry.

#### **Q. 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:

1. **Secretarial Department**

Rungta Irrigation Limited,  
101, Pragati Tower, 26, Rajendra Place, New  
Delhi-110008  
e-mail: [cs@rungtairrigation.in](mailto:cs@rungtairrigation.in)

2 **M/s. Beetal Financial & Computer Services**

**Pvt.Ltd.,**

Beetal House, 3<sup>rd</sup> Floor,99, Madangir, Behind Local  
Shopping Centre, Near Dada Harsukhdas Mandir,  
New Delhi-110062.  
e-mail:beetalrta@gmail.com

#### **R. 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.

#### **S. Discretionary Requirements as per**

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, 2019.

**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 FY2020:

Particulars	No. of Complaints
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**

The Company Secretary in Practice, Mr. Ajit Mishra, Practicing Company Secretaries, has given the Company certificate confirming 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 02, 2020

## 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.

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 2020 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 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.

**Sachin**  
Chief Financial Officer  
Delhi, September 01, 2020

**Mahabir Prasad Rungta**  
Chairman and Managing Director  
Delhi, September 01, 2020

## 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, 2019. 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, 2020, referred to in paragraph 1 above.

For NPS & ASSOCIATES.

Company Secretaries

SD/-

**(CS Nakul Pratap Singh)**

*Company Secretary in Practice*

ACS – 55529 / CP No.- 22069

Date: September 4, 2020

Place: Faridabad

UDIN:**A055529B000664931**

**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 bonuses, 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.

## 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 (In Rs.)	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, 2019, till March 31, 2020	10,52,487/-	NIL
	Rent Agreement	11 month starting from April 1, 2019	5,16,000	NIL
Smt. Shruti Rungta (Daughter of Shri Mahabir Prasad Rungta)	Appointment in office or place of profit	Salary from the Month of April 1, 2019, till October 15 30, 2019	4,80,000/-	NIL
Smt. Jyoti Rungta (Daughter of Shri Mahabir Prasad Rungta)	Appointment in office or place of profit	Salary from the Month of April 1, 2019, till March 31, 2020	10,52,487/-	NIL
Smt. Priya Rungta (Daughter of Shri Mahabir Prasad Rungta)	Appointment in office or place of profit	Salary from Month of April 1, 2019 till September 30, 2019	5,40,000/-	NIL
Shri Mahabir Prasad Rungta (Chairman Cum Managing Director)	Rent Agreement	11 month starting from April1, 2019	2,04,000/-	NIL
Smt. Namrata Megotia	Appointment in office or place of profit	Salary from Month of April 1, 2019 till March 31, 2020	2,79,994/-	NIL

Ramgarh Sponge Iron Pvt. Ltd.	Sale of goods (including GST)	One Time	68,14,998/-	NIL
Samara Realty Pvt. Ltd.	Rent Agreement	One Time	4,80,000/-	NIL
Sweta Trading Co.	Sales	One Time	15,00,000/-	NIL
DBS Building Products Pvt. Ltd.	Sales	One Time	54,87,000/-	NIL
Chandri Wax Specialities Pv.Ltd.	Sales	One Time	10,84,866/-	NIL
Samadhan Irrigation & Polyplast Private Limited	Sales	One Time	86,40,000/-	NIL
Delhi Builder Stores	Sales	One Time	16,14,240/-	NIL

For and on behalf of the Board of Directors  
SD/-  
Mahabir Prasad Rungta  
Chairman and Managing Director  
Delhi, September 02, 2020

## FORM NO. MGT 9

Annexure "F"

### EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2020

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

Registration and other Details	
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
Principal Business Activities of the Company	
All the business activities contributing 10% or more of the total turnover of the Company	As per Attachment A
Particulars of holding, subsidiary, and associate companies	As per Attachment B
Shareholding Pattern (Equity Share Capital breakup as a percentage of total equity)	
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
Indebtedness	
Indebtedness of the Company including interest outstanding /accrued but not due for payment	As per Attachment H
Remuneration of Directors and Key Managerial Personnel	
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
Penalties / Punishment/ Compounding of Offences	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	87.38%

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, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	1997000	995200	2992200	33.79%	2903200	447900	3351100	37.84%	4.05%
b) Central Govt.	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s).	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	558800	558800	6.31%	-	90400	90400	1.02%	(5.29%)
e) Banks / F.I.	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	1997000	1554000	3551000	40.10%	2903200	538300	3441500	38.86%	(1.24%)
(2) Foreign									
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>1997000</b>	<b>1554000</b>	<b>3551000</b>	<b>40.10%</b>	<b>2903200</b>	<b>538300</b>	<b>3441500</b>	<b>38.86%</b>	<b>(1.24%)</b>



<b>B. Public Shareholding</b>									
<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>									
<b>a) Bodies Corp.</b>									
i) Indian	2020232	2355000	4375232	49.40%	2017469	2468500	4485969	50.65%	1.25%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	246031	548574	794605	8.97%	254814	542668	797482	9.00%	0.03%
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)	1293	-	1293	0.01%	-	-	-	-	(0.01%)
<b>Non Resident Indians</b>	<b>1868</b>	<b>6100</b>	<b>7968</b>	<b>0.09%</b>	<b>1868</b>	<b>6100</b>	<b>7968</b>	<b>0.09%</b>	<b>0.00%</b>
<b>Overseas Corporate Bodies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Foreign Nationals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Clearing Members</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>HUF</b>	<b>17455</b>	<b>-</b>	<b>17455</b>	<b>0.20%</b>	<b>14634</b>	<b>-</b>	<b>14634</b>	<b>0.17%</b>	<b>(0.03%)</b>
<b>Trusts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Foreign Bodies - D R</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Sub-total (B)(2):-</b>	<b>2307126</b>	<b>2947974</b>	<b>5255100</b>	<b>59.34%</b>	<b>2309032</b>	<b>3055568</b>	<b>5364600</b>	<b>60.58%</b>	<b>1.24%</b>
<b>Total Public (B)</b>	<b>2357126</b>	<b>2947974</b>	<b>5305100</b>	<b>59.90%</b>	<b>2359032</b>	<b>3055568</b>	<b>5414600</b>	<b>61.14%</b>	<b>1.24%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>

Grand Total (A+B+C)	4354126	4501974	8856100	100%	5262232	3593868	8856100	100%	0.00%
---------------------	---------	---------	---------	------	---------	---------	---------	------	-------

**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, 2019]			No. of Shares held at the end of the year [As on March 31, 2020]			% 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	494200	5.58%	-	498200	5.63%	-	0.05%
3.	Deepak Rungta	1700	0.02%	-	1700	0.02%	-	0.00%
4.	Shri Ram Kumar Rungta	80500	0.91%	-	80500	0.91%	-	0.00%
5.	Shri Sunil Rungta	1700	0.02%	-	1700	0.02%	-	0.00%
6.	Shri Ram Chandra Rungta	34200	0.39%	-	34200	0.39%	-	0.00%
7.	Smt. Shalini Rungta	16700	0.19%	-	1500	0.02%	-	(0.17%)
9.	Smt. Menakshi Rungta	1100	0.01%	-	1100	0.01%	-	0.00%
10.	Shri Mahabir Prasad Rungta	1211300	13.68%	-	1265100	14.29%	-	0.61%
11.	Shri Ram Swarup Rungta	53800	0.61%	-	NIL	0.00%	-	(0.61%)
13.	Smt. Priya Rungta	442800	5.00%	-	812900	9.18%	-	4.18%
14.	Smt. Shruti Rungta	511400	5.77%	-	511400	5.77%	-	0.00%
15.	Sky Blue Earth Movers & Investment Pvt. Ltd.	34300	0.39%	-	34300	0.39%	-	0.00%
16.	Rangoli Construction Pvt. Ltd.	354900	4.01%	-	NIL	0.00%	-	(4.01%)
18.	Randev Associates Pvt. Ltd.	113500	1.28%	-	NIL	0.00%	-	(1.28%)
19.	Rungta Projects Ltd.	53100	0.60%	-	53100	0.60%	-	0.00%
22.	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

	Shareholding at the beginning of the year (As on 31-03-2019)	Cumulative Shareholding during the year (01-04-2019 to 31-03-
--	--	---

Particulars	2020)			
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	3551000	40.38%	3551000	42.98%
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus /sweat equity, etc.)			<b>Note-I</b>	
At the end of the year	3551000	42.98%	3441500	40.10%

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

S.No.	Particulars	Date	Reason	Shareholding		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	Smt. Urmila Rungta						
	At the beginning of the year	1 <sup>st</sup> April 2019		494200	5.58%	494200	5.58%
	Changes during the year	19 <sup>th</sup> July 2019	Purchase	4000	0.05%	498200	0.05%
	At the end of the year	31 <sup>st</sup> March 2020		498200	5.63%	498200	5.63%
2.	Shri Deepak Rungta						
	At the beginning of the year	1 <sup>st</sup> April 2019		1700	0.02%	1700	0.02%
	At the end of the year	31 <sup>st</sup> March 2020		1700	0.02%	1700	0.02%
3.	Shri Sunil Rungta						
	At the beginning of the year	1 <sup>st</sup> April 2019		1700	0.02%	1700	0.02%
	At the end of the year	31 <sup>st</sup> March 2020		1700	0.02%	1700	0.02%
4.	Smt. Shalini Rungta						
	At the beginning of the year	1 <sup>st</sup> April 2019		16700	0.19%	16700	0.19%
	Changes during the year	06 <sup>th</sup> December 2019	Sale	(15200)	(0.17%)	1500	0.02%
	At the end of the year	31 <sup>st</sup> March 2020		1500	0.02%	1500	0.02%
5	Shri Mahabir Prasad Rungta						
	At the beginning of the year	1 <sup>st</sup> April 2019		1211300	13.68%	1211300	13.68%
	Changes during the year	06 <sup>th</sup> December 2019	Purchase	53800	0.61%	1265100	14.29%
	At the end of the year	31 <sup>st</sup> March 2020		1265100	14.29%	1265100	14.29%

<b>6.</b>	<b>Shri Ram Swarup Rungta</b>						
	<i>At the beginning of the year</i>	<i>1<sup>st</sup> April 2019</i>		53800	0.61%	53800	0.61%
	<i>Changes during the year</i>	<i>06<sup>th</sup> December 2019</i>	<i>Sale</i>	(53800)	(0.61%)	<i>Nil</i>	0.00%
	<i>At the end of the year</i>	<i>31<sup>st</sup> March 2020</i>		<i>Nil</i>	0.00%	<i>Nil</i>	0.00%
<b>7.</b>	<b>Smt. Priya Rungta</b>						
	<i>At the beginning of the year</i>	<i>1<sup>st</sup> April 2019</i>		442800	5.00%	442800	5.00%
	<i>Changes during the year</i>	<i>26<sup>th</sup> July 2019</i>	<i>Purchase</i>	170500	1.93%	613300	6.93%
		<i>06<sup>th</sup> December 2019</i>	<i>Purchase</i>	15200	0.17%	628500	7.10%
<i>At the end of the year</i>	<i>31<sup>st</sup> March 2020</i>		628500	7.10%	628500	7.10%	
<b>8.</b>	<b>Smt. Shruti Rungta</b>						
	<i>At the beginning of the year</i>	<i>1<sup>st</sup> April 2019</i>		511400	5.77%	511400	5.77%
	<i>At the end of the year</i>	<i>31<sup>st</sup> March 2020</i>		511400	5.77%	511400	5.77%
<b>9.</b>	<b>Sky Blue Earth Movers &amp; Investment Pvt. Ltd.</b>						
	<i>At the beginning of the year</i>	<i>1<sup>st</sup> April 2019</i>		34300	0.39%	34300	0.39%
	<i>At the end of the year</i>	<i>31<sup>st</sup> March 2020</i>		34300	0.39%	34300	0.39%
<b>10.</b>	<b>Rangoli Construction Pvt. Ltd.</b>						
	<i>At the beginning of the year</i>	<i>1<sup>st</sup> April 2019</i>		354900	4.01%	354900	4.01%
	<i>Changes during the year</i>	<i>26<sup>th</sup> July 2019</i>	<i>Sale</i>	(170500)	(1.93%)	184400	2.08%
	<i>At the end of the year</i>	<i>31<sup>st</sup> March 2020</i>		184400	2.08%	184400	2.08%
<b>11.</b>	<b>Randev Associates Pvt. Ltd.</b>						
	<i>At the beginning of the year</i>	<i>1<sup>st</sup> April 2019</i>		113500	1.28%	113500	1.28%
	<i>Changes during the year</i>	<i>26<sup>th</sup> July 2019</i>	<i>Sale</i>	(113500)	(1.28%)	<i>Nil</i>	0.00%
	<i>At the end of the year</i>	<i>31<sup>st</sup> March 2020</i>		<i>Nil</i>	0.00%	<i>Nil</i>	0.00%
<b>12.</b>	<b>Shri Nand Kishore Rungta</b>						
	<i>At the beginning of the year</i>	<i>1<sup>st</sup> April 2019</i>		142800	1.61%	142800	1.61%
	<i>At the end of the year</i>	<i>31<sup>st</sup> March 2020</i>		142800	1.61%	142800	1.61%
<b>13.</b>	<b>Shri Ram Chandra Rungta</b>						
	<i>At the beginning of the year</i>	<i>1<sup>st</sup> April 2019</i>		34200	0.39%	34200	0.39%

	<i>At the end of the year</i>	<i>31<sup>st</sup> March 2020</i>		34200	0.39%	34200	0.39%
<b>14.</b>	<b>Shri Ram Kumar Rungta</b>						
	<i>At the beginning of the year</i>	<i>1<sup>st</sup> April 2019</i>		80500	0.91%	80500	0.91%
	<i>At the end of the year</i>	<i>31<sup>st</sup> March 2020</i>		80500	0.91%	80500	0.91%
<b>15.</b>	<b>Rungta Projects Ltd.</b>						
	<i>At the beginning of the year</i>	<i>1<sup>st</sup> April 2019</i>		53100	0.60%	53100	0.60%
	<i>At the end of the year</i>	<i>31<sup>st</sup> March 2020</i>		53100	0.60%	53100	0.60%
<b>16.</b>	<b>Bir Auto Agencies Pvt. Ltd.</b>						
	<i>At the beginning of the year</i>	<i>1<sup>st</sup> April 2019</i>		3000	0.03%	3000	0.03%
	<i>At the end of the year</i>	<i>31<sup>st</sup> March 2020</i>		3000	0.03%	3000	0.03%
<b>17.</b>	<b>Smt. Menakshi Rungta</b>						
	<i>At the beginning of the year</i>	<i>1<sup>st</sup> April 2019</i>		1100	0.01%	1100	0.01%
	<i>At the end of the year</i>	<i>31<sup>st</sup> March 2020</i>		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
<b>1.</b>	<b>Gladiolus Finance Consultants Pvt. Ltd. (formerly known as Pleasure Investments Pvt. Ltd.)</b>						
	<i>At the beginning of the year</i>	<i>1<sup>st</sup> April 2019</i>		1377300	15.55%	1377300	15.55%
	<i>At the end of the year</i>	<i>31<sup>st</sup> March 2020</i>		1377300	15.55%	1377300	15.55%
<b>2.</b>	<b>Samara Realty Pvt. Ltd.</b>						
	<i>At the beginning of the year</i>	<i>1<sup>st</sup> April 2019</i>		1491600	16.84%	1491600	16.84%
	<i>Changes during the year</i>	<i>26<sup>th</sup> July 2019</i>	<i>Purchase</i>	113500	1.28%	1605100	1.28%
	<i>At the end of the year</i>	<i>31<sup>st</sup> March 2020</i>		1605100	18.12%	1605100	18.12%
<b>3.</b>	<b>Manorath Distributors Pvt. Ltd.</b>						
	<i>At the beginning of the year</i>	<i>1<sup>st</sup> April 2019</i>		503465	5.68%	503465	5.68%
	<i>At the end of the year</i>	<i>31<sup>st</sup> March 2020</i>		503465	5.68%	503465	5.68%
<b>4.</b>	<b>Apex Finance Ltd.</b>						
	<i>At the beginning of the year</i>	<i>1<sup>st</sup> April 2019</i>		500000	5.64%	500000	5.64%

	At the end of the year	31 <sup>st</sup> March 2020		500000	5.64%	500000	5.64%
5.	JISL Irrigation Ltd.						
	At the beginning of the year	1 <sup>st</sup> April 2019		164000	1.85%	164000	1.85%
	At the end of the year	31 <sup>st</sup> March 2020		164000	1.85%	164000	1.85%
6.	JISL Irrigation Pvt. Ltd.						
	At the beginning of the year	1 <sup>st</sup> April 2019		48200	0.54%	48200	0.54%
	Changes during the year	31 <sup>st</sup> January 2020	Purchase	74500	0.85%	122700	1.39%
	At the end of the year	31 <sup>st</sup> March 2019		122700	1.39%	122700	1.39%
7.	Orbit Vyapar Pvt. Ltd.						
	At the beginning of the year	1 <sup>st</sup> April 2019		91800	1.03%	91800	1.03%
	At the end of the year	31 <sup>st</sup> March 2020		91800	1.03%	91800	1.03%
8.	Vatsal Investment Pvt. Ltd.						
	At the beginning of the year	1 <sup>st</sup> April 2019		75000	0.84%	75000	0.84%
	At the end of the year	31 <sup>st</sup> March 2020		75000	0.84%	75000	0.84%
9.	The Pradeshiya Industrial And Investment Corporation Of U.P.						
	At the beginning of the year	1 <sup>st</sup> April 2018		50000	0.56%	50000	0.56%
	At the end of the year	31 <sup>st</sup> March 2019		50000	0.56%	50000	0.56%
10.	Shri Bishnu Kumar						
	At the beginning of the year	1 <sup>st</sup> April 2019		38300	0.43%	38300	0.43%
	At the end of the year	31 <sup>st</sup> March 2020		38300	0.43%	38300	0.43%

**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 2019		1211300	13.68%	1211300	13.68%
	Changes during the year	06 <sup>th</sup> December 2019	Purchase	53800	0.61%	1265100	14.29%
	At the end of the year	31 <sup>st</sup> March 2020		1265100	14.29%	1265100	14.29%
2.	Smt. Shruti Rungta						
	At the beginning of the year	1 <sup>st</sup> April 2019		511400	5.77%	511400	5.77%
	At the end of the year	31 <sup>st</sup> March 2020		511400	5.77%	511400	5.77%
3.	Shri Krishna Murthy Nagarur						

At the beginning of the year	1 <sup>st</sup> April 2019		563	0.01%	563	0.01%
Changes during the year			Nil	0.00%	Nil	0.00%
At the end of the year	31 <sup>st</sup> March 2020		563	0.01%	563	0.01%

**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	1645.88	-	-	1645.88
<i>i) Principal Amount</i>	-	-	-	-
<i>ii) Interest due but not paid</i>	-	-	-	-
<i>iii) Interest accrued but not due</i>	-	-	-	-
<b>Total (i+ii+iii)</b>	1645.88	-	-	1645.88
<i>* Addition</i>	18.00	906.20	-	924.20
<i>* Reduction</i>	576.72	599.50	-	1176.21
<b>Net Change</b>	(558.71)	306.70	-	(252.01)
<b>At the end of the year</b>				
<i>i) Principal Amount</i>	1087.17	306.70	-	1393.87
<i>ii) Interest due but not paid</i>	-	-	-	-
<i>iii) Interest accrued but not due</i>	-	-	-	-
<b>Total ( i+ii+iii )</b>	1087.17	306.70	-	1393.87

**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	Name of MD/WTD/ Manager					Total
	Name	Shri Mahabir Prasad Rungta	Shri Krishna Murthy Nagarur	Smt. Priya Rungta	Shri Tarun Kumar Megotia	Smt. Shruti Rungta	(In Rs)
		Chairman cum Managing Director	Joint Managing Director	Executive Director	Executive Director	Executive Director	
1.	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,77,319	28,21,439	5,12,487	7,04,396	5,72,487	52,88,128
	(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	-	-	-	-	-	-
	<b>Total (A)</b>	<b>6,77,319</b>	<b>28,21,439</b>	<b>5,12,487</b>	<b>7,04,396</b>	<b>5,72,487</b>	<b>52,88,128</b>

**Attachment 'J'**

**Remuneration of Directors and Key Managerial Personnel**

Remuneration to other Directors

S.No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Vivek Agrawal	Mr. Devesh Poddar	Mr. Devanand Mishra	Mr. Abdul Kalam	Mr. Sheo Kumar Poddar	
							(In Rs)
1.	<b>Independent Directors</b>						
	Fee for attending board committee meetings	0	70,000	0	59,000	0	1,29,000
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	<b>Total (1)</b>	<b>0</b>	<b>70,000</b>	<b>0</b>	<b>59,000</b>	<b>0</b>	<b>1,29,000</b>
2.	<b>Other Non-Executive Directors</b>						
	Fee for attending board committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>0</b>	<b>70,000</b>	<b>0</b>	<b>59,000</b>	<b>0</b>	<b>1,29,000</b>
	<b>Total Managerial Remuneration</b>	<b>0</b>	<b>70,000</b>	<b>0</b>	<b>59,000</b>	<b>0</b>	<b>1,29,000</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	Name of Key Managerial Personnel			Total Amount
		Ms. Pooja Juneja	Mr. Prateek Sharma	Mr. Sachin	
	<u>Name</u>	Ms. Pooja Juneja	Mr. Prateek Sharma	Mr. Sachin	
	<u>Designation</u>	(Company Secretary)	(Company Secretary)	(Chief Financial Officer)	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,32,147	1,07,635	6,31,390	9,71,172
	(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)	33,992	-	3,760	37,752
	<b>Total</b>	<b>2,66,139</b>	<b>1,07,635</b>	<b>6,35,150</b>	<b>10,08,924</b>

**Attachment 'L'**

**Penalties / Punishment/ Compounding of Offences**

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/Co mpounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made if any (give Details)
<b>A. COMPANY</b>	<div style="border: 1px solid black; padding: 5px; display: inline-block;">NIL</div>				
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors  
SD/-  
Mahabir Prasad Rungta  
Chairman cum Managing Director  
Delhi, September 02, 2020

Form No. MR-3

Annexure "G"

## SECRETARIAL AUDIT REPORT

For the financial year ended 31 st March 2020

[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. 16,00,00,000/-  
PAID UP SHARE CAPITAL : Rs. 8,85,61,000/-

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

I 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 me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my Opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 st March, 2020 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 (Substantial Acquisition of Shares and Takeovers) Regulations,2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2018;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulation 2014 (Not applicable to Company during audit period);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to Company during audit period);
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(Not applicable to Company during the audit period);
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to Company during the audit period)
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations 2015

The Management has identified and confirmed the following laws as being specifically applicable to the Company which has been complied with. Industrial Dispute Act, 1947. Payment of Bonus Act, 1965, Minimum wages Act, 1948, Payment of Gratuity

Act, 1972, Workmen's Compensation Act, 1923, Employees State Insurance Act, 1948, and all Labour laws as applicable to the Company.

I 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.

I further report that:

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

Adequate notice is given to all 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.

I 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 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.

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

1. The maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of Company.
4. Wherever required, I 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, regulations, standard is the responsibility of management. My 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.
7. Under the situation of COVID-19 pandemic prevailing during the period, audit was conducted with the verification of documents, records and other information electronically as provided by the management.

For Ajit Mishra & Associates  
Company Secretaries

(Ajit Mishra)  
Proprietor  
FCS - 9703  
C.O.P - 20737  
UDIN: F009703B000646856  
Place: New Delhi  
Date : 02/09/2020

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(2019-20)	Previous Year(2018-19)
1.	Electricity		
a.	Purchased		
	Unit	17,38,887.23	22,59,501.4
	Total Amount	Rs.1,25,79,826.00	Rs.1,46,91,388.70
	Rate/unit	Rs.7.23	Rs.6.50
b.	Own Generation		
	Through diesel generator:-		
	Unit	19931.28	48487
	Units per-ltr. of diesel oil	Rs.3.91	Rs.4.37
	Cost/unit	Rs.15.55	Rs.14.05
B.	Consumption per units of production	Current Year	Previous Year
1.	Electricity	0.75 Per kg.	0.75 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, 2020, 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, 2020, 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 are 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**

**PLACE: NEW DELHI  
DATE: AUGUST 22, 2020  
UDIN: 20084944AAAAAG1580**

**MAMRAJ AGARWAL  
(PARTNER)  
M.NO. 084944**



**Annexure 'A'**

To the Independent Auditor's Report – 31<sup>st</sup> March 2020 on the IND AS Financial Statements  
(Referred to in our report of even date)

- i.
  - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
  - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
  - (c) 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 31st, 2020 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, 2020 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**

**PLACE: NEW DELHI  
DATE: AUGUST 22, 2020  
UDIN: 20084944AAAAAG1580**

**MAMRAJ AGARWAL  
(PARTNER)  
M.NO. 084944**

## 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, 2020 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 authorisations 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, 2020, 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**

**PLACE: NEW DELHI  
DATE: AUGUST 22, 2020  
UDIN: 20084944AAAAAG1580**

**MAMRAJ AGARWAL  
(PARTNER)  
M.NO. 084944**

## Rungta Irrigation Limited

### Statement of Profit and Loss for the Year ended 31<sup>st</sup> March 2020

Rs in Lacs

Particulars	Note	As on 31st March 2020	As on 31st March 2019
<b>I. REVENUES</b>			
Revenue from Operations	23	4514.3	5,774.36
Other Income	24a.	652.23	327.27
Other Gains/(Losses)	24b.	-6.90	-2.70
<b>Total Revenue (I)</b>		<b>5159.63</b>	<b>6,098.93</b>
<b>II. EXPENSES</b>			
Cost of Materials Consumed	25	2376.69	3,669.97
Purchase of Stock-in-Trade		100.64	-
Changes in Inventories of Finished goods, Work-in-Progress and Stock-in-Trade	26	118.58	4.81
Employee Benefits Expense	27	645.82	646.45
Finance Costs	28	155.93	191.10
Depreciation and Amortization Expense	2	103.81	135.31
Other Expenses	29	1564.82	1,332.41
<b>Total Expenses (II)</b>		<b>5066.29</b>	<b>5,980.04</b>
<b>III. Profit Before Tax and exceptional items(I - II)</b>		<b>93.34</b>	<b>118.89</b>
IV. Exceptional Items		0.00	0.00
<b>IV. Profit after exceptional items Before Tax and(I - II)</b>		<b>93.34</b>	<b>118.89</b>
IV. Tax Expense			
(i) Current Tax		32.00	30.00
(ii) Deferred Tax		-16.97	0.26
(iii) income tax related to previous years		2.46	30.26
IV. Total Tax Expenses		17.49	60.52
<b>V. Profit/(Loss) for the Year (III - IV)</b>		<b>75.85</b>	<b>58.37</b>
<b>VI. Other Comprehensive Income</b>			
<b>A</b>	<b>Items that will not be reclassified to profit or loss</b>		
	- Remeasurements of defined benefit obligations (net of tax thereon)	-	-
	<b>Other Comprehensive Income for the year, net of tax</b>	-	-
<b>VII. Total Comprehensive Income For the year (V + VI)</b>		<b>75.85</b>	<b>58.37</b>
<b>VIII. Earnings per Equity Share:</b>			
Earnings per Share (Basic & Diluted) on Net Profit	30	0.86	0.66
Summary of Significant Accounting Policies	1		
Other Notes on Accounts	31-42		
The accompanying Notes are Integral Part of the Financial Statements			
As per our report of even date attached			

For Mamraj & Co.  
Chartered Accountants  
FRN: 006396N

Mahabir Prasad Rungta  
Chairman cum Managing Director  
DIN No.-00235632

Shruti Rungta  
Executive Director  
DIN No. 00229045

Mamraj Agarwal  
Partner  
M No : 084944  
Place: New Delhi  
Date: August 22, 2020  
UDIN: 20084944AAAAAG1580

Sachin  
Chief Financial Officer

Prateek Sharma  
Company Secretary  
M. No.-49283

## Rungta Irrigation Limited

### Balance Sheet as on 31<sup>st</sup> March 2020

Rs in Lacs

Particulars		Notes	As on 31 <sup>st</sup> March 2020	As on 31 <sup>st</sup> March 2019
<b>ASSETS</b>				
<b>(1) Non Current Assets</b>				
(a)	Property, Plant and Equipment	2	755.86	912.77
(b)	Capital work-in-progress	2	1.41	-
(c)	Intangible Assets	2	0.13	0.11
(d)	Financial Assets			
(i)	Investments	3	1,410.29	1,367.19
(ii)	Loan		-	-
(iii)	Other Financial Assets	4	183.85	167.33
(e)	Deferred Tax Assets (Net)	5	67.49	50.52
<b>Total Non Current Assets</b>			<b>2,419.04</b>	<b>2,497.91</b>
<b>(2) Current Assets</b>				
(a)	Inventories	6	861.20	1,018.80
(b)	Financial Assets			
(i)	Investments		-	-
(ii)	Trade Receivables	7	2487.87	2,955.03
(iii)	Cash and Cash Equivalents	8	537.05	90.43
(iv)	Loans	9	1292.27	1,039.83
(v)	Other Financial Assets	10	2.04	5.61
(c)	Current Tax Assets (Net)	11	780.98	722.67
(d)	Other Current Assets	12	286.54	485.07
<b>Total Current Assets</b>			<b>6,247.94</b>	<b>6,317.44</b>
<b>Total Assets</b>			<b>8,666.98</b>	<b>8,815.35</b>
<b>Equity And Liabilities</b>				
<b>(1) Equity</b>				
(a)	Equity Share capital		885.61	885.61
(b)	Other Equity		5502.22	5,426.38
<b>Total Equity</b>			<b>6,387.83</b>	<b>6,311.99</b>
<b>(2) Non Current Liabilities</b>				
(a)	Financial Liabilities			
	Borrowings		236.99	340.29
(b)	Provisions		83.95	53.27
(c)	Other Non Current Liabilities		15.05	9.89
<b>Total Non Current Liabilities</b>			<b>335.99</b>	<b>403.45</b>
<b>(3) Current Liabilities</b>				
(a)	Financial Liabilities			
(i)	Borrowings		1041.93	1,068.12
(ii)	Trade Payables		242.83	314.61
(iii)	Other Financial Liabilities		114.95	123.97
(b)	Other Current liabilities		511.45	556.51
(c)	Provisions		32.00	36.70
<b>Total Current Liabilities</b>			<b>1,943.16</b>	<b>2,099.91</b>
<b>Total Equity and Liabilities</b>			<b>8,666.98</b>	<b>8,815.35</b>

For Mamraj & Co.  
Chartered Accountants  
FRN: 006396N

Mahabir Prasad Rungta  
Chairman cum Managing Director  
DIN No.-00235632

Shruti Rungta  
Executive Director  
DIN No. 00229045

Mamraj Agarwal  
Partner  
M No : 084944  
Place: New Delhi  
Date: August 22, 2020  
UDIN: 20084944AAAAAG1580

Sachin  
Chief Financial Officer

Prateek Sharma  
Company Secretary  
M. No.-49283

## Rungta Irrigation Limited

### Statement of Cash Flow for the Year Ended 31st March 2020

	Particular	31st March 2020	31st March 2019
<b>A.</b>	<b>Cash Inflow/(Outflow) from Operating Activities :</b>		
	Net Profit/(Loss) Before Taxes	93.34	118.93
	<b>Adjustments for non cash items</b>		
	Depeciation & Amortisation	103.81	135.32
	Interest Income	-517.12	-150.11
	Interest Paid	141.93	178.14
	Dividend Received	-0.68	-0.41
	(Profit)/Loss on sale of property, plant and equipment	-6.83	-0.31
	Fair Value Adjustments on Financial Assets (net)	6.90	2.70
	Provision for Gratuity	30.93	-
	Foreign Exchange Fluctuation	0.92	-
	(Profit) / Loss on sale of Investments	0	-54.86
	<b>Operating Profit/(Loss) before Working Capital Changes</b>	<b>-146.80</b>	<b>229.40</b>
	<b>Adjustments for (increase)/decrease in Operating Assets :</b>		
	Increase(-)/Decrease in Trade & other Receivables	751.7	1221.91
	Increase(-)/Decrease in Inventories	157.6	-79.5
	<b>Adjustment for increase/ (decrease) in Operating Liabilities :</b>		
	Increase/Decrease(-) in Trade & other Payables	-235.65	-353.78
	<b>Cash Generated from Operations</b>	<b>526.85</b>	<b>1018.03</b>
	Direct Tax Paid	-90.77	-726.59
	Extraordinary items		
	<b>Net Cash Generated/(used in) from Operating Activities</b>	<b>436.08</b>	<b>291.44</b>
<b>B.</b>	<b>Cash Inflow/(Outflow) from Investing Activities :</b>		
	Capital Expenditure on Fixed Assets	-30.76	-11
	Sale proceeds of property, plant and equipment	3.72	1.26
	Net Proceeds from Fixed Deposits	-10.91	-3.02
	Dividend Received	0.68	0.41
	Interest Received	513.55	150.11
	Loan to Corporates	-258.35	
	Sales/Redemption /(Purchase)of Investment	-50	108.25
	<b>Net Cash Generated/(used in) from Investing Activities</b>	<b>167.93</b>	<b>246.01</b>
<b>C.</b>	<b>Cash Inflow/(Outflow) from Financing Activities :</b>		
	Working Capital Loan received/(repaid)	88.76	-216.50
	Long term Borrowings received	-103.3	-145.42
	Foreign Exchange Fluctuation	-0.92	
	Interest Paid	-141.93	-178.14
	<b>Net Cash Generated/(used in) from Financing Activities</b>	<b>-157.39</b>	<b>-540.06</b>
	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>446.62</b>	<b>-2.61</b>
	<b>Opening Balance of Cash &amp; Cash Equivalents</b>	<b>90.43</b>	<b>93.04</b>
	<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>537.05</b>	<b>90.43</b>
	<b>Cash &amp; Cash Equivalents Comprise</b>		
	Cash in Hand	10.07	11.92
	Balance with Scheduled Banks in Current Accounts	526.98	78.51
		<b>537.05</b>	<b>90.43</b>
	(i) Figures in bracket represent outflows		
	(ii) The above Cash Flow Statement has been prepared under the Indirect Method as set out in Indian Accounting Standard 7		
	The accompanying Notes are Integral Part of the Financial Statements		
	As per our report of even date attached		

For Mamraj & Co.  
Chartered Accountants  
FRN: 006396N

Mamraj Agarwal  
Partner  
M No : 084944  
Place: New Delhi  
Date: August 22, 2020  
UDIN: 20084944AAAAG1580

Mahabir Prasad Rungta  
Chairman cum Managing Director  
DIN No.-00235632

Sachin  
Chief Financial Officer

Shruti Rungta  
Executive Director  
DIN No. 00229045

Prateek Sharma  
Company Secretary  
M. No.-49283

## Rungta Irrigation Limited

### Statement of Changes in Equity for the period ended 31st March 2020.

A.	Equity Share Capital	Rs in lacs	
Particulars	As at 31st Mar 2019	Changes in equity share capital	As at 31st Mar 2020
Equity Share Capital	885.61	-	885.61
<b>Total</b>	<b>885.61</b>	<b>-</b>	<b>885.61</b>

Particulars	Reserve and Surplus				Remeasurements of post-employment benefit obligations (net of tax thereon)	Total
	Capital Redemption Reserve	Security Premium	General Reserve	Retained Earnings		
Balance as at 1st April 2019	500.00	2,469.37	1,198.03	1,255.10	3.87	5,426.37
Profit For the Year	-	-	-	75.85	-	75.85
Gratuity provision adjusted	-	-	-	-	-	-
Other Comprehensive Income For the Year	-	-	-	-	-	-
<b>Total Comprehensive Income For the Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75.85</b>	<b>-</b>	<b>75.85</b>
Balance as at 31st Mar 2020	500.00	2,469.37	1,198.03	1,330.95	3.87	5,502.22

As per our report of even date attached

For Mamraj & Co.  
Chartered Accountants  
FRN: 006396N

For and on behalf of the Board of Directors

Mahabir Prasad Rungta  
Chairman Cum Managing Director  
DIN: 00235632

Shruti Rungta  
Executive Director  
DIN: 00229045

Mamraj Agarwal  
Partner  
M No: 084944  
Place- New Delhi  
Date: August 22, 2020  
UDIN: 20084944AAAAAG1580

Sachin  
Chief Financial Officer

Prateek Sharma  
Company Secretary  
M.no.- 49283



## 1. Summary of Significant Accounting Policies

### 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 and National Stock Exchange. 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, Designing, Assembling and Marketing of Sprinkler Irrigation systems. The product range of the company includes Sprinklers, Drip Irrigation systems.

#### 1.1 Basis of Preparation

##### Compliance with Ind AS

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 Lacs with two decimals, unless otherwise stated.

#### 1.2 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.

### 1.3 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 2017. Such estimates are inherently imprecise and there may be additional information about one or more debtors that the management are not aware of, which could significantly affect their estimations.

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.

### 1.4 Operating Segments.

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

### **1.5 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 is determined on FIFO basis, cost of process chemicals, stores, packing materials are determined on weighted average basis. 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.

### **1.6 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 derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

### **1.7 Intangible Assets**

Intangible Assets are stated at cost less accumulated amortization.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of its intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible assets.

### **1.8 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 recognised 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 an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### **1.9 Depreciation**

### **2.00 Leases**

#### **Operating Leases**

##### **As a lessee**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Payments made under operating leases, if any, are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

##### **As a lessor**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

## 2.01 Investments and other financial assets

Financial assets are initially measured on trade date at fair value, plus transaction costs. All recognised financial assets are subsequently measured in their entirety at either amortized cost or at fair value.

### (a) Classification

The Investments and other financial assets has been classified as per Company's business model for managing the financial assets and the contractual terms of the cash flows.

### (b) Measurement

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

#### (b.1) Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

##### **Amortised Cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

##### **Fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

##### **Fair value through profit or loss:**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

#### (b.2) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**(c) Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

**(d) Derecognition of financial assets**

A financial asset is derecognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

**(e) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the Financial Statements when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

**(f) Income recognition**

**(f.1) Interest Income**

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

**(f.2) Dividends**

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

**2.02 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.

**2.03 Trade Receivables**

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. If collection is expect 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. Loss allowance for expected life time credit loss is recognized on initial recognition.

**2.04 Borrowings.**

Borrowings are recognized initially at fair value, less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the statement of profit or loss over the period of the borrowings using the effective interest method.

## 2.05 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.

## 2.06 Employee Benefits

### (i) Short Term Employee Benefits

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, exgratia, incentives are recognized in the period during which the employee renders the related service.

### (ii) Post-Employment Benefits

#### (a) Defined Contribution Plans

State Government Provident Fund Scheme is a defined contribution plan. The contribution paid/payable under the scheme is recognized in the profit & loss account during the period during which the employee renders the related service.

#### (b) Defined Benefit Plans

The employee Gratuity Fund Scheme managed by a trust is a defined benefit plan (except for certain employees). The present value of obligation under such defined benefit plan is determined based on actuarial valuation under the projected unit credit method which recognizes each period of service as giving rise to additional unit of employees benefits entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on government securities as at balance sheet date, having maturity periods approximated to the returns of related obligations. In case of funded plans the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on net basis.

(c) The obligation for leave encashment will be done on payment basis.

(d) Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

## 2.07 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, and value added taxes.

### Sale of Products

The Company recognizes revenue from sale of goods when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and significant risks and

rewards of ownership have been transferred to the customer. No element of financing is deemed present in the sales.

The Company has considered the impact of COVID-19 to the extent known and available currently. However the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

#### **2.08 Other Income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognized in the income statement on the date the entity's right to receive payments is established.

Company has elected to present gains or losses arising from fair value adjustments of financial instruments, gains or losses on disposal of property, plant and equipment, gain or losses from disposal/redemption of investments and regular foreign currency transactions and translations as a separate line item "other gains/(losses) - net" on the face of the statement of profit and loss as permitted in para 85 of Ind AS 1.

#### **2.09 Claims and Benefits**

Claims receivable is accounted on accrual basis to the extent considered receivable.

#### **2.10 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 balance sheet 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.

#### **2.11 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.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item

#### **2.12 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.

#### **2.13 Contingent Liability and Contingent Assets**

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

#### **2.14 Earnings Per Share**

Earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.



## Notes to the financial statements for the year ended 31 March 2019

### 2. Property, plant, and equipment

Rs in Lacs

Particulars	Gross Carrying Amount			Accumulated Depreciation				Net Carrying Amount		
	As at 31 March 2019	Additions	Deletions	As at 31 March 2020	As at 31 March 2019	Additions	Deletions	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
<b>Tangible Assets</b>										
Land	389.24	-	22.10	367.14	-	-	-	-	367.14	389.24
Building	191.68	0.42	79.96	112.14	47.83	9.56	20.69	36.70	75.44	143.85
Plant and equipment	414.44	12.95	-	427.39	178.61	45.14	-	223.75	203.64	235.83
Vehicles	318.62	8.56	29.62	297.56	189.09	41.14	28.57	201.66	95.90	129.53
Furniture and fixtures	8.65	1.85	-	10.50	3.47	1.50	-	4.97	5.53	5.18
Office equipments	24.69	2.16	-	26.85	17.04	4.05	-	21.09	5.76	7.65
Computer	10.78	3.34	-	14.12	9.29	2.38	-	11.67	2.45	1.49
<b>Total</b>	<b>1,358.1</b>	<b>29.28</b>	<b>131.68</b>	<b>1,255.70</b>	<b>445.33</b>	<b>103.77</b>	<b>49.26</b>	<b>499.84</b>	<b>755.86</b>	<b>912.77</b>
Capital work-in-progress	-	0.90	-	0.90	-	-	-	-	0.90	-
<b>Total</b>	<b>1,358.1</b>	<b>30.18</b>	<b>131.68</b>	<b>1,256.60</b>	<b>445.33</b>	<b>103.77</b>	<b>49.26</b>	<b>499.84</b>	<b>756.76</b>	<b>912.77</b>
<b>Intangible Assets</b>	<b>Rs In Lacs</b>									
Particulars	Gross Carrying Amount			Accumulated Depreciation				Net Carrying Amount		
	As at 31 March 2019	Additions	Deletions	As at 31 March 2020	As at 31 March 2019	Additions	Deletions	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
<b>Intangible Assets</b>										
Softwares	0.28	0.07	-	0.35	0.17	0.05	-	0.22	0.13	0.11
<b>Total</b>	<b>0.28</b>	<b>0.07</b>	<b>-</b>	<b>0.35</b>	<b>0.17</b>	<b>0.05</b>	<b>-</b>	<b>0.22</b>	<b>0.13</b>	<b>0.11</b>
Capital work-in-progress	-	0.51	-	0.51	-	-	-	-	0.51	-
<b>Total</b>	<b>0.28</b>	<b>0.58</b>	<b>-</b>	<b>0.86</b>	<b>0.17</b>	<b>0.05</b>	<b>-</b>	<b>0.22</b>	<b>0.64</b>	<b>0.11</b>

**Note - 3**

**Investment**

**Long Term Investments**

Particulars	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	Amount (in Lacs)	No. of Shares	Amount (in Lacs)
<b>Long Term Non-trade Investments</b>				
<b>(i) Quoted</b>				
Caprihans India Ltd.Rs-10/- each.	10	0.01	10	0.01
DLF Limited Rs-2/- each.	1000	1.46	1,000	2.02
Eveready Industries Ltd.Rs-5/- each.	333	0.25	333	0.64
Finolex Industries Ltd	100	0.45	100	0.50
Gammon India Ltd. Ltd Rs-2/- each.	100	-	100	-
Hindalco Ltd Rs-1/- each.	4000	6.00	4,000	8.21
Kingfa Science& Technologies ( India) Ltd..Rs-10/- each.	10	0.04	10	0.07
Jindal Poly Films Ltd.Rs-10/- each.	1000	3.09	1,000	2.63
Jindal Poly Investment & Finance Co. Ltd.Rs-10/- each.	250	0.02	250	0.08
Mcleod Russell India Limited Rs-10/- each.	333	0.02	333	0.29
NilKamal Plastics Ltd.Rs-10/- each.	100	1.06	100	1.43
Nocil Ltd Rs-10/- each.	200	0.17	200	0.29
PIL ITA LICA Lifestyle Ltd.Rs-10/- each.	100	-	100	0.01
Pearls Polymers Ltd.Rs-10/- each.	100	0.01	100	0.01
Reliance Communication Ltd.Rs-10/- each.	2000	0.02	2,000	0.08
Padmini Tech Ltd.Rs-10/- each.	100	-	100	-
Reliance Industriess Ltd Rs-10/- each.	250	4.04	250	3.41
Suzlon Energy Limited Rs-2/- each.	1000	0.04	1,000	0.06
Tata Steel Ltd Rs-10/- each.	2000	6.18	2,000	10.42
Unitech Ltd. Rs-2/- each.	1000	0.02	1,000	0.01
<b>Total (i)</b>		<b>22.90</b>		<b>30.18</b>
<b>(ii) Unquoted</b>				
Akshay Ispat Udyog Pvt Ltd of Rs-100/- each.	27,500	27.50	27500	27.50
Sangam Aluminium Ltd.Rs-10/- each.	13,200	0.39	13,200	0.39
JISL Irrigation Ltd. of Rs-10/- each.	18,400	4.62	18,400	4.62
Manorath Distributors Pvt. Ltd.Rs-10/- each.	1,27,715	12.77	1,27,715	12.77
Ramgarh Sponge Iron (P) Ltd.Rs-10/- each.	31,64,601	1,242.11	31,64,601	1,242.12
Alchemist Aviation Pvt. Ltd.	5,00,000	50.00	-	-
Jharkhand Ispat P. Ltd.Rs-10/- each.	5,00,000	50.00	5,00,000	50.00
<b>Total (ii)</b>		<b>1,387.39</b>		<b>1,337.01</b>
<b>Total Investments (i+ii)</b>		<b>1,410.29</b>		<b>1,367.19</b>

Note		As at 31st March 2020	As at 31st March 2019
<b>4.</b>	<b>Other Financial Assets</b>		
	Security Deposits	69.24	63.63
	Balances with banks:		
	- In Fixed Deposit	114.61	103.70
	*(Pledgd with bank as margin money with maturity of		
		<b>183.85</b>	<b>167.33</b>

5	Deferred Tax Assets (Net)		
	Deferred Tax Assets on :		
	- Property, Plant & Equipments	32.94	54.83
	- Others	34.91	-
	<b>Total Deferred Tax Assets</b>	<b>67.84</b>	<b>54.83</b>
	Deferred Tax Liabilities on :		
	- Financial assets at Fair Value through Profit & Loss/ Others	-0.35	4.31
	<b>Total Deferred Tax Liabilities</b>	<b>-0.35</b>	<b>4.31</b>
	<b>Total Deferred Tax Assets (Net)</b>	<b>67.49</b>	<b>50.52</b>

Movement in Deferred Tax Assets (Net)
---------------------------------------

	Property, Plant and Equipments
<b>As at 1st April 2018</b>	53.28
Recognised :	
- To Profit & Loss	-0.26
- To Other Comprehensive Income	-
<b>As at 31st March 2019</b>	53.02
Recognised :	
- To Profit & Loss	-20.08
- To Other Comprehensive Income	-
<b>As at 31st March 2020</b>	32.94

\*items for deferred tax liabilities has been presented in negative.

<b>6</b>	<b>Inventories</b>		
	Raw Material (including Goods in Transit)	197.35	233.50
	Work In Progress**	45.87	82.70
	Finished Goods	578.56	595.45
	Scrap	-	2.36
	Store, Spares and Tools	39.41	104.79
		<b>861.20</b>	<b>1018.80</b>
	7.1 Inventories valued at lower of cost or net realisable value.		
	7.2 Includes Goods in Transit		

<b>7</b>	<b>Trade Receivables:</b>		
	Unsecured, Considered Good		
	Trade Receivables	2487.87	2955.03
		<b>2487.87</b>	<b>2,955.03</b>

<b>8</b>	<b>Cash and Cash Equivalents</b>		
	Balances with banks:		
	- In current accounts	526.98	78.51
	Cash in hand	10.07	11.92
		<b>537.05</b>	<b>90.43</b>

<b>9</b>	<b>Loans</b>		
	Unsecured, Considered Good		
	Loans and advances to Staff & Workers	7.27	13.18
	Loan to Others	1285.00	1026.65
		<b>1292.27</b>	<b>1,039.83</b>

<b>10</b>	<b>Other Financial Assets</b>		
	Interest Accrued on Deposits	2.04	5.61
		<b>2.04</b>	<b>5.61</b>

<b>11</b>	<b>Current Tax Assets (Net)</b>		
	Income Tax	-	673.04
	Advance Income Tax (Net of Provision for Tax)	780.98	49.63
		<b>780.98</b>	<b>722.67</b>

<b>12</b>	<b>Other Current Assets</b>		
	Balance with Government Authorities	60.63	54.91
	Prepaid Expenses	4.29	7.50
	Insurance Claim Recoverable	35.90	35.90
	Advances against Supplies and Services	40.81	170.03
	Other Advances	144.91	216.73
		<b>286.54</b>	<b>485.07</b>

<b>14 A: Equity Share Capital</b>			
<b>(a)</b>	<b>Authorised Share Capital</b>		
	<b>Equity Share Capital</b>	<b>No of Shares (Lacs)</b>	<b>Amount (in Lacs)</b>

<b>Equity Share Capital of Rs 10/- Each</b>				
As at 1st April 2018		100.00		1,000.00
Add : Increase during the year				
As at 31st March 2019		100.00		1,000.00
Add : Increase during the year				
As at 31st March 2020		100.00		1,000.00
<b>12% Redeemable Cumulative Preference Shares</b>			<b>No of Shares (Lacs)</b>	<b>Amount (in Lacs)</b>
<b>Equity Share Capital of Rs 100/- Each</b>				
As at 1st April 2018		5.00		500.00
Add : Increase during the year				
As at 31st March 2019		5.00		500.00
Add : Increase during the year				
As at 31st March 2020		5.00		500.00
<b>Redeemable Cumulative Preference Shares</b>			<b>No of Shares (Lacs)</b>	<b>Amount (in Lacs)</b>
<b>Equity Share Capital of Rs 100/- Each</b>				
As at 1st April 2018		1.00		100.00
Add : Increase during the year				
As at 31st March 2019		1.00		100.00
Add : Increase during the year				
As at 31st March 2020		1.00		100.00
<b>(b)</b>	<b>Movements in Equity Share Capital</b>			
<b>Equity Share Capital</b>			<b>No of Shares (Lacs)</b>	<b>Amount (in Lacs)</b>
<b>Equity Share Capital of Rs 10/- Each</b>				
As at 1st April 2018		88.56		885.61
Add : Shares Issued during the year		-		-
As at 31st March 2019		88.56		885.61
Add : Shares Issued during the year		-		-
As at 31st March 2020		88.56		885.61
<b>(c)</b>	<b>Shareholders holding more than 5 percent Equity shares of the Company (Inclusive of share issued pursuant to the scheme of arrangement)</b>			
			<b>No of Shares in Lacs</b>	
Name of the Shareholders	As at 31st March 2020		As at 31st March 2019	
	No of Shares	% Holding	No of Shares	% Holding
Skyblue Earthmovers & Investment Pvt. Ltd.	-	-	0.34	0.38%
Gladius Finance Consultants Pvt. Ltd.	13.77	15.55%	13.77	15.55%
Samara Realty Pvt. Ltd.	16.05	18.12%	14.92	16.85%
Apex Finance Ltd.	5.00	5.65%	5.00	5.65%
Manorath Distributors Pvt. Ltd.	5.03	5.68%	5.03	5.68%
M. P. Rungta	12.65	14.29%	12.11	13.67%
Priya Rungta	6.29	7.10%	-	-
Shruti Rungta	5.11	5.77%	5.11	5.77%
Urmila Rungta	4.98	5.63%	4.94	5.58%
<b>(d)</b>	<b>Terms/ rights attached to Equity shares</b>			
Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no restriction on distribution of dividend, however same is subject to the approval of the shareholders in the Annual General Meeting of the Company.				

		Note	As at 31st March 2020	As at 31st March 2019
<b>15.</b>	<b>Borrowings</b>			
	(Non Current Borrowings)			
	<b>Non Current Portion</b>			
	Secured Borrowings From Banks			
	Rupee Loans	(i)	236.99	340.29
			<b>236.99</b>	340.29
	<b>Current Portion</b>			
	Secured Borrowings From Banks			
	Rupee Loans	(i)	114.95	123.97
	Unsecured from Others			
			<b>114.95</b>	123.97
	Total Non Current Borrowings		<b>351.94</b>	464.26

	Less :		
	Current Maturities of Long Term Debts (disclosed in note 22)	114.95	123.97
	<b>Non Current Borrowings (as per Balance Sheet)</b>	<b>236.99</b>	<b>340.29</b>
<b>Securities</b>			
(i)	Vehicle loan are Secured by hypothecation of respective vehicle of the Company.		
(ii)	Terms of Repayment - Repayable in monthly installments.		
(iii)	Other secured loan is secured against all existing and future current assets and industrial property at Yanam, Pondicherry , industrial property at Bulandshare road, Ghaziabad, Uttar Pradesh & personal guarantee of directors and relative (Urmila Rungta), repayable in monthly installments.		

<b>16. Provisions</b>			
Employee Benefits		83.95	53.27
		<b>83.95</b>	<b>53.27</b>
<b>17. Other Non Current Liabilities</b>			
Unpaid Dividend*		15.05	9.89
Advance received			
		<b>15.05</b>	<b>9.89</b>
* The amount kept in abeyance due to legal case pending.			

<b>18. Borrowings</b>			
(Current Borrowings)			
Secured Borrowings			
From Banks		735.23	1,068.12
Unsecured Borrowings			
From Other		306.70	-
<b>Total</b>		<b>1041.93</b>	<b>1,068.12</b>

<b>Securities</b>			
(i)	Vehicle loan are Secured by hypothecation of respective vehicle of the Company.		
(ii)	Terms of Repayment - Repayable in monthly installments.		
(iii)	Other secured loan is secured against all existing and future current assets and industrial property at Yanam, Pondicherry , industrial property at Bulandshare road, Ghaziabad, Uttar Pradesh & personal guarantee of directors and relative (Urmila Rungta), repayable in monthly installments.		

<b>19. Trade Payables</b>			
Micro Enterprises and Small Enterprises			1.07
Other Than Micro Enterprises and Small Enterprises			
Trade Payable to Others		242.83	313.54
		<b>242.83</b>	<b>314.61</b>

<b>20. Other Financial Liabilities</b>			
Current maturities of Long Term Debts			
From Banks		114.95	123.97
		<b>114.95</b>	<b>123.97</b>

<b>21. Other Current liabilities</b>			
Advances from Customers		314.97	83.92
Trade Deposits		52.14	400.17
Statutory Dues		4.44	14.12
Other Liabilities		3.31	13.79
Liability for Expenses		136.59	15.47
		<b>511.45</b>	<b>527.47</b>

<b>22. Provisions</b>			
Provision for Employee Benefit Obligations			
Bonus and Reward		-	-
Gratuity		-	6.70
Provision for Income Tax		32.00	30.00
		<b>32.00</b>	<b>36.70</b>

		For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
<b>23.</b>	<b>Revenue From Operations</b>		
	<b>(Net of returns)</b>		
	<u>Manufacturing Sales</u>		
	Export Sales	19.27	211.64
	Domestic Sales	4430.43	5,562.72
	<u>Trading Sales</u>		
	Coal	64.60	-
	Total	<b>4514.30</b>	<b>5,774.36</b>
<b>24.</b>	<b>Other Income and Other Gains/(Losses)</b>		
<b>24a.</b>	<b>Other Income</b>		
	Dividend on shares	0.68	0.41
	Interest on Loan & Deposits	517.12	150.11
	Sundry Balances W. Off/Back	110.97	113.03
	Profit / (Loss)on sale of Investments	-	54.86
	Foreign Exchange Fluctuation	0.14	-
	Interest on Overdue Payments	0.00	2.74
	Purchase Discount	7.46	0.02
	Profit / (Loss)on sale of fixed assets	6.83	0.31
	Miscellaneous Income	9.03	5.78
		<b>652.23</b>	<b>327.26</b>
<b>24b.</b>	<b>Other Gains / (Losses)</b>		
	Fair Value Adjustments on Financial Assets	-6.90	-2.70
		<b>-6.90</b>	<b>-2.70</b>
<b>25.</b>	<b>Cost Of Materials Consumed</b>		
	Opening Stock	233.51	151.56
	Add : Purchase during the year	2340.53	3,751.92
	Less : Cost of Material lost in fire	-	-
	Less : Closing Stock	197.35	233.50
	<b>Cost of Material Consumed</b>	<b>2376.69</b>	<b>3,669.98</b>
<b>26.</b>	<b>Changes In Inventories Of Finished Goods,Work In Progress And Stock In Trade</b>		
	<b>Opening Stock</b>		
	Finished Goods	595.45	711.33
	Work In Progress	82.7	38.66
	Trading Goods		-
	Stores & Spare Parts	104.79	37.76
		<b>782.94</b>	<b>787.75</b>
	<b>Closing Stock</b>		
	Finished Goods	578.56	595.45
	Work In Progress	45.87	82.70
	Trading Goods		
	Stores & Spare Parts	39.41	104.79
		<b>663.84</b>	<b>782.94</b>
	Change in Inventories including Consumable	<b>-119.10</b>	<b>-4.81</b>
	Less : Change in Consumable shown under other expenses	2.88	-
	Add : Opening Scrap (stores )	-2.36	-
	Changes in Inventories	<b>(118.58)</b>	<b>-4.81</b>
<b>27.</b>	<b>Employee Benefit Expense</b>		
	Salaries, Wages ,Bonus & Other Benefits	526.89	568.92
	Gratuity Expenses	24.70	-

	Contribution to Provident and other Funds	29.93	32.12
	Staff & Workmen Welfare Expenses	64.30	45.41
		<b>645.82</b>	<b>646.45</b>
<b>28.</b>	<b>Finance Costs</b>		
	Interest on Financial Liabilities		
	On Term Loans	43.10	1.92
	On Bank Borrowings & Others	98.83	176.22
	Bank Charges	13.19	11.15
	Exchange Fluctuation	0.81	1.81
		<b>155.93</b>	<b>191.10</b>
<b>29.</b>	<b>OTHER EXPENSES</b>		
	Consumable Stores	7.76	7.18
	Change of Consumable	2.88	-
	Power and Fuel	147.31	189.21
	Repairs and Maintenance:		
	Plant & Machinery	15.62	14.83
	Buildings	6.13	0.96
	Others	1.06	15.04
	Carriage & Octroi Inward	37.04	55.93
	Other Manufacturing expenses	16.33	19.39
	Excise Duty on finished goods	-	0.58
	Advertisements Expenses	1.06	1.58
	Auditors Remuneration	4.25	4.25
	Carriage Outwards	160.67	213.68
	Sales Prompton	4.01	6.75
	Penalty	-	1.69
	Discount	-4.94	12.03
	Electricity & Water Expenses	8.71	10.18
	Insurance Charges	9.27	9.77
	Sale incentive	3.65	-
	Legal & Professional Charges	35.07	29.40
	Telephone & Postage Expenses	4.32	6.41
	Rent Expenses	51.99	48.79
	Rates and taxes	4.99	3.53
	Installation Expenses	-	23.84
	Donation	5.33	1.00
	Commission to selling agents	482.27	416.45
	Travelling & Conveyance Expenses	67.56	86.38
	Festival Expenses	0.69	1.26
	Vehicle Running & Maintenance	18.89	23.62
	Miscellaneous Expenses	97.53	79.44
	Printing & Stationery	3.81	5.56
	Bad Debts Written Off (Net of write back of liabilities)	371.56	43.68
		<b>1564.82</b>	<b>1,332.41</b>
<b>29(a)</b>	<b>Remuneration to Auditors' comprises:</b>		
	Audit Fees	3.00	3.00
	Tax Audit Fees	1.25	1.25
	Other Services	-	-
		<b>4.25</b>	<b>4.25</b>
<b>30.</b>	<b>Earnings Per Shares</b>		
	Profit attributable to the Equity Shareholders	75.85	58.37
	Weighted average No of Equity Shares outstanding (Nominal Value of Equity Shares - Rs 10/- each)	88.56	88.56
	Basic and Diluted Earnings per Share (Rs.)	0.86	0.66

31	Fair Value Measurements						
31.1	Financial instruments by category						
	As at 31 March 2020			As at 31 March 2019			
	FVTPL	Amortised Cost	Cost	FVTPL	Amortised Cost	Cost	
<b>Financial assets</b>							
Investments							
Quoted Equity Shares	22.90	-	-	30.18	-	-	
Un-Quoted Equity Shares		1,387.39			1,337.01		
Other non-current financial assets	-	183.85	-	-	167.33	-	
Trade receivables	-	2,487.87	-	-	2,955.03	-	
Cash and cash equivalents	-	537.05	-	-	90.43	-	
Bank balances other than above	-	-	-	-	-	-	
Other current financial assets	-	286.54	-	-	1,045.44	-	
	<b>22.90</b>	<b>4,882.70</b>	<b>-</b>	<b>30.18</b>	<b>5,595.24</b>	<b>-</b>	
<b>Financial liabilities</b>							
Borrowings		236.99	-	-	340.29	-	
Short terms borrowings		1,041.93	-	-	1,068.12	-	
Trade payables		242.83	-	-	314.61	-	
Other current financial liabilities		114.95	-	-	123.97	-	
	-	<b>1,636.70</b>	<b>-</b>	<b>-</b>	<b>1,846.99</b>	<b>-</b>	
31.2	<b>Fair Value Hierarchy</b>						
(a)	This section explains the judgements 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.						
<b>Financial assets and liabilities measured at fair value</b>							<b>Rs In Lacs</b>
<b>As at 31st March 2020</b>							
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>			
<b>Financial assets</b>							
<b>Financial Investments at FVTPL</b>							
Investments							
Quoted Equity Shares	22.90	-	-	22.90			
<b>Total</b>	<b>22.90</b>			<b>22.90</b>			
<b>Note: SangamAluminium Ltd,13200share amounting Rs.0.39 classified under unquoted</b>							
<b>As at 31st March 2019</b>							
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>			
<b>Financial assets</b>							
<b>Financial Investments at FVTPL</b>							
Investments							
Quoted Equity Shares	30.18	-	-	30.18			
<b>Total</b>	<b>30.18</b>			<b>30.18</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 maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
	Level 3: 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>Valuation technique used to determine fair value</b>



	<p>Specific valuation techniques used to value financial instruments include:</p> <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>
	<b>Interest-bearing borrowings</b>
	<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>
	<b>Trade and other receivables / payables</b>
	<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>
	<b>Other long term receivables</b>
	<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 analysed 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>32</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 2020 aggregates Rs 2487.87 lacs (Previous year ended 31st March 2019 Rs 2955.03 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 2020	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	236.99	236.99		124.36	112.63	
Short term borrowings	1,041.93	1,041.93	1,041.93			-
Trade payables	242.83	242.83	242.83			-
Other current financial liabilities	114.95	114.95	114.95			-
<b>Total non-derivative liabilities</b>	<b>1,636.70</b>	<b>1,636.70</b>	<b>1,399.71</b>	<b>124.36</b>	<b>112.63</b>	<b>-</b>
Rs in Lacs						
	Carrying Amounts 31 March 2019	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	340.29	340.29	-	223.81	116.48	-
Short term borrowings	1,068.12	1,068.12	1,068.12	-	-	-
Trade payables	314.61	314.61	314.61	-	-	-
Other current financial liabilities	123.97	123.97	123.97	-	-	-
<b>Total non-derivative liabilities</b>	<b>1,846.99</b>	<b>1,846.99</b>	<b>1,506.70</b>	<b>223.81</b>	<b>116.48</b>	<b>-</b>

<b>(d)</b>	<b>Market risk</b>
	<p>Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices mainly comprise three types of risk: currency rate risk, interest rate risk and other price risks. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. 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. This is based on the financial assets and financial liabilities held as at March 31, 2018 and March 31, 2017. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company uses derivatives like forward contracts to manage market risks on account of foreign exchange.</p>
<b>(e)</b>	<b>Currency risk</b>
	<p>The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (Rupees).</p>
	<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 :					
Rs in Lacs					
Nature	Cross Currency	As at 31st March 2020		As at 31st March 2019	
		Foreign Currency	INR (In Lacs)	Foreign Currency	INR (In Lacs)
<b>Financial Liabilities</b>					
Trade and Other Payables	USD : INR	-	-	-	-
<b>Financial Assets</b>					
Advance to Supplier	USD : INR	1,969.94	1.48	-	-
<b>(f) Interest rate risk</b>					
The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31 March 2020, 31 March 2019 and 31 March 2018, the Company's borrowings at variable rate were denominated in INR. Currently the Company's borrowings are within acceptable risk levels, as determined by the management, hence the Company has not taken any swaps to hedge the interest rate risk.					

<b>33. Income Tax</b>			
		<b>For the year ended 31st March 2020</b>	<b>For the year ended 31st March 2019</b>
<b>33.1 Income tax expenses recognised in Statement of Profit and Loss</b>			
Current income tax expense for the year		32	30.00
Deferred Tax		-	-
Deferred income tax (benefit)/expense for the year		-16.97	0.26
MAT Credit Entitlement		-	-
<b>Total income tax expense recognised in statement of profit and loss for the year</b>		<b>15.03</b>	<b>30.26</b>
<b>33.2 Reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of comprehensive income</b>			
Income before income taxes		93.34	118.89
Indian Statutory Income Tax Rate		25.168	30.90%
Estimated income tax expenses		23.49	36.74
<b>Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:</b>			
Investment Allowance		-1.74	-
Others		-6.72	-6.48
		<b>15.03</b>	<b>30.26</b>

<b>34. Capital Management</b>			
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 capitalised one through judicious combination of equity and borrowing, both short term and long term.			
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 & bank balances and current investment) in proportion to Total Equity.			
		<b>As at 31st March 2020</b>	<b>As at 31st March 2019</b>
Debt to Equity Ratio :		0.22	0.24

<b>35. Contingent Liabilities and Capital Commitments</b>			
<b>35.01</b>	Contingent Liabilities not provided for :		
	The company has given counter guarantee to the bankers against guarantees issued by Bank on behalf of the company amounting to Rs.423.78 Lacs ( Previous Year: Rs. 530.81 Lacs). The liability may arise in case of failure in supply of material or malfunctioning of products supplied by the Company.		
<b>35.02</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.80.00/- lacs.)		

<b>35.03</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)	Year wise details of demands alongwith their assessment status is as under:-																		
	<table border="1"> <thead> <tr> <th>Assessment Year</th> <th>Demand (Rs.)</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>2012-13</td> <td>3,18,70,100</td> <td>Pending before CIT (A)</td> </tr> <tr> <td>2013-14</td> <td>96,80,843</td> <td>Pending before CIT (A)</td> </tr> <tr> <td>2014-15</td> <td>91,03,196</td> <td>Pending before CIT (A)</td> </tr> <tr> <td>2016-17</td> <td>85,04,967</td> <td>Pending before CIT (A)</td> </tr> <tr> <td>2017-18</td> <td>17,14,220</td> <td>Pending before CIT (A)</td> </tr> </tbody> </table>	Assessment Year	Demand (Rs.)	Status	2012-13	3,18,70,100	Pending before CIT (A)	2013-14	96,80,843	Pending before CIT (A)	2014-15	91,03,196	Pending before CIT (A)	2016-17	85,04,967	Pending before CIT (A)	2017-18	17,14,220	Pending before CIT (A)
Assessment Year	Demand (Rs.)	Status																	
2012-13	3,18,70,100	Pending before CIT (A)																	
2013-14	96,80,843	Pending before CIT (A)																	
2014-15	91,03,196	Pending before CIT (A)																	
2016-17	85,04,967	Pending before CIT (A)																	
2017-18	17,14,220	Pending before CIT (A)																	
c)	The company has an outstanding demand of TDS amounting to Rs.276080/-(previous year Rs.285680/-) due to some error in return filed by the company. The company is in process to get it rectified.																		
36.	During the year under consideration, a fire occurred in the Ghaziabad plant on 2 <sup>nd</sup> day of June 2017. The incident resulted in loss of inventories amounting to Rupees 170.53 lacs to the company in respect of its inventories (both raw, semi & finished stocks). The surveyor has assessed the estimated claim at Rs. 82.27 lacs, The company has accordingly made a provision of Rs. 88.27 lacs net of insurance claim in its books of accounts for the year ending 31.03.2018. The final assessment of loss and receipt of claim is outstanding as on 31.03.2018. Regarding balance provision of loss suffered on account of this fire, the same will be settled in the year of receipt and will be charged to revenue account of that year.																		

<b>37. Related Party Transactions:</b>	
<b>1.</b>	<b>Relationships :</b>
<b>a)</b>	<b>Company/Firm In Which Director And Their Relatives Are Interested</b>
1.	Re-Vive Policies India Private Limited
2.	Resurgent Mining Solutions Private Limited
3	Vasudhatravels Private Limited
4	Technomark Television Network Private Limited
5	Jisl Irrigation Private Limited
6	Ramgarh Sponge Iron Private Limited
7	Global Earthmovers Private Limited
8	Kalinga Power Corporation Private Limited
9	Manorath Distributors Private Limited
10	Gladius Micro Services Private Limited
11	Shriram Power & Steel Private Limited
12	Samara Reality Private Limited
13	Alchemist Aviation Private Limited
14	Mp Homes Private Limited
15	Wax India Specialties Llp
16	Vaishnodevi Vinimay Private Limited
17	Samadhan Irrigation & Polyplast Private Limited
18	Pyber Technology Llp
19	Deserve Deal Trade Private Limited
20	Gladius Finance Consultants Private Limited
21	Gladius Mercantile Private Limited
22	Gladius Stock Management Private Limited
23	Nextgen Vincom Private Limited
24	Sangini Suppliers Private Limited
25	Depose Vintrade Private Limited
26	Al Jain Overseas Private Limited
27	Dbx Building Products Private Limited
28	Akshay Ispat Udyog Private Limited
29	Arvind Construction Private Limited
30	Arvind Medicare Private Limited
31	Arvind Overseas Project Services Private Limited
32	Pc Bangur Private Limited
33	M Visvesvarya Industrial Research And Development Centre Private Limited
34	Chanderi Wax Specialities Private Limited
35	Sweta Trading Co.
36	Delhi Builders Store
<b>b)</b>	<b>Directors and their Relatives</b>
1	Sh. Mahabir Prasad Rungta (Chairman cum Managing Director)

2	Sh. Krihna Murty Nagarur (Joint Managing Director)
3	Sh. Tarun Kumar Megotia (Whole Time Director)
4	Ms. Priya Rungta ( Executive Director UP TO 11.10.2019)
5	Mrs. Shruti Rungta (Whole Time Director from15.10.2019)
6	Sh. Devanand Mishra
7	Sh Daves Poddar
8	Sh. Abdul Kalam
9	Sh. Vivek Aggarwal
10	Sh. Sanjiv Rao (up to 01.10.2019)
11	Sheo Kumar Poddar ( up to 18.06.2019)
12	Ms Namrata Megotia
13	Ms.Jyoti Rungta
14	Ms.Sweta Rasiwasia
15	Ms. Urmila Rungta
16	Sh Aditya Rasiwasia
17	Sh. Gaurav Jain
18	Sh .Samrat Jain
19	Sh. Ankur Gupta
<b>c) Key Management Personnel &amp; Relatives</b>	
1	MR Akhilesh Saxena (CFO) ( up to 04.07.2019)
2	MR. Vikas Kumar Gupta (CFO)(up to03.05.2019 )
3	MR Sachin (CFO )(from 13.08.2019)
4	MS Pooja Juneja(C.S)(up to 16.11.2019)
5	MR Prateek Sharma (C.S)( from 07.02.2020)

2.	<b>Following transactions were carried out with related Parties in the ordinary course of business:</b>						
	<b>PARTICULAR OF TRANSACTION</b>	<b>As at 31<sup>st</sup> March 2020</b>			<b>As at 31st March 2019</b>		
		<b>Company/Firm In Which Director And Their Relatives Are Interested</b>	<b>Directors and their Relatives</b>	<b>Key Management Personnel &amp; Relatives</b>	<b>Company/Firm In Which Director And Their Relatives Are Interested</b>	<b>Directors and their Relatives</b>	<b>Key Management Personnel &amp; Relatives</b>
	Sale	151.39			38.17		
	Purchases						
	Director Remuneration		52.62			3.61	
	Sale Of Fixed Assete	86.40					
	Rentpaid	4.80	6.36		4.8	6.36	
	Rent Received	0.84	0.84			0.84	
	Loan Taken	906.20			375.55		
	Repayment Of Loan	633.70			375.55		
	Interest Paid	53.95					
	Laon Given	298.24			100		
	Loan Received Back	52.67			100		
	Board Sitting Fee		1.29				
	Salary		34.67	12.96		23.2	16.00
	<b>Balance As At 31.03.2020 :</b>	95.96	-0.88				
	Receivable	425.38	0.01				
	(Payable)	-329.41	-1.48				-0.29
	<b>Investment As At 31.03.2020</b>	1337.00					

<b>38. Disclosure on Employee Benefits</b>			
		<b>As at 31st March 2020</b>	<b>As at 31st March 2019</b>
<b>(a)</b>	<b>Defined Contribution Plans</b>		
	Provident Fund recognise in profit & loss a/c	29.93	32.12
<b>(b)</b>	<b>Defined Benefits Plans</b>		
	<b>Leave Encashment</b>		
	Leave Encashment recognise in profit & loss a/c	-	-
	Provision for Earned Leaves ( Non Funded )	-	-

<b>(ii)</b>	<b>Gratuity Scheme</b>
	The Present Value of the defined benefit obligation and the related current service cost were measure using the Projected unit method with actuarial valuations being carried out at the balance sheet date.
	The Following tables set out the status of the Gratuity Plan and amounts recognised in the company's Financial Statements as at 31st March, 2020, 31st March 2019 & 31st March 2018 being the respective measurement date :

Particulars	As at 31st March 2020		As at 31st March 2019
<b>i. Change in benefit obligation</b>			
A. Present Value of Obligation as at the beginning of the year	115.17		101.38
B. Current Service Cost	6.92		9.26
C. Interest Cost	8.60		7.84
D. Benefit Paid	-0.72		-9.70
E. Actuarial (Gain) / Loss	9.18		6.39
F. Past service cost including curtailment Gains/loss	-55.20		0.00
G. Present Value of obligation (G = A+B+C+D+E+F)	83.95		115.17
<b>ii. Expense Recognised in the Profit and Loss Account</b>			
A. Current Service Cost	6.92		9.26
B. Interest Cost	8.60		4.75
C. Remeasurement - Actuarial (Gain)/Loss	9.18		
D. Past Service Cost including curtailment Gains/Losses			
E. Net Charge ( A+ B+ C+D)	24.7		14.01
<b>iii. Principal Actuarial Assumptions</b>	Note		
A. Discount Rate (p.a)	1	7.25%	7.61%
B. Salary Escalation Rate (p.a)	2	6.00%	5.00%
<b>Note</b>			
1.	The Discount Rate is based on the Prevailing Market Yields of Indian Government Securities as at the Balance Sheet date for the estimated term of obligations.		
2.	The estimated of Future Salary increases considered takes into account the inflation, Seniority, Promotion and other Relevant Factors.		
<b>iv. Demographic Assumptions</b>			
1. Retirement Age	58	58	58
2. Mortality Rate	LIC(2006-08)	IALM (2006-08)	IALM (2006-08)
3. Ages	Withdrawal Rate (%)	Withdrawal Rate (%)	Withdrawal Rate (%)
Upto 30 Years	5	5	5
From 31 to 44 Years	3	3	3
Above 44 Years	1	2	1

39.	Turnover, Opening and Closing Stock of Finished Goods	2019-20		2018-19		
		Units	Qty.	Rs. In lacs	Qty.	Rs. In lacs
<b>a. Turnover #</b>						
	Aluminium Pipe Coupled	Nos.	7170	110.14	9,643	114.27
	HDPE Pipe coupled	Nos.	663372	2,631.98	7,33,010	3133.50
	PVC Pipe	Nos.	125025	454.38	98,596	607.17
	Accessories, Fittings & Other			1,228.94		1919.41
				<b>4,425.44</b>		<b>5774.35</b>
	Trading Goods (Coal & Other)			88.86		0
				<b>4,514.30</b>		<b>5774.35</b>
	# Sprinkler Irrigation System and Drip Irrigation systems are sold in various combination of pipes, laterals, accessories and fittings in numbers/ mtrs. for a combined value in Sets. Therefore, it is not practical to give item wise value of sales. Sale amount is net of sales tax and exclusive of excise duty.					
<b>b. Opening Stock</b>						
	Aluminium Pipe Coupled	Nos.	609	6.00	1914	19.66
	HDPE Pipe coupled	Nos.	29.976	123.34	36189	190.9
	PVC Pipe	Nos.	10892	85.89	31544	136.93
	Accessories, Fittings & Other	-		380.22		363.84
				<b>595.45</b>		<b>711.33</b>
<b>c. Closing Stock</b>						
	Aluminium Pipe Coupled	Nos.	1659	18.38	609	6.00

	HDPE Pipe coupled	Nos.	28757	158.46	29.976	123.34
	PVC Pipe	Nos.	11233	46.47	10892	85.89
	Accessories, Fittings & Other			355.26		380.22
				<b>578.56</b>		<b>595.45</b>
<b>d.</b>	<b>Raw Material Consumption</b>					
	HDPE Granules	MT	1276440	953.04	764	593.43
	PVC Resin	MT	436173	334.68	708	464.23
	Accessories, Fittings & Other \$	-		1088.96		2,612.31
				<b>2376.69</b>		<b>3,669.97</b>
	Trading Goods (Coal & Other)-purchases			<b>77.39</b>		
	\$ Accessories, components and fittings includes purchase of various bought out items used in Sprinkler/ Drip Irrigation System and individually non of them account for 10% or more of the total value of raw material consumed.					
<b>e.</b>	<b>Value of imported and indigenous Raw Material,</b>		<b>% of total</b>		<b>% of total</b>	
(i)	<b>Stores &amp; Spares consumed:</b>		<b>Consumption</b>	<b>Rs. In lacs</b>	<b>Consumption</b>	<b>Rs. In lacs</b>
	<u>Raw Material</u>					
	Imported				-	-
	Indigenous		100%	2376.69	100%	3669.97
(ii)			<b>100%</b>	<b>2376.69</b>	<b>100%</b>	<b>3669.97</b>
	<u>Stores and Spares</u>					
	Imported				-	-
	Indigenous		100%	10.65	100%	9.53
(iii)			<b>100%</b>	<b>10.65</b>	<b>100%</b>	<b>9.53</b>
	<u>Trading Goods</u>					
	Imported		20.83%	16.12	-	-
	Indigenous		79.17%	61.27	100%	-
			<b>100.00%</b>	<b>77.39</b>	<b>100%</b>	
<b>f.</b>	<b>CIF Value of imports</b>			29.07		Nil
<b>g.</b>	<b>Earnings in Foreign Exchange</b>					
	FOB Value of Export of Goods			19.27		211.64
<b>h.</b>	<b>Expenditure in Foreign Currency</b>					
	-Travelling Expenses			4.56		12.52
	Medical expenses			0.35		
	Goods			16.12		
	Fixed Assets			12.95		
				<b>33.98</b>		<b>12.52</b>
<b>i</b>	<b>Managerial Remuneration:</b>			<b>2019-20</b>		<b>2018-19</b>
	Details of payments and provisions on account of Remuneration to Managing Director and Whole Time Director.					
	- Salary			25.70		42.83
	- Provident Fund			1.94		1.98
	- Allowances and Benefits			25.63		2.48
				<b>53.27</b>		<b>47.29</b>
<b>40. Segment Reporting</b>						
40.1.	The company operates in only one reportable operating segment of manufacturing of Irrigation products. Hence product wise segment reporting is not applicable as per IndAS 108.					
	The Segment Revenue taking the Geographical Segments are disclosed as under:					
			<b>For the year ended 31st March 2020</b>	<b>For the year ended 31st March 2019</b>		
	<b>Segment Revenue - Turnover</b>					
1.	Within India		4,514.30	5,774.36		
2.	Outside India		-	-		
40.2.	<b>Major Customer</b>					
	Sales of the Company is evenly distributed, disclosure of major customer could not be made					



41.	<b>Corporate Social Responsibility</b>
	As per Sec 135(1) of Companies Act 2013, Corporate Social Responsibility is not applicable to the Company.
42.	Previous GAAP figures have been reclassified/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.

For Mamraj & Co.  
Chartered Accountants  
FRN: 006396N

For and on behalf of the Board of Directors

Mahabir Prasad Rungta  
Chairman Cum Managing Director  
DIN: 00235632

Shruti Rungta  
Executive Director  
DIN: 00229045

Mamraj Agarwal  
Partner  
M No: 084944  
Place- New Delhi  
Date: August 22, 2020  
UDIN: 20084944AAAAAG1580

Sachin  
Chief Financial Officer

Prateek Sharma  
Company Secretary  
M.no.- 49283



Dear Shareholders,

**RE: SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE**

SUBJECT: TRANSFER OF SHARES COMPULSORILY IN DEMAT MODE

Amendment to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) with respect to mandatory dematerialization for transfer of securities

- a. SEBI vide gazette notification no. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018, has mandated that transfer of securities would be carried out in dematerialized form only which will come into effect from December 5, 2018.
- b. According to the aforesaid notification, request for affecting the transfer of securities shall not be processed unless the securities are held in the Dematerialized form with the depository with effect from December 5, 2018.
- c. This restriction shall not be applicable to the request received for transmission or transposition of physical shares.
- d. Shareholders are requested to get in touch with SEBI registered Depository Participant to open a Demat account
- e. Shareholders holding shares in physical form are requested to dematerialize shares at earliest to avoid any inconvenience in the future for transferring those shares enabling them to trade in electronic form.
- f. Please refer to the following procedure for dematerialization of shares.

**PROCEDURE FOR DEMATERIALIZATION OF SHARES**

- Dematerialization starts with opening a Demat Account. For Demat account opening, you need to shortlist a Depository Participant (DP) that offers Demat services. A DP is an agent of the depository (NSDL and CDSL) providing depository services to investors.
- Shareholders should submit the duly filled in Demat Request Form (DRF) along with physical certificate(s) to the concerned DP.
- DP intimates the relevant Depository of such requests through the system.
- DP submits the DRF and the Certificate(s) to the Company's R&TA.
- The Company's R&TA confirms the dematerialization request from Depository.
- The Company's R&TA, after dematerializing the certificate(s), updates accounts and informs concerned depository regarding completion of dematerialization.
- Depository updates its accounts and informs the DP.
- DP updates the Demat account of the shareholder.

Dear Shareholders,

**SUBJECT: UPDATING THE KYC DETAILS**

We refer to the SEBI Circulars No SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018 by which it has directed all the listed companies to record the PAN of all the shareholders and Bank Account details of registered shareholder. We have observed from our records that your Pan and bank details are not updated in our records.

We request you to kindly furnish a self-attested copy of your Pan Card and a Cancelled Cheque, along with a duly filled in Form appended as Annexure-A to this letter, to submit the relevant documents from the below as requested by Registrar and Transfer Agent (BEETAL Financial & Computer Services Pvt Ltd. ) so that all future dividends could directly be credited to your bank account and we would be able to serve you better in future.

You are requested to send the desired details/documents to the Company’s Registrar & Share Transfer Agent (RTA), M/s. Beetal Financial & Computer Services (P) Ltd at Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada HarsukhdasMandir, New Delhi- 110062.

You may kindly note that in case we do not receive any response from your side, any future transactions in your shares like transfer, transmission, issue of duplicate share certificates, etc., shall be subject to enhanced supervision by the Company. Therefore, you are advised to furnish your Pan and bank details with the company's at the earliest.

You may contact BEETAL Financial & Computer Services Pvt Ltd. at below mentioned details for any issues.

**BEETAL Financial & Computer Services Pvt Ltd.**  
**BEETAL HOUSE, 3rd Floor,**  
**99, Madangir, behind LSC, New Delhi - 110062**  
**Ph. 011-29961281-283 Fax 011-29961284**

---

**Annexure-A**

Name of Shareholder(s)	
Folio No.	
Pan (attached Self-attested copy of Pan)	
Bank Details (attach Self-attested copy of canceled Cheque)	
Bank Account No.	
Name of Bank	
Branch Address	
IFSC No.	
MICR No.	

(-----)  
 Signature of Shareholder(s)