

No. RITES/SECY/NSE

Date: May 30, 2023

To: Listing Department, National Stock Exchange of India Limited 'Exchange Plaza', C-1, Block G, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051	To: Corporate Relationship Department BSE Limited, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai – 400 001
<b>Scrip Code- RITES</b>	<b>Scrip Code- 541556</b>

**Sub: Annual Secretarial Compliance Report for the year ended March 31, 2023**

Dear Sir/Madam,

This is to inform you that pursuant to Clause 3(b) of SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08 2019, we submit herewith the Annual Secretarial Compliance Report of the Company for the year ended March 31, 2023 issued by Practicing Company Secretaries, M/s Agarwal S. & Associates.

This is in compliance with Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Kindly take this information on record and disseminate the same.

Thanking You,

Yours faithfully,  
For RITES Limited

**JOSHIT  
RANJAN  
SIKIDAR**

Digitally signed by JOSHT RANJAN SIKIDAR  
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email=RSIKIDAR@GMAIL.COM, cn=JOSHIT  
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**Joshit Ranjan Sikidar  
Company Secretary & Compliance Officer  
Membership No.: A32442**

**Transforming to GREEN**

कॉर्पोरेट कार्यालय: शिखर, प्लॉट नं. 1, सेक्टर-29, गुरुग्राम-122 001 (भारत), **Corporate Office:** Shikhar, Plot No.1, Sector-29, Gurugram-122 001 (INDIA)  
पंजीकृत कार्यालय: स्कोप मीनार, लक्ष्मी नगर, दिल्ली-110 092 (भारत), **Registered Office:** SCOPE Minar, Laxmi Nagar, Delhi- 110 092 (INDIA)  
दूरभाष (Tel.): (0124) 2571666, फ़ैक्स (Fax): (0124) 2571660, ई.मेल (E-mail) info@rites.com वेबसाइट (Website): www.rites.com

**CIN: L74899DL1974GOI007227**



**SECRETARIAL COMPLIANCE REPORT OF  
RITES LIMITED (CIN L74899DL1974GOI007227)  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023**

We, Agarwal S. & Associates, Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by **RITES LIMITED** (“the listed entity” ),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31<sup>st</sup> March, 2023 (“Review Period”) in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, Circulars, Guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), Rules made thereunder and the Regulations, Circulars, Guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the Circulars/ Guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not applicable** as the company did not Buyback any of its securities during the financial year under review.
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations,2021; **Not applicable** as the Company did not issue any Employee Stock Option Scheme for its employee during the financial year under review.
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations,2021; **Not applicable** as the Company has not issued any debt securities during the financial year under review.
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;

And circulars/ guidelines issued thereunder;

And based on the above examination, we hereby report that, during the Review Period:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS
1.	<u>Secretarial Standard</u>  The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI)	Yes	Generally Complied

2.	<u>Adoption and timely updation of the Policies:</u> <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities</li> <li>• All the policies are in conformity with SEBI Regulations and has been reviewed &amp; timely updated as per the Regulations/Circulars/Guidelines issued by SEBI</li> </ul>	Yes	None
3.	<u>Maintenance and disclosures on Website:</u> <ul style="list-style-type: none"> <li>• The Listed entity is maintaining a functional website</li> <li>• Timely dissemination of the documents/information under a separate section on the website</li> <li>• Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-Directs to the relevant document(s)/section of the website</li> </ul>	Yes	None
4.	<u>Disqualification of Director:</u>  None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	None
5.	<u>To examine details related to Subsidiaries of listed entities:</u>  (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries	Yes	None

6.	<u>Preservation of Documents:</u>  The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy Prescribed under SEBI LODR Regulations, 2015	Yes	None
7.	<u>Performance Evaluation:</u>  The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	Yes	None
8.	<u>Related Party Transactions:</u>  (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee	Yes	None
9.	<u>Disclosure of events or information:</u>  The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed there under.	Yes	None
10.	<u>Prohibition of Insider Trading:</u>  The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	None

11.	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u>  No Actions taken against the listed entity/its promoters/directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and Circulars /guidelines issued thereunder	No	Mentioned in below Table (a)
12.	<u>Additional Non-compliances, if any:</u>  No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	Yes	None

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: -

Sr. No.	Compliance Requirement (Regulations /circulars/ guidelines Including Specific clause) (i)	Regulation /Circular No. (ii)	Deviations (iii)	Action Taken by (iv)	Type of Action (v) Advisory/ Clarification/ Fine/Show Cause Notice/ Warning, etc.	Details of Violation (vi)	Fine Amount (vii)	Observations/ Remarks of the Practicing Company Secretary (viii)	Management Response (ix)	Remarks (x)
1.	Board of Directors shall have an optimum combination of	Regulation 17 (1)	The Company did not have requisite number of independent	BSE Limited (BSE) and National Stock Exchange of	Fine	Non-Compliance with the provisions of Regulation 17 (1) of the Securities	Rs. 5,36,900/- by Each stock Exchange	Refer column (vi) of Table (a)	The Company periodically followed up with the Government of	The Company has filed their reply to BSE and NSE via. Letter dated 26.08.2022 for

	executive and non-executive directors with at least one-woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors.		directors on its Board during the period from 01.04.2022 to 30.06.2022	India (NSE) for the Quarter ended June, 2022.		and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 w.r.t. Composition of Board.	inclusive of GST.		India for appointment of requisite number of independent directors on the Board.	the Quarter ended 30.06.2022 respectively stating that the Company, being a Govt. Company, were regularly following up with the Govt. of India requesting for appointment of requisite number of Independent Directors. The matter of filing up of these vacancies is under process at the end of GOI. Company has also requested for the waiver of the fines imposed for the Quarter ended June,2022
2.	(a) Board of directors shall have an optimum combination of executive and non-executive directors with at least one-	Regulation 17 (1)	The Company did not have requisite number of independent directors on its Board during the period from	BSE Limited (BSE) and National Stock Exchange of India (NSE) for the Quarter ended	Fine	Non-Compliance with the provisions of Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligation and	Rs. 5,42,800/- by Each Stock Exchange inclusive of GST.	Refer column (vi) of Table (a)	The Company periodically followed up with the Government of India for appointment of requisite number of	The Company has filed their reply to BSE & NSE via. Letter dated 06.12.2022 for the Quarter ended 30.09.2022 respectively stating that the

	woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors.		01.07.2022 to 30.09.2022.	September, 2022.		Disclosure Requirements) Regulations, 2015 w.r.t. Composition of Board.			independent directors on the Board.	Company, being a Govt. Company, were regularly following up with the Govt. of India requesting for appointment of requisite number of Independent Directors. The matter of filing up of these vacancies is under process at the end of GOI. Company has also requested for the waiver of the fines imposed for the Quarter ended September,2022
3.	(a) Board of directors shall have an optimum combination of executive and non-executive directors with at least one-woman director and not less than fifty	Regulation 17 (1)	The Company did not have requisite number of independent directors on its Board during the period from 01.10.2022 to 31.12.2022.	BSE Limited (BSE) and National Stock Exchange of India (NSE) for the Quarter ended December, 2022	Fine	Non-Compliance with the provisions of Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations,	Rs. 5, 42,800/- by Each Stock Exchange inclusive of GST.	Refer column (vi) of Table (a)	The Company periodically followed up with the Government of India for appointment of requisite number of independent directors on the	The Company has filed their reply to BSE & NSE via. Letter dated 23.02.2023 for the Quarter ended 31.12.2022 respectively stating that the Company, being a Govt. Company, were regularly



	percent of the board of directors shall comprise of non-executive directors.					2015 w.r.t. Composition of Board.			Board.	following up with the Govt. of India requesting for appointment of requisite number of Independent Directors. The matter of filing up of these vacancies is under process at the end of GOI. Company has also requested for the waiver of the fines imposed for the Quarter ended December,2022
4.	(a) Board of directors shall have an optimum combination of executive and non-executive directors with at least one-woman director and not less than fifty percent of the	Regulation 17 (1)	The Company did not have requisite number of independent directors on its Board during the period from 01.01.2023 to 31.03.2023.	BSE Limited (BSE) and National Stock Exchange of India (NSE) for the Quarter ended March, 2023	Fine	Non-Compliance with the provisions of Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), 2015 w.r.t.	Rs. 5,31,000/- by Each Stock Exchange inclusive of GST.	Refer column (vi) of Table (a)	The Company periodically followed up with the Government of India for appointment of requisite number of independent directors on the Board.	The Company has filed their reply to BSE & NSE via. Letter dated 26.05.2023 for the Quarter ended 31.03.2023 respectively stating that the Company, being a Govt. Company, were regularly following up with

	board of directors shall comprise of non-executive directors.					Composition of Board.				<p>the Govt. of India requesting for appointment of requisite number of Independent Directors.</p> <p>The matter of filing up of these vacancies is under process at the end of GOI.</p> <p>Company has also requested for the waiver of the fines imposed for the Quarter ended March,2023</p>
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(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations /circulars/ guidelines Including Specific clause) (i)	Regulation /Circular No. (ii)	Deviations (iii)	Action Taken by (iv)	Type of Action (v)	Details of Violation (vi)	Fine Amount (vii)	Observations/ Remarks of the Practicing Company Secretary (viii)	Management Response (ix)	Remarks (x)
1.	The listed entity shall have an optimum combination of executive and non-executive directors with at least one-woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors. Provided that the Board of	Regulation 17 (1)	Chairperson of the Board of Directors of Rites limited is an executive director, therefore as per SEBI (LODR) Regulation, 2015 at least half of its Board of Directors should comprise of Independent Directors.	Not Applicable	Not Applicable	Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year 2021-22.	Not Applicable	Being a government company, Directors of Board are appointed by the Ministry of Railway.	The Company periodically followed up with the Government of India for appointment of requisite number of independent directors on the Board.	Being a government company, Directors of Board are appointed by the Ministry of Railway.

	directors of the top 500 listed entities shall have at least one independent woman director by April 1, 2019.		The number of Non-Executive Directors on the Board is less than fifty percent of the total strength during the FY 2021-22.							
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(c) As informed by the management, appointment of RITES's statutory auditor has been done by the office of the Comptroller and Auditor General Auditor General of India (C&AG). Appointment letter also contains terms of appointment to the statutory auditors. With regard to para 6(A) and 6(B) of SEBI circular number CIR/CFD/CMD1/114/2019 dated October 18, 2019, there is no case of resignation by Auditors appointed by C&AG.

For **Agarwal S. & Associates,**  
 Company Secretaries,  
 ICSI Unique Code: P2003DE049100  
 Peer Review Cert. No.: 2725/2022

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**CS Poonam**  
**Partner**  
**ACS No. 37303**  
**COP: 24827**  
**UDIN: A037303E000424019**

**Date: 30.05.2023**  
**Place: New Delhi**

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

## ANNEXURE-A

To,  
The Members  
Rites Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and our report is not covering observations/comments/ weaknesses already pointed out by the other Auditors.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.
6. The Secretarial Compliance Report is to be read along with Secretarial Audit Report of the corresponding period.
7. The Secretarial Compliance Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Agarwal S. & Associates,**  
Company Secretaries,  
ICSI Unique Code: P2003DE049100  
Peer Review Cert. No.: 2725/2022

Signature **Poonam**

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**CS Poonam**  
Partner  
**ACS No. 37303**  
**COP:24827**

**Date: May 30, 2023**

**Place: New Delhi**