



SYMBOL OF
QUALITY



RUNGTA IRRIGATION LIMITED

REGD. & HEAD OFFICE :

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

Ph. : 011-40453330, 331, 332

CIN : L74899DL1986PLC023934

E-mail : info@rungtairrigation.in

Website : www.rungtairrigation.in

28th August, 2024

To

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street, Fort,

Mumbai – 400 001

Scrp Code:

Sub: Notice of the 40th Annual General Meeting along with Annual Report of the Company for the financial year 2023-24

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations), please find attached herewith is the Notice and the Explanatory Statement of the **40th Annual General Meeting (“AGM”)** of the members of the Rungta Irrigation Limited will be held on **Friday, September 20, 2024 at 12:00 PM IST through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”)** in compliance with applicable provisions of Companies Act, 2013 and applicable MCA Circulars and SEBI Circulars. The said Notice forms part of the Annual Report for Financial Year 2023-24 and is being sent through electronic mode to the shareholders of the Company.

We would like to further inform that the Company has fixed **Friday, September 13, 2024** as the cut-off date for ascertaining the names of the members holding shares either in physical form or in dematerialised form, who will be entitled to cast their votes electronically in respect of the businesses to be transacted as per the Notice of the AGM and to attend the AGM.

The Annual Report containing the Notice is also uploaded on the Company’s website www.rungtairrigation.in.

This is for your information and records.

Yours faithfully,

For Rungta Irrigation Limited

Kanwal Ohri

Company Secretary & Compliance Officer

Membership No: ACS 31907



SYMBOL OF QUALITY

An ISO 9001:2008 Certified Company

2023-24

ANNUAL REPORT



PRESENTED BY
RUNGTA IRRIGATION LIMITED



+91-(11)-40453330 - 32



cs@runtairrigation.in



www.runtairrigation.in





CHAIRMAN MESSAGE

"Irrigation Systems & Drip Irrigation Systems of Choice Today and Tomorrow

Dear Shareholders

I hope you are keeping safe and well.

It's my privilege to present the 40th Annual Report 2023-24 which provides an insight into Rungta Irrigation Limited performance during the last financial year and its ever-expanding horizon of aspirations.

Throughout the year, we have remained steadfast in our commitment to innovation and operational excellence. Our efforts have borne fruit with significant milestones achieved in revenue growth, market expansion, product launches. These accomplishments stand as a testament to the dedication and expertise of our team, whose hard work and ingenuity continue to drive our success. Looking ahead, we are cognizant of the evolving economic landscape and its potential impacts. However, we are confident in our strategic direction and our ability to adapt swiftly to changes. Our focus remains on sustainable growth, shareholder value, and delivering exceptional products and services to our customers.

None of our achievements would have been possible without the unwavering support of our shareholders, whose trust and confidence inspire us to reach new heights. Your belief in our vision fuels our ambition to excel in all aspects of our business.

As we move forward, we are committed to maintaining transparent communication and accountability to our shareholders. We will

continue to prioritize governance practices that uphold the highest standards of integrity and ethics.

I extend my heartfelt gratitude to the Central and State Governments, Financial Institution Public and Private sector Banks, Government Agencies and Non - Government Institution who have extended their support in the progress and growth of the Company.

I would also like to take this opportunity on behalf of the Board to thank all the shareholders, customers, employees, and partners for their continued support and commitment. Together, we will navigate the opportunities and challenges that lie ahead, steering Rungta Irrigation Limited towards a future of sustainable growth and prosperity.

I am more than hopeful that your Company performance in FY2024 will continue in FY2025 too.

In the words of Mahatma Gandhi, *"In a gentle way,*

you can shake the world".

Yours Sincerely,

Mahabir Prasad Rungta

Chairman cum Managing Director

**Chief Executive Officer**

Mr. Bajrang Baradia

Chief Finance Officer

Ms. Swati Garg

Company SecretaryMs. Ayushi Vijay (Till 12th February 2024)Mr. Kanwal Ohri (w.e.f. 29th April 2024)**Statutory Auditor**Mamraj & Co., Chartered Accountants
New Delhi**Secretarial Auditor**Ajit Mishra & Associates, Company Secretary
New Delhi**Cost Auditor**

M/s S. Shekhar & Co.

Registrar & Transfer AgentM/s Beetal Financial & Computer Services Pvt. Ltd
New Delhi**Bankers**

Kotak Mahindra Bank

Rungta Irrigation Limited

CIN: L74899DL1986PLC023934

Registered Office :101, Pragati Tower 26, Rajendra Place,
New Delhi-110008**Zonal Office:**Plot No. B-7, Electric Complex, Kushaiguda,
Hyderabad -500762**Work Stations:****UNIT 1**Ghaziabad (U.P.)-201001,C-165, Industrial Area,
Bulandshahr Road**UNIT 2**

Village Advipolam, Distt. Yanam, Pondicherry-533464

Email: cs@rungtairrigation.in**Website:** www.rungtairrigation.in**BOARD OF DIRECTORS**

| | |
|-----------------------|----------------------|
| Mahabir Prasad Rungta | Managing Director |
| Shruti Jain | Whole Time Director |
| Tarun Kumar Megotia | Whole Time Director |
| Abdul Kalam | Independent Director |
| Devesh Poddar | Independent Director |
| Vivek Agrawal | Independent Director |

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**Notice of 40th Annual General Meeting****RUNGTA IRRIGATION LIMITED**

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

CIN: L74899DL1986PLC023934

Website: www.rungta Irrigation.in

E-mail: cs@rungta Irrigation.in Tel: +91-(11) - 40453330 Fax: 011-40453330

NOTICE

NOTICE is hereby given that the **40th ANNUAL GENERAL MEETING** of the Members of RUNGTA IRRIGATION LIMITED will be held on Friday, 20th of September, 2024 at 12:00 P.M. (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024 together with the Reports of the Board of Directors and Auditors thereon.
2. To approve re-appointment of Mr. Mahabir Prasad Rungta who retires by rotation and being eligible, offers himself for re-appointment, 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 in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Mahabir Prasad Rungta (DIN: 00235632), who retires by rotation at this meeting and being eligible for reappointment, be and is hereby re-appointed as a Managing Director of the Company."

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, 2025 and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration amounting to Rs. 20,000/- plus applicable taxes payable to M/S. Shekhar & Co., Cost Accountant (having Registration No. 000452) appointed by the Board of Directors on the recommendations of Audit Committee as Cost Auditor to conduct audit of the cost records of the company for the FY 2024-25 and set out in the Statement annexed to the Notice be and is hereby approved and ratified."

4. **To approve the re-appointment of Ms. Shruti Rungta (DIN:00229045) as a Whole Time Director**

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 203, Schedule V and other applicable provisions if any, of the Companies Act, 2013 ("the Act") and the rules framed thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), on the basis of the recommendations of the Nomination and Remuneration Committee and approval of the Board of Directors, the approval of the members be and is hereby accorded for the re-appointment of Ms. Shruti Rungta (DIN: 00229045) as a Whole-time Director of the Company for an another period of five (5) year with effect from October 15, 2024 to October 14, 2029 whose period of office shall be liable to retire by rotation."

"RESOLVED FURTHER THAT the Board or any committee of the Board of the Company thereof be and is hereby further authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion consider necessary, expedient or desirable and to settle any question or difficulties or doubts that may arise in relation thereto and to authorize one or more representatives of the Company to carry out any or all of the activities that the Board is authorized to do for the purpose of giving effect to this Resolution."



5. Remuneration of Ms. Shruti Rungta (DIN: 00229045) as a Whole-Time Director

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

“RESOLVED THAT in terms of provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules framed thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“the Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), on the basis of the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, the approval of the members be and is hereby accorded for the payment of remuneration by way of salary and perquisites to Ms. Shruti Rungta (DIN: 00229045) Whole-time Director of the Company as mentioned in the Statement annexed to the notice, for a period of 5 (five) years with effect from October 15, 2024 to October 14, 2029.”

“RESOLVED FURTHER THAT pursuant to Section 197 and all other applicable provisions, if any, of the Companies Act, 2013 and subject to such statutory approvals as may be required, the remuneration by way of salary and perquisites as set out in the said Statement be paid as minimum remuneration to Shruti Rungta (DIN: 00229045), notwithstanding anything contained herein above, if in any financial year during her tenure of re-appointment as Whole-time Director of the Company, the Company has made no profits or profits are inadequate, in accordance with the limits specified in Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT in accordance with the provisions of Section 197, 198 and Schedule V of the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of members be and is hereby accorded for the payment of remuneration of Rs.12,00,000 per annum salary and perquisites to Shruti Rungta (DIN:00229045) for current financial year on the basis of Net Profit as per Section 198 of the Companies Act, 2013 of the financial year ended on 31st March, 2024.”

“RESOLVED FURTHER THAT the Board of Directors or any committee of the Board of the Company thereof be and is hereby authorized to alter or vary the terms of appointment of the appointee including relating to remuneration, as it may at its sole discretion, deem fit, from time to time provided that the remuneration is in accordance with the provisions of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board or any committee of the Board of the Company thereof be and is hereby further authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion consider necessary, expedient or desirable and to settle any question or difficulties or doubts that may arise in relation thereto and to authorize one or more representatives of the Company to carry out any or all of the activities that the Board is authorized to do for the purpose of giving effect to this Resolution.”

By Order of the Board of Directors
Sd/-

Kanwal Ohri
Company Secretary &
Compliance officer

Place : Delhi,
Date : August 13, 2024

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at <https://www.rungtairrigation.in/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

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

The remote e-voting period begins on Tuesday, September 17, 2024 at 9.00 A.M. and ends on Thursday, September 19, 2024 at 05.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, 13TH September 2024 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, 13TH September 2024.

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





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

Step 1: Access to NSDL e-Voting system

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

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

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

| Type of shareholders | Login Method |
|--|--|
| <p>Individual Shareholders holding securities in demat mode with NSDL.</p> | <ol style="list-style-type: none"> Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDEAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDEAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center; margin-top: 10px;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div> |
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. |

| | |
|---|--|
| | <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| <p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

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

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

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |

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

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

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

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

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

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **amadelhioffice@gmail.com** with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request at evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@rungtairrigation.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@rungtairrigation.in If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. [Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode](#).
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. [In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.](#)

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

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

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

1. Member will be provided with a facility to attend the EGM/ AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed.



Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@rungtairrigation.in. The same will be replied by the company suitably.
6. Registration of Speaker related point needs to be added by company.

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 at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id i.e. cs@rungtairrigation.in. The company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM

STATEMENT OF MATERIAL FACTS:

Following Statement, pursuant to the provisions of the Section 102 of the Companies Act, 2013 & Regulation 36(3) of SEBI (LODR) Regulation 2015 set out the material facts relating to Special Business mentioned accompanying Notice:

ITEM NO- 3

As the members are aware, in terms of Section 148 of the Companies Act, 2013 & Rule 3A & Rule 4 of the Companies (Cost Accounts and Audit) Rules, 2014, the company is required to appoint a cost auditor to conduct Cost Audit of the cost records of the company.

The Board on the recommendation of Audit committee, has approved the appointment of M/s. S. Shekhar & Co., Cost accountants, Delhi (having Registration No. 000452) and their remuneration of Rs. 20,000/- (Twenty Thousand only) in form of fees to conduct the audit of the cost records of the company for the Financial Year ended on March 31,2025.

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

Accordingly, ratification by members is sought to be taken for fees payable to the cost auditor for the FY March 31st, 2025 through an Ordinary Resolution as set out at an item no.3 of the Notice.

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

The Board commends Ordinary resolution set out at item no.3 of the notice for approval by the members.

ITEM NO- 4 & 5

Appointment of Ms. Shruti Rungta (DIN: 00229045) as a Whole - time Director of the Company

Ms. Shruti Rungta was appointed as Whole-time Director of the Company for a period of 5 years w.e.f. 15th October, 2019 to 14th October, 2024 and payment of remuneration to her as Whole-time Director of the Company for a period of 5 years till 14th October, 2024. The term of Shri Ms. Shruti Rungta as Whole-time Director will expire 14th October, 2024.

During her tenure from 15th October 2019 to 14th October 2024, she was entitled to draw Rs. 1.00.000 P.M from the company.

The above remuneration payable to Ms. Shruti Rungta was minimum remuneration.

The Nomination & Remuneration Committee (NRC), in its meeting held on 12th August, 2024, recommended the re-appointment and remuneration by way of salary to Ms. Shruti Rungta as a Whole-time Director of the Company.

Subject to the approval of the shareholders, the Board of Directors, after deliberations, on the recommendations of the Nomination & Remuneration Committee (NRC), in its meeting held on 12th August, 2024, considered and approved his re-appointment and remuneration by way of salary and perquisites as Whole-time Director of the Company for further period of 5 (five) years with effect from 15th October, 2024 to 14th October, 2029.

In terms of provisions of Section 196(2) of the Companies Act, 2013, the Company can consider the re-appointment of Whole-time Director anytime but not earlier than one year before the date of the expiry of his existing term.

Section 197 of Companies Act 2013 provides that the remuneration payable to any one managing director; or whole-time director or manager shall not exceed five per cent of the net profits of the company and if there is more than one such director remuneration shall not exceed ten per cent of the net profits to all such directors and manager taken together; except with the approval of Shareholders by way of Special Resolution.

The approval of the shareholders under this provision shall be valid only till the expiry of the term of such director.

Explanation: For the purposes of this clause, net profits shall be calculated as per section 198 of the Companies Act, 2013.

The Company is having sufficient profits as on 31st March, 2024 calculated as per methodology prescribed under section 198 of the Companies Act 2013, hence, the approval for the appointment and payment of remuneration to Ms. Shruti Rungta shall be for a period of five years.

The Board and Nomination & Remuneration Committee considered and approved the re-appointment and remuneration. Accordingly, the approval of members is sought for appointment and remuneration to Ms. Shruti Rungta as Whole-time Director of the Company for further period of 5 (five) years with effect from 15th October, 2024 to 14th October 2029 at the following salary:

| Sl. | Name of Director | Salary (Rs.) |
|-----|--|------------------|
| 1. | Ms. Shruti Rungta, Whole-time Director | Rs.12.00,000 P.A |

The above remuneration shall be minimum remuneration payable to her even if there is no profits or profits are inadequate during any financial year during the term of his appointment.

MS Shruti Rungta holds 1300748 equity shares of Rs. 10/- each of the Company forming 13007480 of the total equity share capital of the Company.

Ms. Shruti Rungta and her relatives may be deemed interested in the Resolutions set out at Item no. 4 & 5 of the Notice with regard to her re-appointment and remuneration.

Save and except the above, none of the Directors, Key Managerial Personnel of the Company and their relatives, except Ms. Shruti Rungta being appointee, may be deemed to be concerned or interested, financially or otherwise, in this Resolution.

The Board commends the above Resolution No. 4 as an Ordinary Resolution and No. 5 as a Special Resolution for approval of the members.

DETAILS OF DIRECTORS RETIRING BY ROTATION/ SEEKING APPOINTMENT AT THE ENSURING ANNUAL GENERAL MEETING AS PER REGULATION 36(3) OF SEBI (LISTING OBLIGATION & DISCLOSURE REQUIREMENT) REGULATION 2015

| Particulars | Mr. Mahabur Prasad Rungta (Retiring by rotation) |
|---|---|
| Age | 69 |
| Qualifications | Graduated from Banaras Hindu University |
| Experience (including expertise in specific functional area) / Brief Resume | <p>Graduated in the year 1976 from Banaras Hindu University Started career at the age of 26 years and led many companies in the capacity of Director and other senior posts. . Initially, engaged in his own business of transportation and loading of coal by mechanized means for various subsidiaries of Coal India Limited. Gradually started other businesses.</p> <p>He is a very experienced person and has vast knowledge to run the Industry. He is in industry (manufacturing) line since 35 years. He first established an industry in the name of M/s Rungta Irrigation Limited at Ghaziabad (UP) for manufacturing of PVC pipes and other spares for irrigation. Further, he established a unit of Irrigation in Hyderabad. At present heading the Rungta Group of Companies - a group with diversified businesses in Irrigation, Cement, Leasing, Financing, & Mining of Limestone and Bauxite.</p> |

| | |
|---|---|
| Terms and Conditions of Appointment/ Re-Appointment | Retiring by rotation and eligible for Re- appointment |
| Date of first Appointment on the Board | 03 rd August 1993 |
| Shareholding as on 31st March 2024 | 17.2033% (3427966 equity shares) |
| Relationship with other Directors/ Key Managerial Personnel | Father of Ms. Shruti Rungta (Whole Time Director) |
| Number of meetings of the Board attended during the year 2023-24 | 2 |
| Directorships in other Listed / Public Companies | 1 |
| Membership/Chairmanship of Committees in other Listed Companies. | NIL |

| Particulars | Ms. Shruti Rungta (Re- appointment as Whole Time Director) |
|--|---|
| Age | 43 years |
| Qualifications | Graduated in Business Administration. |
| Experience (including expertise in specific functional area) / Brief Resume | Vast experience in Irrigation Industry and Coal Industry as Marketing and Purchase Head. Graduated in the year 2003 from Delhi University. Started career at the age of 27 years in the capacity of Director. Currently, engaged in her business of manufacturing of PVC pipes and other spares for irrigation. At present catering as Executive Director of Rungta Irrigation Limited. |
| Terms and Conditions of Appointment/ Re-Appointment | Re- appointment for second term as Whole Time Director from 15 th October, 2024 to 14 th October, 2029 |
| Date of first Appointment on the Board | 18 th September, 2004 |
| Shareholding as on 31st March 2024 | 6.527% (1300748 equity shares) |
| Relationship with other Directors/ Key Managerial Personnel | Daughter of Mr. Mahabir Prasad Rungta (Managing Director) |
| Number of meetings of the Board attended during the year 2023-24 | 4 |
| Directorships in other Listed Companies. | NIL |
| Membership/Chairmanship of Committees in other Listed Companies | NIL |

DIRECTORS' REPORT

To,

The Members

The Directors of your Company are pleased to present the Fortyth Annual Report on the business and operations of the Company together with the Audited Financial Statements (Standalone) for the Financial Year ended 31st March, 2024.

1. FINANCIAL HIGHLIGHTS

The Financial Performance of the Company (Standalone) for the year ended 31st March, 2024 is summarized below: -

(Rs. In Lakhs)

| Particulars | Current Year ended 31.03.2024 | Previous Year ended 31.03.2023 |
|--|-------------------------------------|--------------------------------------|
| Net Revenue | 14,877.30 | 13,013.36 |
| Add: Other operating income | 385.67 | 179.13 |
| Total Income | 15,262.97 | 13,192.49 |
| Profit before Interest, Depreciation, Exceptional items & Taxation | - | - |
| Less: Depreciation | 199.78 | 153.59 |
| Add: Exceptional items (Net) | - | - |
| Profit/(Loss) before Tax | 761.33 | 400.91 |
| Add: Tax expenses (Net) | 196.27 | 102.59 |
| Profit after Tax/(Loss) | 565.06 | 298.32 |
| (Less)/Add: Other Comprehensive Income | (3.66) | (0.30) |
| Total Comprehensive Income | 561.40 | 298.02 |

2. COMPANY'S PLANTS AND OPERATIONS

Plant Locations:

UNIT-1

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

UNIT-2

Village Adavipolam, Distt. Yanam, Pondicherry

3. OPERATIONS

The total income from operations for the year ended 31st March, 2024 aggregated to **Rs.14,877.30 Lakhs** as compared to **Rs. 13,013.36 Lakhs** in the previous year. The company was able to earn a profit after tax of **Rs. 565.06 Lakhs**.

The operation resulted in profit before exceptional items, tax and regulatory deferral account balances for the year under review of **Rs 761.33 Lakhs** as compared to profit of **Rs. 400.91 Lakhs** in the previous year. Exceptional items for the year under review was nil.

4. DIVIDEND

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.

5. TRANSFER TO RESERVES

During the Financial Year no amount is proposed to be transferred to reserves.

6. SHARE CAPITAL

The paid up Equity Share Capital of the Company as on 31st March, 2024, was Rs. 19,92,35,000 divided into 1,99,23,500 Equity Shares of Rs.10/- each and as on 31st March, 2024.

Also, Your Company has not issued any:

- Shares with differential
- Sweat equity shares
- Equity shares under Employees Stock Option Scheme

7. **DEPOSITS**

During the year under review, the Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014.

8. **DIRECTORATE AND KEY MANAGERIAL PERSONNEL**

8.1 **Changes in the Board**

Mr. Mahabir Prasad Rungta (DIN: 00235632) shall retire by rotation at the ensuing Annual General Meeting and are eligible and have offered themselves for re-appointment.

- a) Re-appointment of Mr. Abdul Kalam, (DIN: 01869712) as an Independent Director of the Company for a second term of five consecutive years.
- b) Re-appointment of Mr. Vivek Aggarwal, (DIN: 07794991) as an Independent Director of the Company for a second term of five consecutive year.
- c) After closure of Financial Year the Board of Director on the recommendation of Nomination and remuneration committee has approved re-appointment of Ms. Shruti Rungta (DIN: 00229045) as Whole Time Director w.e.f. 15 October 2024 to 14 October 2029.

8.2 **Key Managerial Personnel**

Mr. Mahabir Prasad Rungta continued as Managing Director and CEO of the Company. Mr. Tarun Megotia and Ms. Shruti Rungta continued as Whole-time Director of the Company.

Ms. Swati Garg, Chartered Accountant, continued to be CFO of the Company.

During the Financial Year 2023-24 Ms. Ayushi Vijay resigned from the position w.e.f. 12 February 2024.

Mr. Kanwal Ohri was appointed as Company Secretary w.e.f 29th April, 2024 of the company.

8.3 **Number of meetings of the Board of Directors**

During the financial year 2023 -24, four meetings of the Board of Directors were held. The maximum time gap between two Board Meetings was not more than one hundred and twenty (120) days. The details of date and attendance of the Directors at the Board Meeting are given in Report on Corporate Governance.

8.4 **Statement on declaration given by Independent Directors**

The Independent Directors of your Company have confirmed that

- (a) they meet the criteria of Independence as prescribed under Section 149 of the Act and Regulation 16 of the Listing Regulations 2015, and
- (b) they are not aware of any circumstance or situation, which could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence.

Further, in the opinion of the Board, the Independent Directors fulfill the conditions prescribed under the Listing Regulations 2015 and are independent of the management of the Company.

8.5 **Nomination & Remuneration Policy**

As per provisions of the SEBI (Listing Obligation and Disclosure Requirement) (Amendment) Regulation, 2018, which had come into force w.e.f. 1.4.2019, in line with the modifications, corresponding changes have been made in the Nomination and Remuneration Policy of the Company by the Board on the recommendation of Nomination & Remuneration Committee. The Nomination and Remuneration Policy is available on our website at www.rungtairrigation.in/investor-information/download-info/remuneration-policy

8.6 **Annual evaluation by the Board of its own performance, performance of its Committees and Individual Directors**

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

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

based on the report on evaluation received from respective Committees. The report on performance evaluation of the Individual Directors was reviewed by the Chairman of the Board and feedback was given to Directors.

9. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors to the best of their knowledge and ability, confirm in respect of the Audited Annual Accounts for the year ended 31st March, 2024 that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed and that there were no material departures;
- b. the Directors had, in consultation with the Statutory Auditors, 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 for the year ended 31st March, 2024 and profit 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 proper internal financial controls to be followed and that such internal financial controls were adequate and were operating effectively; and
- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. AUDITORS

10.1 Statutory Auditors

M/s. Mamraj & Co. Chartered Accountants, were appointed as Statutory Auditors of the Company, for a period of five consecutive years at the Annual General Meeting held on September 26, 2022, to hold his office till the conclusion of 38th Annual General Meeting The Board of Directors in its meeting held on 27th May, 2022 up to the conclusion of the 42nd Annual General Meeting of the Company on the recommendation of the Audit Committee.

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 said Audit Report does not contain any qualification, reservation or adverse remark. During the year 2023-24, 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.

10.2 Cost Auditors

M/s. S. Shekhar & Co., Cost Accountants, was re-appointed as the Cost Auditor of the Company to carry out an audit of the cost records of the Company for the financial year 2024-2025.

The resolution seeking ratification of the remuneration to the said cost auditors for the financial year 2024-2025 is set out in the Notice calling the 40th Annual General Meeting of the Company.

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

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Notifications/Circulars issued by the Ministry of Corporate Affairs from time to time, the Board of Directors of the Company have, on the recommendation of Audit Committee, appointed M/s. S. Shekhar & Co., Cost Accountants as Cost Auditors of the Company for auditing the Cost Records for the Financial Year 2024-25 and a Resolution for ratification of their remuneration has been included in the Notice for ensuing Annual General Meeting.

10.3 Secretarial Auditor

In pursuance of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board, on the recommendations of the Audit Committee, had appointed Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Ajit Mishra, Practising Company Secretary was appointed to undertake the Secretarial Audit of the Company for the Financial Year ended 31st March, 2024.

Secretarial Audit Report for the Financial Year ended on 31st March, 2024, issued by Mr. Ajit Mishra, Practising Company Secretary, in Form MR-3 forms part of this report and marked as "Annexure-A".

The said report contains no qualification/observation requiring explanation or comments from Board under section 134(3)(f)(ii) of the Companies Act, 2013.

The Board of Directors of the Company have, on the recommendation of Audit Committee, re-appointed Mr. Ajit Mishra, Practicing Company Secretary as Secretarial Auditors of the Company for the Financial Year 2024-25.

11. AUDITORS' REPORT

The Directors wish to state that the Statutory Auditors of the Company has given unmodified opinion on the Standalone Financial Statements of the Company for the year ended 31st March, 2024.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions were done on an arm's length basis and in the ordinary course of business. During the year, the Company has 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 transaction.

The Board of Directors of the Company has reviewed the Policy on Related Party Transactions pursuant to the SEBI Notification No. SEBI/LAD-NRO/GN/ 2021/55 dated 9th November, 2021 vide SEBI (LODR)(6th Amendment) Regulations, 2021, The amended policy on Related Party Transactions, as approved by the Board, may be accessed on the Company's website at the link: <https://www.rungtairrigation.in/investor-information/download-info/policy-on-related-party-transactions/>

The details of Related Party Transactions, as required under Indian Accounting Standard-24 (Ind AS-24), are provided in the accompanying Financial Statements forming part of this Annual Report. Form AOC-2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as "Annexure-B" to this Report.

13. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review, no significant and material orders impacting the going concern status and Company's operations in future have been passed by the Regulators or Courts or Tribunals.

14. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, copies of the Annual Returns of the Company prepared in accordance with Section 92(1) of the Companies Act, 2013 read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company and is accessible at the web-link: <https://www.rungtairrigation.in/investor-information/download-info/mgt-7-2023-24/>

15. PARTICULARS OF LOANS, INVESTMENTS, GUARANTEES AND SECURITY

The provisions of Section 186 of the Companies Act, 2013, with respect to a loan, guarantee or security is not applicable to the Company for being engaged in providing infrastructural facilities. However, particulars of loans given, guarantees given and securities provided and investments made under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

16. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

17. RISK MANAGEMENT

The Provisions of constitution of Risk Management Committee has been made applicable by the SEBI has vide its Notification dated 5.5.2021 wherein it has made it mandatory for top 1000 listed entities on the basis of market capitalization as on close of previous financial year to have Risk Management Committee.

According the Company does not have Risk Management Committee as it is not applicable on your company and there is no risk which may threaten the existence of the Company as a going concern.

18. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Second Amendment Rules, 2015 (As per notification dated 4th September, 2015), is annexed to this Report as "Annexure-D".

19. MATERIAL CHANGES AND COMMITMENTS

In terms of Section 134(3)(l) of the Companies Act, 2013, except as disclosed elsewhere in this report, no

material changes and commitments which could affect the Company's financial position which have occurred between the end of the financial year of the Company to which the financial statements relate and date of the report and there has been no change in the nature of business.

20. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Annexure -D)

A report on Corporate Governance as stipulated by Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report along with the required Certificate from the Auditors confirming compliance with the conditions of Corporate Governance.

As required under Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report on the operations and financial position of the Company has been provided in a separate section which forms part of this Annual Report.

21. WHISTLE BLOWER POLICY AND VIGIL MECHANISM

As already reported, the Board has, pursuant to the provisions of Company has in terms of the provisions of Section 177(9) & (10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, formulated Whistle Blower Policy and Vigil Mechanism for Directors and employees under which protected disclosures can be made by a whistle blower and provide for adequate safeguards against victimization of Director(s) or employees(s) or any other person who avail the mechanism.

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, integrity and ethical behavior.

The Vigil Mechanism – cum – Whistle Blower Policy may be accessed on the Company's website at the link: <http://www.rungtairrigation.in/investor-information/download-info/whistle-blower-policy>.

22. INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls, with reference to financial statements, as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for insufficiency or inadequacy of such controls.

The details pertaining to internal financial controls and their adequacy have been disclosed in the Management Discussion & Analysis Report forming part of this Report.

23. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

- a) Statement showing details of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been provided in **Annexure-E (I)** which forms part of this Report.
- b) Information pertaining to remuneration to be disclosed by listed companies in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been provided in **Annexure-E(II)** which forms part of this Report.

24. ACKNOWLEDGEMENTS

The Board places on record its sincere appreciation and gratitude to various Departments and Undertakings of the Central Government, various State Governments, Financial Institutions, Banks, Rating Agencies, for their continued co-operation and support to the Company. The Board sincerely acknowledges the hard work, dedication and commitment of the employees and the faith & confidence reposed by the shareholders in the Company.

For and on behalf of the Board

MAHABIR PRASAD RUNGTA
Chairman
[DIN: 00235632]

Date: 13.08.2024
Place: New Delhi

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies(Appointment and Remuneration Managerial Personnel) Rules, 2014]

CIN : L74899DL1986PLC023934
AUTHORISED SHARE CAPITAL : Rs. 20, 00, 00,000/-
PAID UP SHARE CAPITAL : Rs. 19, 92, 17,830/-

To,

The Members,

RUNGTA IRRIGATION LIMITED

101, Pragati Towers,Rajindra Place,

New Delhi-110008

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

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2024** 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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not applicable to Company during audit period**);
 - 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 (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013- **(Not Applicable for the period under review)** The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.
- j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

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

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

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

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

We further report that:

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

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

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

We further report that based on review of compliance mechanism established by the company and on the basis of compliance certificate issued by the Company executives

and taken on record by the Board of Directors and Audit committee at their meetings, we are in opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no major actions have a bearing on the Company's affairs in

pursuance to the above referred laws, rules, regulations, guidelines etc. above taken place.

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

The maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

**For Ajit Mishra & Associates
Company Secretaries**

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

**Place: New Delhi
Date: 22/05/2024**

**Per Review Certificate No.: 2255/2022
UDIN: F009703F000412501**

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.

| Name(s) of the related party & nature of the relationship | Nature of the contracts/ arrangements/ transactions | Duration of the contracts/ arrangements/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Amount paid as advances if any |
|---|---|---|--|--------------------------------|
| Smt. Urmila Rungta (Wife of Shri Mahabir Prasad Rungta) | Appointment in office or place of profit | Salary from the Month of April 1, 2023, till March 31, 2024 | 12,89,580 | - |
| | Rent Agreement | 11 month starting from April 1, 2023 | 33,60,000 | - |
| Smt. Priya Rungta (Daughter of Shri Mahabir Prasad Rungta) | Appointment in office or place of profit | Salary from the Month of April 1, 2023, till March 31, 2024 | 18,00,000 | - |
| Shri Mahabir Prasad Rungta (Chairman Cum Managing Director) | Rent Agreement | 11 month starting from April 1, 2023 | 18,00,000 | - |
| Smt. Namrata Megotia | Appointment in office or place of profit | Salary from the Month of April 1, 2023, till March 31, 2024 | 2,64,000 | - |
| Ramgarh Sponge Iron Private Limited | Reimbursement of Exp (net) | One Time | 3,38,087 | ----- |
| Gladiolus Finance Consultants Private Limited | Loan Taken | One Time | 1,92,50,000 | - |
| | Loan Repaid | One Time | 9,25,44,671 | - |
| | Interest on Loan | - | 30,56,613.76 | - |
| Samara Realty Pvt. Ltd. | Rent Agreement | 11 month starting from April 1, 2023 | 4,80,000 | - |
| Shriram Power & Steel Pvt Ltd | purchase | One Time | 21,62,559.70 | - |
| | sale | One Time | 2,62,170.76 | - |
| | Reimbursement of Exp (net) | One Time | -17,849.26 | - |
| Arvicon International | Purchase of car | One Time | 1,00,000 | - |
| Rungta Irrigatiomn System Private limited | Advance for mat | One Time | 1,55,00,000 | |
| | Reimbursement of exp | One Time | 1951 | |
| | Purchase | One Time | 85,500 | |
| | sale | One Time | 1,29,11,483 | |

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.

For and on behalf of the Board of Directors

Sd/-

Mahabir Prasad Rungta
Chairman and Managing Director
Delhi, May 24th, 2024

Annexure “C”

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(2023-24) | Previous Year(2022-23) |
|----|-------------------------------------|-----------------------|------------------------|
| 1. | Electricity | | |
| a. | Purchased | 42,33,554.20 | 37,67,299.20 |
| | Unit | 7.98 | 8.01 |
| | Total Amount | 3,37,70,900.21 | 3,01,90,904.21 |
| | Rate/unit | 7.98 | 8.01 |
| b. | Own Generation | | |
| | Through diesel generator:- | | |
| | Unit | 15,804.00 | 10,176.66 |
| | Units per-liter of diesel oil | 1.89 | 0.95 |
| | Cost/unit | 46.10 | 89.50 |
| B. | Consumption per units of production | Current Year | Previous Year |
| 1. | Electricity | 0.62 Per Kg | 0.62 Kg |

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2024-25

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2024.

CORPORATE GOVERNANCE

Corporate Governance is about adopting ethical business practices which includes corporate fairness, transparency and accountability and is an integral part of operations of the Company. This includes fulfillment of long-term strategic goals, taking care of interest of employees, consideration for the environment and social community, maintaining excellent relations with customers and suppliers and proper compliance with all the applicable legal and regulatory requirements.

The Company is focused on enhancement of long-term value creation for all stakeholders without compromising on integrity, societal obligations, environment and regulatory compliances. Our actions are as per our values, ethos, ideals and principles, which permeate all levels of the functioning. These principles have been and will continue to be our guiding force in future too.

The Company has adopted requirements of Corporate Governance from the provisions of the Companies Act 2013 (the Act) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

Our commitment for adoption of best practices of Corporate Governance makes us compliant with the Act as well as the mandatory provisions of Corporate Governance of SEBI (LODR) Regulations, 2015.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company, assumes Corporate Governance - a "Way of Working". The philosophy of the Company is concerned with improved corporate performance as well as attaining a higher level of transparency and accountability towards all stakeholders. The Company seeks to focus on enriching trust of stakeholders' along with satisfying accountability and responsibility towards them. We ensure that it is our implicit responsibility to disclose timely, adequate, and accurate information regarding our financials, performance and major events. The affairs of the Company are conducted in a fair and transparent manner.

The Company is committed to enhancing shareholders' value and preserving investors' trust and on the other hand, meeting performance goals with integrity by doing the things in an ethical way of complying all the applicable legislations. The Company affirms the compliance of various regulations relating to Corporate Governance as contained in SEBI (LODR) Regulations, 2015, the details of which are given below.

2. BOARD OF DIRECTORS

The company believes in having diverse Board of Directors so as to have better pooling of knowledge. The Company always ensures an appropriately balanced Board of Directors with optimum mix of the skills, regional and industry experience, background, gender and other distinctions between directors.

As such the Board of the Company comprises of eminent personalities having reckonable professional expertise and experience in various fields, such as, Construction & Erection of large size projects, Finance, law, Commerce, Banking & Insurance, Regulatory Affairs, Administration & Management and Technical with very wide variety of knowledge & experience. They have intellectual capability, good decision-making power, honesty and the ability to develop trust. The Board periodically evaluates the need for change in its composition and size.

The Board is a think tank and acts as the 'Brain of the Company'. The Directors represent 'diversity' in all parameters including qualifications, technical expertise, regional and industry knowledge, experience, partnership, teamwork, implementation and leadership. They perform the function of assisting the management, questioning status quo and debate, providing measures to improve the financial performance and achieving higher targets.

The composition of the Board is in compliance with the requirements of Section 149 and 152 of the Companies Act, 2013 (Act) and Regulation 17 of the SEBI (LODR) Regulations, 2015 as out of total Six Directors as on 31st March, 2024, there are three Independent Directors.

a. 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:

| Name of the Director | Category (i.e. Promoter, Executive, Non-Executive, Independent) | No. of Board Meetings of the Company F.Y. 2023-2024 | | Attendance at the Last AGM | As on 31-03-2024 | | |
|----------------------------------|---|---|--------------------------|----------------------------|---|---|---|
| | | Held during the year | Attended during the year | | No. of Directorship in other Public Co. | Committee membership in other Companies | No. of Membership/ Chairman in Committees in which they are members |
| Mr. Mahabir Prasad Rungta | Promoter & Chairman cum Managing Director | 04 | 02 | Yes | 01 | Nil | 01 |
| Tarun Kumar Megotia | Executive Director | 04 | 03 | Yes | Nil | Nil | Nil |
| Ms. Shruti Rungta | Executive Director | 04 | 04 | Yes | Nil | Nil | 02 |
| Mr. Devesh Poddar | Independent Director | 04 | 04 | Yes | Nil | Nil | 02 |
| Mr. Abdul Kalam | Independent Director | 04 | 04 | Yes | Nil | Nil | 01 |
| Mr. Vivek Agrawal | Independent Director | 04 | 01 | No | Nil | Nil | Nil |

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

During the Financial year 2023-24, Four (04) Board Meetings were held on 22nd May 2023, 9th August 2023, 09th November 2023, and 12th February 2024 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.

- b. Pursuant of Sub-clause C, Clause 2, Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2018, the names of the Listed Entities where the Directors of the Company are Directors of other Company and the category of directorship as on 31st March, 2024 is given below:-**

| S. No. | Name of Director | Name of Listed entity | Category of Directorship |
|--------|--------------------------------------|-----------------------|--------------------------|
| 1. | Mr. Mahabir Prasad Rungta (Chairman) | NIL | NIL |
| 2. | Ms. Shruti Rungta | NIL | NIL |
| 3. | Mr. Tarun Kumar Megotia | NIL | NIL |
| 4. | Mr. Abdul Kalam | NIL | NIL |
| 5. | Mr. Devesh Poddar | NIL | NIL |
| 6. | Mr. Vivek Agrawal | NIL | NIL |

- **Details of equity shares of the Company held by the Directors as on 31st March, 2024 are given below :-**

| S. No. | Name of Director | Number of equity shares held |
|--------|---------------------------|------------------------------|
| 1. | Mr. Mahabir Prasad Rungta | 3427966 |
| 2. | Ms. Shruti Rungta | 1300748 |
| 3. | Mr. Tarun Kumar Megotia | NIL |
| 4. | Mr. Abdul Kalam | NIL |
| 5. | Mr. Devesh Poddar | NIL |
| 6. | Mr. Vivek Agrawal | NIL |

A certificate from M/s. Ajit Mishra & Associates, Practicing Company Secretary, certifying that none of the Directors on the Board of the Company has 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 is attached with this report.

c. Composition Of Board

The board of director of your company as on 31st March 2024 consisted of 6 directors as under:

| DIRECTORS/SIGNATORY DETAILS | | | |
|------------------------------------|----------------|---------------------------------|--------------------------------|
| S.NO | DIN/PAN | NAME OF THE DIRECTOR/KMP | DESIGNATION |
| 1. | 00235632 | Mahabir Prasad Rungta | Chairman Cum Managing Director |
| 2. | 00229045 | Shruti Rungta | Executive Director |
| 3. | 01098092 | Tarun Kumar Megotia | Executive Director |
| 4. | 01869712 | Abdul Kalam | Independent Director |
| 5. | 07794991 | Vivek Agrawal | Independent Director |
| 6. | 07912263 | Devesh Poddar | Independent Director |

The current policy of our company is to have an appropriate mix of Executive and Non-Executive 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.

Notes:-

- (i) None of the Directors is holding any convertible instrument of the Company.
- (ii) For the purpose of number of Directorship of Individual Directors, other Directorships of only Indian Public Limited Companies or a private company which is holding or subsidiary of a Public Company have been considered pursuant to Section 165 of the Companies Act, 2013 and Regulation 26 of the SEBI (LODR) Regulations, 2015. None of the Director exceeds the prescribed limit of total 20 Companies out of which maximum 10 are Public Companies.
- (iii) Independent Directors are in compliance of the requirement under Regulation 25 of the SEBI (LODR) Regulations, 2015.
- (iv) Committee positions of only two Committees, namely, Audit Committee and Stakeholders' Relationship Committee in Public Limited Companies have been considered pursuant to Regulation 26 of the SEBI (LODR) Regulations, 2015.
- (v) None of the Directors of the Company is related inter-se, in terms of Section 2(77) of the Companies Act, 2013.

d. Meeting of Independent Directors:

Pursuant to Schedule IV of the Companies Act, 2013, the Rules made there under, the Secretarial Standards and the SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 10TH October 2023. All the three Independent Directors were present at this meeting and participated in the discussions. In the said meeting, the Independent Directors reviewed the performance of Non-Independent Directors, the Board as a whole, all the committees of the Board, except Nomination & Remuneration Committee and the Chairman. They also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board.

During the FY Mr. Abdul Kalam (DIN:01869712) was reappointed for 2nd term of 5 year w.e.f. 6th February 2024 till the date of 5th February 2029 by Special Resolution passed in AGM held on 26th September 2023.

During the FY Mr. Vivek Agrawal (DIN:07794991) was reappointed for 2nd term of 5 year w.e.f. 11th November 2023 till the date of 10th November 2028 by Special Resolution passed in AGM held on 26th September 2023.

e. Information placed before Board:

Information placed before the Board of Directors broadly covered the items specified in "Regulation 17(7)" along with "Part A" of "Schedule II" of "SEBI (LODR) Regulations, 2015" and such other items which are necessary to facilitate meaningful and focused deliberations on issues concerning the Company and taking decisions in an informed and efficient manner. The Directors on the Board have complete access to all the information of the Company, as and when becomes necessary.

As per the requirements of Regulation 17(7) of SEBI (LODR) Regulations, 2015, following minimum information, to the extent applicable and relevant/material, is placed before Board of Directors by the Company:

- A. Annual operating plans and budgets and any updates.
- B. Capital budgets and any updates.
- C. Quarterly results for the listed entity and its operating divisions or business segments.

- D. Minutes of meetings of audit committee and other committees of the board of directors.
- E. The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- F. Show cause, demand, prosecution notices and penalty notices, which are materially important.
- G. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- H. Any material default in financial obligations to and by the listed entity, or substantial non-payment for goods sold by the listed entity.
- I. Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the listed entity.
- J. Details of any joint venture or collaboration agreement.
- K. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- L. Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- M. Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
- N. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- O. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc., if any.

3. CHART OR MATRIX SETTING OUT THE SKILLS/ EXPERTISE/COMPETENCE OF THE BOARD

As per Schedule-V of SEBI (LODR) Amendment Regulations, 2018 as notified on 9th May, 2018 w.e.f. 1st April, 2019, the Board has identified following chart or matrix setting out the skills/expertise/competence of the board of directors specifying the list of core skills/expertise/competencies as required in the context of company's business(es) and sector(s) and so as to evaluate those actually available with the Board;

- **Strategy and Planning:** Appreciation of long-term trends, merger and amalgamation, strategic planning and experience in guiding and leading management teams to make decisions in uncertain environments and administration & management.
- **Finance, Banking and Insurance:** Experience in area of finance including raising of funds from various resources, accounting, banking, economics, insurance, information technology, legal & statutory compliance and regulatory matters.
- **Corporate Governance:** Corporate Governance compliance as per SEBI Regulations and other best corporate practices.
- **Risk Management:** Ability to appreciate key risks impacting the company's business and contribute towards development of systems and control for risk mitigation.
- **Knowledge in Power Sector:** Experience in core area of business viz. construction and operation of thermal and hydro-power projects, regulatory matters, the environment and green technologies, experience in the area of coal mining and utilization of ash and other allied areas.

As per review done by the Board the above skills/expertise were actually available with the Board.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted:

| Name of Director | Areas of Skills/Experience | | | | |
|---|----------------------------|--------------------------------|----------------------|-----------------|---------------------------|
| | Strategy and Planning | Finance, Banking and Insurance | Corporate Governance | Risk Management | Knowledge in Power Sector |
| Mr. Mahabir Prasad Rungta | P | P | P | P | P |
| Ms. Shruti Rungta | P | P | P | P | P |
| Mr, Tarun Kumar Megotia | P | P | P | P | P |
| Mr. Abdul Kalam, Independent Director | P | P | P | P | P |
| Mr. Vivek Agrawal, Independent Director | P | P | P | P | P |
| Mr. Devesh Poddar, Independent Director | P | P | P | P | P |

4. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Independent Directors are on the Board of the Company for quite some time and are well versed with their role, rights and responsibilities in the Company, the nature of industry in which the Company operates, business model of the Company and systems in place. All the Board members have complete access to the necessary documents, Annual Reports and internal policies which are available at our website www.rungtairrigation.in Apart from this, senior management, Internal and Statutory Auditors keep making presentations at the Board/Committee meetings. Independent Directors are free to make individual queries throughout the period which are promptly and suitably replied with.

The Independent Directors are familiarized from time to time with various facts of the Company's business through presentations and inter-actions with various senior executives of the Company. They are also familiarized with their role, rights and responsibilities in the Company through their appointment letter and in the Board Meetings from time to time.

Note: Each Director may possess varied combinations of skills/expertise within the described set of parameters and it is not necessary that all Directors possess all skills/expertise listed therein.

5. DETAILS OF REMUNERATION PAID TO ALL THE DIRECTORS

The details of all elements of remuneration packages such as salary, benefit, bonuses etc., of all the Directors are given below:

a) Executive Directors (Managing & Whole-time Directors)

The details of aggregate value of salary and perquisites paid to the Executive Directors for the year ended 31st March, 2024 are as under:

| Name | Designation | Salary (Rs) | Perquisites (Rs.) | Total (Rs.) |
|---------------------------|---|-------------|-------------------|-------------|
| Mr. Mahabir Prasad Rungta | Managing Director & Chief Executive Officer | 1,500,000 | 39,600 | 15,39,600 |
| Mr. Tarun Kumar Megotia | Whole-time Director | 4,68,000 | 1,41,600 | 630,852 |
| Ms. Shruti Rungta | Whole-time Director | 4,80,000 | 7,20,000 | 12,00,000 |

b) Non-Executive Directors

The Company has not paid any remuneration to Non-Executive Directors except the sitting fee for Board meetings @ Rs. 25,000 /- per meeting.

However in the meeting held at 24th May 2024. Sitting Fees has been revised from 25,000 to 30,000 for the FY 2024-25.

The details of the sitting fee paid to the Non-Executive Directors of the Company during the Financial Year 2023-24 are as under :-

| Name of Directors | Designation | Total sitting fee paid (Rs.) |
|-------------------|----------------------|------------------------------|
| Mr. Devesh Poddar | Independent Director | 1,00,000 |
| Mr. Abdul Kalam | Independent Director | 1,00,000 |
| Mr. Vivek Agrawal | Independent Director | 25,000 |

There was no other pecuniary relationship or transactions with the Directors vis-à-vis the Company during the year.

Notes:

- Sitting Fee represents payment to the Directors for attending meetings of the Board and Committees thereof.
- As per the provision of the Income Tax Act, 1961, Income Tax at source was deducted.
- As per the provision of Central Goods and Services Tax Act, 2017, GST on sitting fee was paid by the Company on "Reverse Charge" basis.

6. MEETING OF INDEPENDENT DIRECTORS:

- Pursuant to Schedule IV of the Companies Act, 2013, the Rules made there under, the Secretarial Standards and the SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 10th October 2023, without the presence of the Non-Independent Directors and Management.
- All the 3 (three) Independent Directors were present at this meeting and participated in the discussions. In the said meeting, the Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors and the Board as a whole, Chairman of the Company, taking into account views of the Executive

Directors and Non-Executive Directors. They also assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board. The Management, as always, accepted & implemented further suggestions given by the Independent Directors

7. AUDIT COMMITTEE

a. Terms of Reference:

A key element in the Corporate Governance process of any organization is its Audit Committee. Effective Audit Committee can greatly assist the Board in discharge of their duties in respect of integrity of the Company's financial reporting. Indeed, it is essential that Board, Management, Auditors, Internal Auditors and Audit Committee all work with a common purpose to ensure that the Company obtains the benefits of the Audit Committee in terms of better financial reporting and greater effectiveness of internal controls.

b. Composition:

The composition of the Audit Committee of the board as on 31st March 2024 comprises Mr. Devesh Poddar as its Chairperson, Mr. Abdul Kalam and Ms. Shruti Rungta as its Members. Mr. Devesh Poddar, an independent director, having adequate financial and accounting qualifications and expertise, is the chairman of the audit committee. Other members of the committee are also financially literate. Ms. Ayushi Vijay, Company Secretary of the company acts as the Secretary to the Committee.

c. Governing Law:

The constitution of the Audit Committee and its terms of reference are as per the requirements under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. The Audit Committee, apart from such matter, as may be referred by Board, is responsible for the following:

With reference to the financial statements

- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Examination of the financial statements and the auditors' report thereon;
- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:-
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013; • changes, if any, in accounting policies and practices and reasons for the same;
- major accounting entries involving estimates based on the exercise of judgment by management;
- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;
- disclosure of any related party transactions; and
- modified opinion(s) in the draft audit report;

With reference to Auditors

- The recommendation for appointment, remuneration and terms of appointment of all Auditors of the Company including filling of casual vacancy;
- Reviewing and monitoring the Auditor's independence and performance and effectiveness of the audit process;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board; and

- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern

With reference to related party transactions

- Approval or any subsequent modification of transactions of the Company with related parties.
- According Omnibus approval relating to Related Party Transactions. The term “Related Party Transactions” shall have the same meaning as provided in Regulation 2(zc) of the SEBI (LODR) Regulations, 2015 and also the provisions of Companies Act, 2013 read with relevant Rules thereto.

Other Matters;

- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters;
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- To look into the reasons for substantial defaults in the payment to the Banks and Financial Institutions, Debenture Holders and Creditors;
- To review the functioning of the Whistle Blower Mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate; and
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Reviewing the utilization of loans and/ or advances from/ investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments, if any.

Following information is required to be mandatorily reviewed by the Audit Committee:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters/letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses issued by the Statutory Auditors;
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
- Statement of deviations:
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (LODR) Regulations, 2015.
- Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI (LODR) Regulations, 2015.

d. Attendance:

The Committee met four (4) times during the Financial Year 2023-24 on the following dates:

| Date of Audit Committee Meeting | Committee Strength | Members Present |
|--|---------------------------|------------------------|
| 22 nd May, 2023 | 3 | 3 |
| 95 th August, 2023 | 3 | 3 |
| 09 th November, 2023 | 3 | 3 |
| 12 th February, 2024 | 3 | 3 |

Details of attendance of Directors in the Audit Committee meeting are as under:

| Name & Position | Total No. of Meetings held during tenure of Member | No. of Meetings attended |
|------------------------------|---|---------------------------------|
| Mr. Devesh Poddar , Chairman | 4 | 4 |
| Mr. Shruti Rungta, Member | 4 | 4 |
| Mr. Abdul Kalam, Member | 4 | 4 |

The CFO regularly attends the committee meetings & the C.S act as the secretary of the committee. All the quarterly committee meetings were attended by the representative of Statutory Auditors. The Cost Auditor also attends the meetings as when it is required.

8. NOMINATION AND REMUNERATION COMMITTEE (NRC)

a. Composition & Terms of Reference:

The Company has a duly constituted Nomination and Remuneration Committee (“NRC”). The NRC’s constitution and terms of reference are in compliance with provisions of Section 178 of Companies Act, 2013, rules made thereunder and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

The Nomination and Remuneration Committee was constituted to approve the remuneration payable to Key Managerial Personnel and Directors including Managing Director, Whole-time Director/ Executive Director and Part-Time Director/ Non-Executive Director/ Independent Director of the Company within the range approved by shareholders. Thus, the Committee shall have the meetings as and when so required.

This Committee is responsible for:

- Recommending desirable changes in the Board composition, size and diversity and other aspects of the Board’s functioning;
- Formulating criteria for determining qualifications, positive attributes and independence of a Director;
- At the time of appointment of Independent Director, to examine whether he fulfills conditions laid down under SEBI (LODR) Regulations 2015 and is independent of management;
- Conducting search and recommending new Board members in light of resignation of some current member/s or in case of a planned expansion of the Board;
- Identifying persons who are qualified to become Directors and who may be appointed as senior management in accordance with the criteria laid down, and recommend to the Board for their appointment;
- Recommending to the Board a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other senior employees, and while formulating such policy, to ensure that:
 - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the desired persons;
 - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- Recommend to the Board, all remuneration, in whatever form, payable to senior management;
- Formulating criteria for evaluation of performance of Board, its Committee, Independent Directors and of all other non-independent Directors;
- Ensuring that there is an appropriate induction programme for new Directors and members of senior management and reviewing its effectiveness;
- Developing a succession plan for the Board and regularly reviewing the plan;
- Reviewing succession plans for the senior management;
- Taking decision regarding extension or continuation of the term of appointment of the Independent Director on the basis of their performance evaluation; and
- Carrying out any other function as is mandated by the Board from time to time and/or is enforced by any statutory notification, amendment or modification, as may be applicable.

During the Financial Year 2023-24, Two (2) meeting of the NRC were held as under:-

| Date of NRC Committee Meeting | Committee Strength | Members Present |
|---------------------------------|--------------------|-----------------|
| 09 th August, 2023 | 3 | 3 |
| 5 th February, 2024. | 3 | 3 |

The Composition of the Committee and attendance at the meetings held during Financial Year 2023-24 are as under:-

| Name of the Director | Designation | Category | No. of Meetings | |
|---------------------------|-------------|----------------------|----------------------|----------|
| | | | Held during the Year | Attended |
| Mr. Devesh Poddar | Chairman | Independent Director | 2 | 2 |
| Mr. Abdul Kalam | Member | Independent Director | 2 | 2 |
| Mr. Mahabir Prasad Rungta | Member | Managing Director | 2 | 2 |

Manner for evaluation of Board's performance:

NRC would consider various aspects including, amongst others, assessing the quality, quantity and timeliness of flow of information between the company management and the Board that would be necessary for the Board to effectively and reasonably perform its duties.

NRC would also assess the promptness of making decisions by the Board as well as the interaction amongst the members of the Board.

Manner for evaluation of Committees' performance:

NRC would consider various aspects including, amongst others, assessing the quality, quantity and timeliness of flow of information between the company management and the Committees of the Board that would be necessary for the Committees to effectively and reasonably perform their duties.

NRC would also assess the promptness of making decisions by the Committees as well as the interaction amongst the members of the Committees.

Manner for evaluation of each Director's performance:

Pursuant to the provisions of the Companies Act, 2013 along with the provisions of the LODR, Nomination and Remuneration Committee considers various aspects including, amongst others, engagement, strategic planning, consensus building and understanding of national/ international events while evaluating the performance of the Independent Directors and so far as evaluation of the performance of Non-Independent and Non-Executive Directors are concerned, engagement, strategic planning, team spirit and consensus building, effective leadership, domain knowledge and understanding of national/ international events were considered as parameters of performance.

NRC would consider management qualities, teamwork abilities, results/ achievement, domain knowledge, understanding and awareness, leadership qualities, motivation/ commitment/ diligence, integrity/ ethic/ values as also receptivity as performance indicators for Executive Directors.

NRC would also consider a variety of personal attributes, including experience, intellect, foresight, judgment and transparency. NRC would also consider these while evaluating the potential candidates.

Selection and Appointment of Independent Directors:

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as an Independent Director on the Board.

The Committee, inter-alia, considers qualification, positive attributes, areas of expertise and number of Directorship(s) and Membership(s) held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence and recommend to the Board their appointment.

Every Independent Director, at the first meeting of the Board in which he / she participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, gives a declaration that he / she meets the criteria of independence as provided under law and that he / she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his / her ability to discharge his / her duties with an objective independent judgement and without any external influence.

The Company has received declarations from all the Independent Directors that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligation &

Disclosure Requirement) 2015. Based on the disclosure received from the Independent Directors and also in the opinion of the Board, all the Independent Directors of the Company fulfill the conditions specified in the Companies Act, 2013 as well as the LODR.

Performance Evaluation Criteria for Independent Directors:

The policy framework for nomination, election and performance review of Independent Directors is duly approved by the Board of Directors upon the recommendation of the NRC. The performance of the Independent Directors is being evaluated by the entire Board, except for the director being evaluated. A brief description of the performance mechanism of the same is mentioned in the Directors' Report.

9. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has been constituted to assist the Board in safeguarding the interests of and redressing the grievances of the security holders of the Company.

The Committee, inter-alia, considers transfer and transmission of shares, re-materialization of shares, transposition of names, consolidation of shares, issue of duplicate share certificates etc. and to look into the redressal of shareholders' complaints.

This Committee is responsible for:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of the shares, non-receipt of annual report, non- receipt of declared dividends, issue of new/ duplicate certificates, general meeting etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The Committee's terms of reference are in accordance with the provisions of Section 178 of the Companies Act, 2013, Rules made there under and Regulation 20 of the SEBI (LODR) Regulations, 2015. Accordingly, the committee performs the roles assigned to it.

a. Composition:

The Company has a duly constituted Stakeholders Relationship Committee ("SRC"). The SRC's constitution and terms of reference are in compliance with provisions of Section 178 of Companies Act, 2013, rules made thereunder and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Stakeholders Relationship Committee of the Board as at 31st March 2024 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 Ms. Shruti Rungta, Whole time Director are the members of the Committee.

b. Terms of Reference:

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

c. Meetings and attendance during the year:

| Date of SRC Committee Meeting | Committee Strength | Members Present |
|-------------------------------|--------------------|-----------------|
| 29 th August, 2023 | 3 | 3 |

Attendance of the members is as follows:

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

Ms. Ayushi Vijay was the Compliance Officer cum Company Secretary of the Company for this purpose of Regulation 34(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 to look after the compliances under SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and other SEBI Rules & Regulations, etc.

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued thereunder, Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India.

Mr. Kanwal Ohri has appointed as Compliance Officer & Company Secretary of the Company w.e.f 29th April 2024.

Name, Designation & Address of Compliance officer:

Name : Mr. Kanwal Ohri
 Address : 101,Pragati Tower, 26, Rajendra Place, New Delhi, 110008
 E-mail : cs@rungtairrigation.in
 Phone : 011-40453330

10. DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redresses complaints received regarding sexual harassment. All women employees (permanent, contractual, temporary, trainees) are covered under this policy.

| | | |
|----|--|---|
| a. | Number of complaints filed during the financial year 2023-24 | 0 |
| b. | Number of complaints disposed of during the financial year 2023-24 | 0 |
| c. | Number of complaints pending as on end of the financial year 2023-24 | 0 |

11. FEES PAID TO STATUTORY AUDITOR

Details of fees paid/ payable to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part, by the Company is given below and there are no other entities in the group to which the Statutory Auditor is a part.

| Particulars | | Financial Year 2023-24 |
|--------------|------------------------------------|------------------------|
| i | For Tax Audit | 5,90,000 |
| ii | For Other Services (certification) | - |
| iii | For Reimbursement of Expenses | 53,318 |
| Total | | 6,43,318 |

12. DISCLOSURE OF SENIOR MANAGEMENT:

Particulars of Senior Management including the changes therein since the close of the previous financial year as per Schedule V Clause C sub clause 5B of SEBI (LODR) Regulations, 2015 is as follows:

| S.No | Name Of Senior Executive | Designation |
|------|--------------------------|-------------------------|
| 1. | Mr. Bajrang Baradia | Chief Executive Officer |
| 2. | Ms. Swati Garg | Chief Financial Officer |
| 3. | Mr. Kanwal Ohri | Company Secretary |

13. GENERAL BODY MEETINGS

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

| Year | Date | Venue | Time |
|-----------|------------|---|------------|
| 2020-2021 | 30.09.2021 | 101 Pragati Tower, Rajendra Place, New Delhi-110008 | 05:00 P.M. |
| 2021-2022 | 26.09.2022 | 101 Pragati Tower, Rajendra Place, New Delhi-110008 | 01:00 P.M. |
| 2022-2023 | 26.09.2023 | 101 Pragati Tower, Rajendra Place, New Delhi-110008 | 01:00 P.M. |

B. Special Resolution passed in the last three Annual General Meeting of the Company:**1. At the 37th AGM held on 30th September, 2021:**

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

2. At the 38th AGM held on 26th September, 2022:

- i. Approve Re-appointment of Mr. Devesh Poddar as Independent Director for a second term of five consecutive years w.e.f August 08, 2022 to August 07, 2027
- ii. To approve the remuneration of Mr. Mahabir Prasad Rungta, Managing Director Company.
- iii. To ratify the payment of remuneration to the Cost Auditor (S. Shekhar & Co., Cost accountants) for the Financial Year ending March 31, 2023, and in this regard, to consider and if thought fit, to pass, with or without modification(s).

3. At the 39th AGM on 26th September, 2023:

- i. Approve Re-appointment of Mr. Abdul Kalam as Independent Director for a second term of five consecutive years.
- ii. Approve Re-appointment of Mr. Vivek Agrawal as Independent Director for a second term of five consecutive years.
- iii. To consider and approve loan, guarantee, investment or security under Section 185 of Companies Act, 2013
- iv. To ratify the payment of remuneration to the Cost Auditor (S. Shekhar & Co., Cost accountants) for the Financial Year ending March 31, 2024, and in this regard, to consider and if thought fit, to pass, with or without modification(s).

14. DETAILS OF RESOLUTIONS PASSED THROUGH POSTAL BALLOT

No Resolution was passed through Postal Ballot during the year ended 31st March, 2024.

15. RECONCILIATION OF SHARE CAPITAL AUDIT

A qualified Practicing Company Secretary carried out quarterly Audit for reconciliation of Share Capital to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and physical shares with the total issued and listed capital. The Auditor confirmed that the total issued/paid-up capital is in agreement with the total number of shares in dematerialized shares held with NSDL and CDSL as well as those held in physical form.

16. MEANS OF COMMUNICATION**i) Financial Results:**

The Company's quarterly/half-yearly/ annual financial results are sent to the Stock Exchange and published in Pioneer (English Daily) and Pioneer (Hindi Daily) 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.

ii) Website:

The Company's website www.rungtairrigation.in contains a separate dedicated section 'Investor Information' where Shareholders information is available. Annual Report of the Company, Notices of Postal Ballot, Board Meeting etc. are regularly updated on the website.

iii) NSE Electronic Application Processing System (NEAPS):

NEAPS is a web based application designed by NSE where Corporates are required to upload the prescribed information on the websites for viewing by the investors. All periodical compliances, filings like financial results, shareholding patterns, corporate governance reports, media releases, and corporate announcements among others are filed electronically on NEAPS.

iv) BSE Corporate Compliance & Listing Centre (the 'Listing Centre')

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like financial results, shareholding pattern, corporate governance report, media releases, and corporate announcements among others are also filed electronically by the Company on the Listing Centre.

v) **SEBI Complaints Redress System (SCORES):**

SEBI has designed a centralized web-based system, www.scores.gov.in wherein the Investors can lodge their complaints and can view the status of their complaints being replied to by the respective Company. In compliance thereof, the Company itself as well as Company's Registrar and Transfer Agents is regularly uploading the 'Action taken Report' on the said website in respect of the Investors' references received, if any.

17. **DISCLOSURES**

A. **Related Party Transactions:**

There are no materially significant related party transactions with its Promoters, the Directors or the Management, their Subsidiaries or Relatives, etc., which may have potential conflict with the interest of the company at large. The details of transactions with related parties are disclosed in the annual accounts for the Financial Year 2023-2024.

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 2023-2024, that may have potential conflict with the interest at large. The details of the related party transaction as per the Accounting Standard-24 forms part of notes to the account. All the contracts/arrangements/ transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis. None of the transactions with any of the related parties were in conflict with the Company's interest. The Company's Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is put up on the Company's website and can be accessed at www.rungtairrigation.in.

C. **Disclosure of Accounting Treatment:**

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

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

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

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

CMD/CFO CERTIFICATION

In terms of the requirements of Regulation 17(8) of the SEBI (LODR) Regulations, 2015, the Managing Director and the CFO have submitted necessary Certificate to the Board of Directors stating the particulars specified under the said Regulation.

The requisite certification from Mr. Mahabir Prasad Rungta, Managing Director and Ms. Swati Garg, Chief Financial Officer of the company for the Financial Year 2023-2024 required to be given under Regulation 17(8) was placed before the Board of Directors of the company and Board Meeting held on 24th May, 2024. A copy thereof is reproduced in this report.

F. **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 structures 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 2023-2024 in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. There were no penalties imposed nor structures passed on the company whether Stock Exchange, SEBI or any other statutory authorities on any matter related to the capital market, during the last three years.

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

The company has complied with all the mandatory requirements as mandated under Regulation 34(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

A certificate from the statutory auditors of the company to this effect has been included in this report.

Besides the mandatory requirement, the company has constituted a Nomination and Remuneration Committee to consider and recommend the remuneration of the executive directors and administration. No person has been denied access to the Audit Committee.

H. Non-Compliances and Penalties etc.:

No penalties, strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

18. GENERAL SHAREHOLDERS INFORMATION (AGM)

| | |
|-----------------------|--|
| Day | Friday |
| Date | 20 th September 2024 |
| Time | 12.00 PM |
| Venue | 101, Pragati Tower, 26 Rajendra Place, New Delhi-110008 |
| Dates of Book Closure | 16th September 2024 to 20th September 2024 (both days inclusive) |

19. FINANCIAL CALENDAR

Financial Results are normally published in Pioneer (English) and Pioneer (Hindi).

Details of announcement of Financial Results for different periods during the financial year 2023-24 are as under:

| Financial Results | Announced on |
|--------------------------------------|--------------------------------|
| First Quarter Results | 09 th Augut,2023 |
| Second Quarter and Half-year Results | 09 th November,2023 |
| Third Quarterly Results | 12 th February,2024 |
| Fourth Quarter and Annual Results | 24 th May, 2024 |

The Financial Results are also uploaded on the Company's website at www.rungtairrigation.in/investor-info/financial-results.

The financial results were reviewed by the Audit Committee and thereafter approved by the Board. Annual Audited Financial Results for the Financial Year ended 31st March, 2024 were announced on 24th May, 2024.

20. LISTING ON STOCK EXCHANGES

Equity Shares

The Equity shares of the Company are listed on the Bombay Stock Exchange of India Limited.

Stock Code

The stock code of the Equity shares listed on the Stock Exchanges, are as under:

| Name of Stock Exchange | Code |
|-------------------------------|--------------|
| BSE Ltd. | 530449 |
| ISIN No. | INE347C01013 |

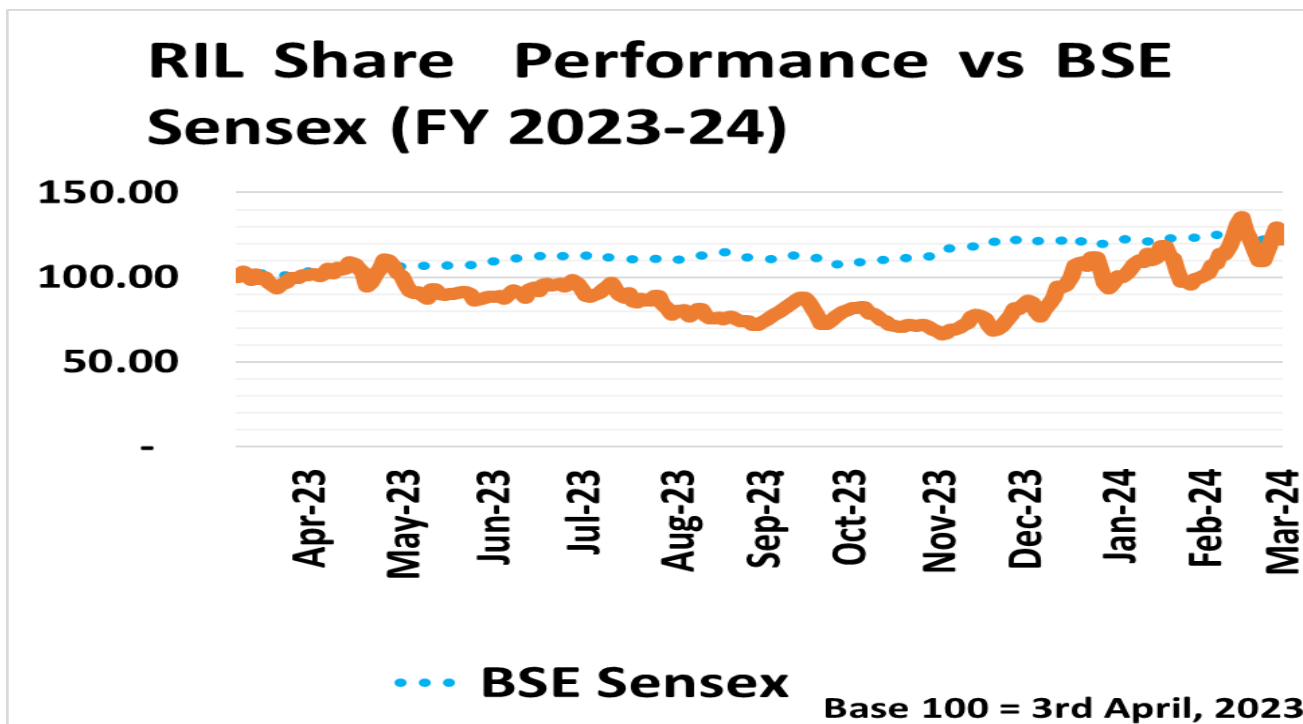
The Company has paid Annual Listing Fees for the Financial Year 2024-25 to the above Stock Exchanges.

21. MARKET PRICE DATA

Month-wise high and low of Sensex and the share price of the Company at BSE during the Financial Year 2023-24 were as under:

A.BOMBAY STOCK EXCHANGE (BSE SENSEX):

| Month | High(Rs.) | Low(Rs.) |
|------------------------|------------------|-----------------|
| <i>April,2023</i> | 95.99 | 70.30 |
| <i>May, 2023</i> | 85.73 | 63.27 |
| <i>June, 2023</i> | 80.80 | 52.11 |
| <i>July, 2023</i> | 58.87 | 45.78 |
| <i>August, 2023</i> | 58.00 | 45.16 |
| <i>September, 2023</i> | 61.87 | 48.05 |
| <i>October, 2023</i> | 58.83 | 48.67 |
| <i>November, 2023</i> | 70.24 | 51.25 |
| <i>December, 2023</i> | 70.91 | 58.50 |
| <i>January, 2024</i> | 66.50 | 57.00 |
| <i>February, 2024</i> | 79.40 | 62.16 |
| <i>March, 2024</i> | 73.38 | 61.13 |



B. Distribution of Shareholding as on 31st March 2024:

The distribution of shareholding according to the number of shares as on 31st March, 2023, was as follows:

| Slab of Shareholding (Rs.) | No. of Shareholders No. of Shareholders | % of Shareholders % of Shareholders | Amount in Rs. | % of Shareholding |
|----------------------------|--|--|-----------------|-------------------|
| 0-5000 | 3358 | 89.714 | 40,42,210.00 | 2.0286 |
| 5001-10000 | 131 | 3.500 | 10,61,460.00 | 0.5327 |
| 10001-20000 | 85 | 2.271 | 12,79,540.00 | 0.6421 |
| 20001-30000 | 61 | 1.630 | 15,77,900.00 | 0.7919 |
| 30001-40000 | 41 | 1.095 | 13,97,650.00 | 0.7014 |
| 40001-50000 | 17 | 0.454 | 7,70,230.00 | 0.3865 |
| 50001-100000 | 24 | 0.641 | 15,37,140.00 | 0.7714 |
| 100001 and above | 26 | 0.695 | 18,75,96,120.00 | 94.1453 |

C. Categories of Shareholders as per Clause 31 of SEBI (LODR) Regulations, 2015. (As on March 31, 2024)

| Category | No. of Shareholders | % of Shares | No. of Shares |
|-----------|---------------------|-------------|---------------|
| Promoters | 6 | 41.5856 | 8286443 |
| Others | 3,730 | 58.3921 | 11635340 |

D. Dematerialization of shares and liquidity:

The Equity Shares of the Company are in compulsory dematerialized segment and are available in the Depository System of both NSDL and CDSL. Number of shares held in dematerialized and physical mode as on 31st March, 2024:

| Particulars of Shares | No. of Shares | %age of total issued capital |
|-------------------------------------|-----------------|------------------------------|
| Held in Dematerialized form in CDSL | 13367169 | 67.1 |
| Held in Dematerialized form in NSDL | 5054959 | 25.37 |
| Sub-total | 18422128 | 92.47 |
| Physical* | 1499655 | 7.53 |
| Total | 19921783 | 100 |

22. REGISTRAR AND TRANSFER AGENT

The details of the Registrar & Transfer Agent appointed by the Company are as under:

SHARE TRANSFER SYSTEM

| | |
|-----------------------|--|
| Name | M/s Beetal Financial & Computer Services Pvt. Ltd |
| Address | BEETAL HOUSE, 3rd Floor, 99 Madangir, Behind LSC Near Dada Harsukhdas Mandir, New Delhi-110062, |
| Phone | 011-29961281-83 |
| Fax | 011-29961284 |
| Website | www.beetalfinancial.com |
| E-mail Address | beetal@beetalfinancial.com |

The details of the Registrar & Transfer Agent appointed by the Company are as under:

E-mail address of the Company for redressal of Investors' complaints: www.rungtairrigation.in

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

Details of investor complaints received, redressed and pending during the financial year ended 31st March 2023.

| Pending at the beginning of the year | Received during the year | Redressed during the year | Pending at the end of year |
|---|---------------------------------|----------------------------------|-----------------------------------|
| NIL | NIL | NIL | NIL |

23. SHARE TRANSFER SYSTEM

The Board of Directors have delegated the power of re-materialization of shares, transfers and transmission, splitting/ consolidation of share certificates and issue of duplicate share certificates etc. to Stakeholders' Relationship Committee. The meetings of the Committee are periodically held to consider the requests of the Shareholders.

24. PROJECT/PLANT LOCATIONS
UNIT-1

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

UNIT-2

Villagr Adavipolam
Yanam, Pondicherry

25. ADDRESS FOR INVESTOR 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:

Secretarial Department

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

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

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

26. 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.

27. ADDITIONAL INFORMATION :**A. Code of Conduct:**

The Board of Directors has laid down a Code of Conduct for all Board members and Senior Management Personnel of the Company. The Code of Conduct has also been posted on the website of the Company viz, <https://www.rungtairrigation.in/investor-information/download-info/code-of-conduct-and-ethics/>

The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration to this effect, duly signed by the Managing Director and CEO, is annexed and forms part of this Report.

B. 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.

C. 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.

D. Policy on Sexual Harassment:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redresses complaints received regarding sexual harassment. All women employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company has zero tolerance towards sexual harassment at the workplace and have a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder

It is reported that no complaint was received by the Company during the year under report.

E. Certificate from Company Secretary in Practice:

Mr. Ajit Mishra, Practicing Company Secretaries, has given minor observations find out during the FY 24-25 and the same has been rectified by the company accordingly.

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

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

F. Other disclosures:

- (i) There were no materially significant Related Party Transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their relatives, etc. that may have potential conflict with the interests of the Company at large. The related party transactions are duly disclosed in the Notes to the Financial Statements. Further, there have been NIL loans and advances in the nature of loans to the Firms/Companies in which Directors are interested.
- (ii) No penalties, strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- (iii) No treatment different from the Indian Accounting Standards, (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended has been followed in the preparation of Financial Statements except as stated in Note No.44I of Standalone Financial Statements.
- (iv) During the year, no funds were raised through Preferential Allotment or Qualified Institutional placement.
- (v) All mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations have been complied with by the Company.



- (vi) There are no activities involving commodity price risk, hence, no commodity hedging activities were taken up.

28. COMPLIANCES UNDER CLAUSE C OF SCHEDULE V OF SEBI (LODR) REGULATIONS, 2015:

The Company has complied with the requirement of Corporate Governance Report as mentioned in sub paras (2) to (10) of Schedule V of the SEBI Listing Regulations 2015, to the extent as applicable to the Company.

29. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING ON THE COMPANY:

As per Schedule V Clause G of SEBI (LODR) Regulations 2015, requiring disclosure of Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entities - NIL

30. WEBLINKS

| S.No. | Policy | Weblink |
|-------|---|---|
| 1. | Code of Conduct to Regulate, Monitor & Report Trading by Insiders | https://www.rungtairrigation.in/investor-information/download-info/code-of-conduct-and-ethics/ |
| 2. | Nomination & Remuneration Policy | https://www.rungtairrigation.in/investor-information/download-info/remuneration-policy/ |
| 3. | Regularisation programme for Independent Directors | https://www.rungtairrigation.in/investor-information/download-info/set-of-regulations-for-independent-directors/ |
| 4. | Code for Fair Disclosure Policy | https://www.rungtairrigation.in/investor-information/download-info/code-of-practices-and-procedures-for-fair-disclosure-of-unpublished-price-sensitive-information/ |
| 5. | Vigil Mechanism-Cum Whistle Blower Policy | https://www.rungtairrigation.in/investor-information/download-info/vigil-mechanism-whistle-blower-policy/ |
| 6. | Policy on Preservation of Documents | https://www.rungtairrigation.in/investor-information/download-info/preservation-of-documents-and-archival-policy/ |
| 7. | Policy on Determining Materiality of Events/Information | https://www.rungtairrigation.in/investor-information/download-info/materiality-reg-30/ |
| 8. | Archival Policy | https://www.rungtairrigation.in/investor-information/download-info/preservation-of-documents-and-archival-policy/ |
| 9. | Policy on Related Party Transactions | https://www.rungtairrigation.in/investor-information/download-info/policy-on-related-party-transactions/ |
| 10. | Sexual Harassment Policy | https://www.rungtairrigation.in/investor-information/download-info/policy-on-sexual-harrassment/ |
| 11. | Whistle Blower Policy | https://www.rungtairrigation.in/investor-information/download-info/vigil-mechanism-whistle-blower-policy-updated/ |
| 12. | Policy On Insider Trading | https://www.rungtairrigation.in/investor-information/download-info/rungta-irrigation-insider-trading-rules/ |
| 13. | Divident Distribution Policy | https://www.rungtairrigation.in/investor-information/download-info/dividend-distribution-policy-final-website/ |

For and on behalf of the Board

MAHABIR PRASAD RUNGTA
Chairman
[DIN: 00235632]

Date: 13.08.2024
Place: New Delhi

MANAGEMENT DISCUSSION AND ANALYSIS REPORT
(Forming part of Directors' Report for the year ended 31st March, 2024)

1. ECONOMIC REVIEW

While walking on the path of sustainable agricultural development it is realized that availability of water resources is considered as one of toughest hurdle to pass. Due to uncertainty of rain and increasing pressure of population growth on reservoirs, water resources are getting dry in shorter time than before. It is peak time realize and understand the importance of water and uncertain availability of it. Proper distribution of the available resources and conservative use of the same has become the most important fact to sustainable development.

The solution lies in implementing the innovative and advance models as contribution to higher efficiency of water usage. Micro irrigation is proved to be a one such efficient method which enables better control and monitoring of existing water. Recognizing the importance of micro irrigation, the current government manifesto has talked about Har Khet Ko Pani. However, in spite of the efforts made by central and state governments, the adoption of Micro irrigation by farmers needs more motivation.

2. MICRO IRRIGATION - A RELIEF FOR DROUGHT PRONE AREAS:

Indian agriculture is mostly dependent on monsoon as source of water for agricultural activities, but in situations where there is shortage or failure of monsoon in that particular year it gets disturbed which later results in farmer's distress and below average crop yields. Particularly in the drought prone areas/ parts of Maharashtra, Karnataka, Andhra Pradesh, Odisha, Gujarat, Madhya Pradesh, and Rajasthan among others this affects with much greater intensity. This makes the states like Maharashtra, Rajasthan, Gujarat, Haryana, Bihar, Karnataka and Andhra Pradesh high potential states for Micro Irrigation in India. Hence, Micro irrigation can not only save water but also increases the farmer's productivity.

3. COMPANY PROFILE

Being owned & managed by the group of people having wealth of experience & high expertise. Currently one of the largest & leading manufacturer of Self-fit PVC pipes, Elastomeric PVC Pipes, Casing Pipes, HDPE Pipes, MDPE Pipes, RMS Pipes, Sprinkler irrigation Systems & Drip Irrigation System. As ISO 9001:2015 certified company with 40 years of successful journey & one of the reputed manufacturers of plastic extruded pipes in PAN India with the brand name of "RUNGTA".

We are associated with major states like Uttar Pradesh, Madhya Pradesh, Maharashtra, Gujarat, Telangana, Tamil Nadu, Karnataka, Rajasthan, Haryana, Punjab, Himachal Pradesh, Uttarakhand, Jharkhand, Bihar, West Bengal, Odisha, Assam, Chhattisgarh, Andhra Pradesh and we also export our products to Bangladesh for execution of micro irrigation system (Online drip, Inline drip, Mini Sprinkler, Micro Irrigation, Rain gun, Portable sprinkler sets, UGPL systems).

We also act as an EPC contractor to carry out the detailed engineering design of the project, procuring all the equipment and necessary materials.

Our products adhere to the latest relevant BIS / ISO & other specifications. We have PAN INDIA presence through a network of authorized distributors from our branch offices at Bhiwani, Jabalpur, Rajasthan, Jharkhand, Bihar, Hyderabad, Bangalore, Siliguri, Raipur, Tamil Nadu, Andhra Pradesh, & Bhubaneswar and Factories at Ghaziabad & Yanam.

4. INDUSTRY OVERVIEW:

The India Micro Irrigation Systems Market size is estimated at USD 0.64 billion in 2024, and is expected to reach USD 1.08 billion by 2029, growing at a CAGR of 11.10% during the forecast period (2024-2029).

India is an agriculture-dependent country, and agriculture in India is rain-fed. So there is a potential for promoting micro irrigation in the market. Rajasthan is a state with high micro-irrigation adaptability and has a large area under micro-irrigation due to the lack of water resources in the state.

Furthermore, Indian farmers have been increasingly encouraged to adopt micro-irrigation systems on open fields for efficient water usage and an increase in agricultural yield. The area under open field micro-irrigation is higher than greenhouses in the country. Most of the greenhouses equipped with micro-irrigation in the country are used for horticultural production, with more farmers inclining toward greenhouse cultivation owing to benefits such as year-round production.

The drip irrigation system dominated the market in 2021, owing to higher subsidies offered by the central and state governments in various states. The maximum adoption of the drip irrigation system is witnessed for fruit crops, followed by plantation crops, in terms of area coverage.

Source: <https://www.mordorintelligence.com/industry-reports/india-micro-irrigation-systems-market>

5. Indian Economy

In the face of unprecedented challenges such as the Covid pandemic and geopolitical conflicts, the Indian economy has demonstrated a remarkable ability to bounce back and convert challenges into opportunities while striving to achieve strong, sustainable, balanced, and inclusive growth.

Following the vision of the Hon'ble Prime Minister to make India a US\$ 5 trillion economy by 2024-25, various initiatives have been taken by national leadership like promoting "Make In India", "Vocal for Local", improving banking network, thrust on infrastructural development, digitization at every level of functioning, labour reforms, augmenting logistic facilities, introducing more ease of doing business and frequent policy reforms that were aimed to remove bottlenecks.

India's GDP growth figures for 2023-24, at 8.2 per cent, beat all estimates including the government's own, boosted by higher tax collection by approx. 19%, lower subsidy pay outs and growth in sectors such as manufacturing, construction and services, .

Real GDP (adjusted to inflation as opposed to nominal inflation), the sum of all goods and services produced in the country and considered a major barometer for a country's growth, is estimated to have touched Rs 173.82 lakh crore in 2023-24, as against Rs 160.71 lakh crore 2022-23, when the GDP growth was 7 per cent compared to the previous fiscal.

Among sectors, agriculture has grown by 1.4 per cent, which is encouraging, despite sub-normal monsoon, Mining grew by 7.1 per cent, Construction grew by 9.9%.

The inflation remained at 4.83% in April 2024 against 5.49 in March 2023. With Inflationary pressures moderated with headline inflation softening driven by a fall in core inflation and deflation in fuel prices, the Monetary Policy Committee (MPC) kept the policy repo rate unchanged at 6.50%, maintaining a stance of withdrawal of accommodation to ensure inflation aligns with the target while supporting growth.

6. GOVERNMENT INITIATIVE:

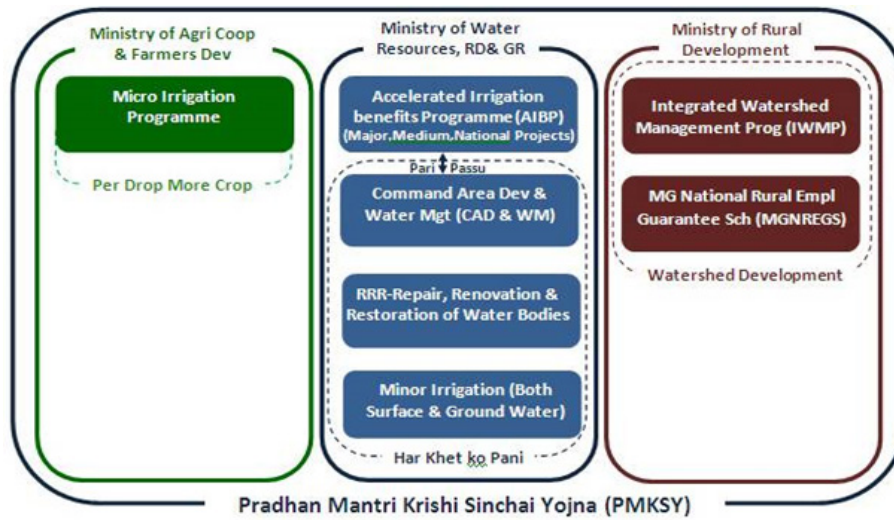
Water resources projects are planned, funded, executed and maintained by the State Governments themselves as per their own resources and priorities. Role of Government of India is limited to being catalytic, providing technical support and, in some cases partial financial assistance in terms with the existing schemes being implemented by the Ministry of Jal Shakti.

Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) was launched during the year 2015-16, with an aim to enhance physical access of water on farm and expand cultivable area under assured irrigation, improve on-farm water use efficiency, introduce sustainable water conservation practices, etc. It is an umbrella scheme, consisting of two major components being implemented by the Department of Water Resources, River Development & Ganga Rejuvenation, namely, Accelerated Irrigation Benefits Programme (AIBP), and Har Khet Ko Pani (HKKP). HKKP, in turn, consists of four sub-components: Command Area Development & Water Management (CAD&WM), Surface Minor Irrigation (SMI), Repair, Renovation and Restoration (RRR) of Water Bodies, and Ground Water (GW) Development component.

In addition, PMKSY also consists of two components being implemented by other Ministries. Per Drop More Crop (PDMC) component is being implemented by Department of Agriculture and Farmers Welfare, while Watershed Development component (WDC) of PMKSY is being implemented by Department of Land Resources.

Government of India has approved continuation of PMKSY during 2021-22 to 2025-26, with extension of Ground Water component under PMKSY-HKKP being only for 2021-22, while approval of extension of PDMC has been processed separately by Department of Agriculture and Farmers Welfare.

The extension of PMKSY for 2021-22 to 2025-26 has been approved with an overall outlay of Rs. 93,068.56 crore (central assistance of Rs. 37,454 crore, debt servicing to NABARD for Rs. 20,434.56 crore and state share to be borne by the State Governments being Rs. 35,180 crore).



7. OUTLOOK

The Indian irrigation systems market is poised for remarkable growth, with a projected CAGR of 10.9% expected during 2023-2028. India boasts the world’s largest irrigated crop area, covering 8.26 million hectares, and the second-largest arable land area, encompassing 159.7 million hectares. This presents a substantial opportunity for further development and investment in the nation’s irrigation sector. The Government of India has taken decisive action with the launch of the Pradhan Mantri Krishi Sinchai Yojana (PMKSY), backed by a substantial investment of USD 7.7 billion. This initiative is dedicated to developing irrigation sources, providing a lasting solution to drought and ensuring the prosperity of the agricultural landscape. Explore investment opportunities and be part of India’s journey to transform its agricultural sector, fostering fertile fields and abundant harvests.

8. RISKS/THREATS:

The irrigation subsector is vulnerable to risks due to several factors: (i) capital intensity and opportunities for large-scale procurement, particularly in surface irrigation; (ii) poor regulation; (iii) weak business processes and control systems; (iv) interface between the public and private sectors; (v) lack of capacity for managing shifting water resources, given uncertain water levels and climate change; (vi) fragmented water institutions; and (vii) political interference.

As part of the high-risk infrastructure sector, irrigation exhibits resource allocation and procurement procedures that provide opportunities for rent-seeking. At the government agency level, risks may stem from the absence of appropriate business processes and mechanisms that can help increase efficiency and reduce discretion (e.g., information technology, automated planning, and financial tools and applications).

9. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company is primarily engaged in Micro Micro irrigation (Drip & Sprinkler irrigation system). The Company has Manufacturing Unit in Gaziabad & Yanam . Both the Plants are working in the best capacity. The turnover of the company also increases.

10. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate internal control system which is commensurate with the nature and size of its operations and is manned by qualified and experienced personnel.

The system involves adopted policies and procedures regarding financial and operating functions for ensuring the orderly and efficient conduct of its business including adherence to Company’s assets, prevention & detection of frauds and errors and timely preparation of reliable financial information.

The internal control systems are further supplemented by internal audit carried out by an independent firm of Chartered Accountants and periodical review by the management and Statutory Auditors. The Internal Audit reports are reviewed by the Audit Committee.

The internal control systems are implemented:-

- To safeguard the Company’s assets from loss or damage.

- To keep constant check on cost structure.
- To provide adequate financial and accounting controls and implement accounting standards.

The senior management regularly reviews the findings and recommendations of the Internal Auditors so as to continuously monitor and improve internal controls to match the organization's pace of growth and increasing complexity of operations as well as to meet the changes in statutory and accounting requirements.

11. FINANCIAL DISCUSSION & ANALYSIS

After adoption of Indian Accounting Standards, the financial statements for the Financial Year 2023-24 have been prepared in accordance with Ind AS.

11.1 Standalone Financial Performance

The revenue from operations for the year ended 31st March, 2024 aggregated to Rs. 14,877.30 Lakhs as compared to Rs. 13,013.36 lakhs in the previous year i.e. higher by Rs. 1863.94 lakhs.

The operations resulted in profit before exceptional items, tax and regulatory deferral account balances for the year under review of Rs 761.33 lakhs as compared to profit of Rs 400.1 lakhs in the previous year due to improvement in the operational efficiency of the Company.

Further, Other Income has increased to Rs.385.67 lakhs as compared to income of Rs. 179.13 Lakhs in the previous year.

The Tax expenses during the year under review are Rs. 196.27 lakhs (including Deferred Tax of Rs. 0.11 lakhs) against Tax expenses of Rs. 102.59 lakhs in the previous year. The Net profit during the year under review is Rs. 561.40 lakhs against Net profit of Rs. 298.02 lakhs during the previous year.

11.2 Finance Cost

Finance cost has decreased from Rs. 181.78 lakhs in the Financial Year 2022-23 to Rs. 122.40 lakhs in FY 2023-24 mainly due to repayment of loan in current year.

11.3 Key Financial Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018 (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector-specific financial ratios, along with detailed explanation there for. The details of Key Financial Ratios for FY 2023-24 and FY 2022-23 are given below:

| Ratio | FY 2023-24 | FY 2022-23 | % of variance | Reason for variance |
|-------------------------------------|------------|------------|---------------|---|
| Current Ratio (times) | 2.92 | 2.80 | 4 | Advance from customer adjusted in current year so current liabilities decreased in current year |
| Debt-equity Ratio (times) | 0.13 | 0.14 | -13 | NA |
| Debt Service Coverage Ratio (times) | 11.47 | 2.54 | 35 | Increase in Profit & reduction in debt led to increase in debt service coverage ratio. |
| Return on Equity Ratio (ROE) (%) | 6.46 | 3.88 | 67 | Higher profitability led to increase in return on equity. |

| | | | | |
|--|-------|-------|-----|---|
| Inventory turnover ratio (times) | 9.58 | 7.49 | -28 | Higher profitability led to increase in inventory turnover ratio. |
| Trade Receivables turnover ratio (times) | 3.78 | 3.71 | 2 | NA |
| Trade Payables turnover ratio (times) | 25.39 | 43.13 | -41 | Increase in purchase cost as well in increase in trade payable led to decrease in trade payable turnover ratio. |
| Net capital turnover ratio (times) | 2.88 | 2.79 | 3 | Increase in sale in current year. |
| Net profit ratio (%) | 3.70 | 2.26 | 64 | Increase in Profit & revenue led to increase in net profit margin. |
| Return on Capital employed (%) | 9.94 | 7.49 | 33 | Ratio is improved due to Increase in earnings after tax |
| Return on Networth (Times) | 25.75 | -6.75 | 481 | Increase in market price of investment has lead to increase in return on investment. |

12. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS

Human Resources are considered as one of the most critical resources in the business, which need to be continuously nurtured to maximize the effectiveness of the Organization. The Company recognizes its human resources as the most valuable assets. The Company has appointed specialized professionals in the fields of engineering, finance, administration and technical and non-technical staff to take care of its operations and allied activities.

Total manpower of the Company at the end of the financial year was 180 which include professionals like engineers, chartered accountants, managers and other skilled and unskilled employees. These Teams of professionals are put in place both at Corporate Office and in all the project locations.

Various initiatives have been taken up for developing employees at all levels and to make them future ready for higher roles and responsibility. Necessary training was imparted to the staff for operations and maintenance of power stations by specialist from related fields including the equipment suppliers from time to time.

Industrial relations remained cordial throughout the year.

For and on behalf of the Board

MAHABIR PRASAD RUNGTA
Chairman
[DIN: 00235632]

Date: 13.08.2024
Place: New Delhi

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, 2024. 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 regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2024.

For Mamraj & Co.

Chartered Accountants

FRN No. 006396N

SD/-

CA Harsh Vardhan Agarwal

Partner

Membership No.: 093403

UDIN: 24553110BKEJRO1703

Date: 14-08-2024

Place: New Delhi

Certificate of Non- Disqualification of Directors

To
The Board of Directors
Rungta Irrigation Limited
101, Pragati Tower
26 Rajendra Place,
New Delhi-110008

Dear Sir(s),

Re: Certificate pursuant to Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Rungta Irrigation Limited** having CIN L74899DL1986PLC023934 and having registered office at 101, Pragati Tower, 26 Rajendra Place, New Delhi-110008 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

| S.NO | Name of Director | DIN |
|------|-----------------------|----------|
| 1. | Mahabir Prasad Rungta | 00235632 |
| 2. | Shruti Rungta | 00229045 |
| 3. | Tarun Kumar Megotia | 01098092 |
| 4. | Abdul Kalam | 01869712 |
| 5. | Devesh Poddar | 07912263 |
| 6. | Vivek Agrawal | 07794991 |

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

Place: New Delhi
Date: 22.08.2024

For Ajit Mishra & Associates
Company Secretaries

(Ajit Kumar Mishra)
FCS No.: 9703
Proprietor
CP No.: 20737

Per Review Certificate No.: 2255/2022
UDIN: F009703F001019008



Date : 02.08.2024

To,
The Board of Directors
Rungta Irrigation Limited

MD CERTIFICATION

The Chairman cum Managing Director of the Company give declaration as per the “Regulation 34” of the “SEBI (LODR) Regulation, 2015” read with Schedule V, that the members of the Board of Director and Senior Management Personnel have affirmed compliance with the Code of the Conduct of Board of Director and Senior Management, as approved by the board for the year ended on 31st March, 2024.

Mahabir Prasad Rungta
Chairman cum Managing Director
DIN - 00235632

CEO / 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 Chief Executive Officer 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 Chief Executive Officer and the Chief Financial Officer is published in this Report.

CEO/ CFO Certificate

To,
The Board of Directors
Rungta Irrigation Limited

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

1. We have reviewed financial statements and the cash flow statement of Rungta Irrigation Limited for the year ended 31st March 2024 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.

Swati Garg
Chief Financial Officer
Delhi, May 16, 2024

Mahabir Prasad Rungta
Managing Director
Delhi, May 16, 2024

INDEPENDENT AUDITOR'S REPORT

To,

THE BOARD OF DIRECTORS

RUNGTA IRRIGATION LIMITED

Report on the IND AS Financial Statements

We have audited the accompanying financial statements of Rungta Irrigation Limited [CIN : L74899DL1986PLC023934] ("the Company"), pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") which comprise the Balance Sheet as at March 31, 2024, 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, 2024, 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.

Our opinion is un-modified in respect of this matter.

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)(I) 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.

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

**PLACE: DELHI
DATE : 24-MAY-2024**

**MAMRAJ AGARWAL
(PARTNER)
M.NO. 084944
UDIN :2408494944BKKJRC6478**

Annexure 'A'

To the Independent Auditor's Report - 31st March 2024 on the IND AS Financial Statements (Referred to in our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of Intangible assets.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets at reasonable intervals. According to the information and explanations given to us, 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.
 - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
- ii. (a) 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. 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.
(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- 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), (c), (d), (e) and (f) 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, 2024 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, for a period of more than six months from the date they became payable.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence, this clause is not applicable on the Company.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(e) of the Order is not applicable.
- x. (a) The Company has raised money by way of further public offer (issued by way of Right Issue) during the year and the same has been applied for the purpose for which funds were raised. Hence requirement of clause 3(x)(a) of the Order is in place.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.



- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The clause is not applicable to the Company.
- xxi. The clause is not applicable to the Company.

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

**PLACE: DELHI
DATE : 24-MAY-2024**

**MAMRAJ AGARWAL
(PARTNER)
M.NO. 084944
UDIN :2408494944BKKJRC6478**

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, 2024 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 judgment, 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 authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**PLACE: DELHI
DATE : 24-MAY-2024**

**MAMRAJ AGARWAL
(PARTNER)
M.NO. 084944
UDIN :2408494944BKKJRC6478**



RUNGTA IRRIGATION LIMITED
Balance Sheet as at Mar 31, 2024

Amount in ₹ lakh

| Particulars | Note | As at Mar 31,2024 | As at March 31,2023 |
|--|------|----------------------|------------------------|
| ASSETS | | | |
| Non-current Assets | | | |
| Property, Plant and Equipment | 3.1 | 1,577.29 | 1,376.67 |
| Capital work in progress | 3.2 | - | - |
| Intangible Assets | 3.1 | - | - |
| Intangible Asset Under Development | 3.3 | 32.35 | 22.67 |
| Financial Assets | | | |
| (i) Investments | 4 | 1,393.64 | 1,392.36 |
| (ii) Others | 5 | 675.70 | 287.15 |
| Deferred tax assets (Net) | 6 | 44.85 | 45.13 |
| Total non-current assets(A) | | 3,723.83 | 3,123.98 |
| Current Assets | | | |
| Inventories | 7 | 1,496.73 | 1,609.34 |
| Financial Assets | | | |
| (i) Trade receivables | 8 | 4,524.37 | 3,345.35 |
| (ii) Cash and cash equivalent | 9 | 8.01 | 10.91 |
| (iv) Loans | 10 | 424.88 | 711.82 |
| (v) Others | 11 | 4.08 | 3.40 |
| Current Tax assets (Net) | 12 | 3.07 | 25.46 |
| Other current assets | 13 | 1,393.37 | 1,530.23 |
| Total Current assets(B) | | 7,854.51 | 7,236.51 |
| TOTAL ASSETS(A+B) | | 11,578.34 | 10,360.49 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 14 | 1,992.35 | 1,659.52 |
| Other equity | 15 | 6,696.35 | 6,024.29 |
| Total equity(A) | | 8,688.70 | 7,683.81 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| (i) Borrowings | 16 | 149.99 | 47.58 |
| (ia) Lease Liabilities | | - | - |
| (ii) Others | | - | - |
| Long term provisions | 17 | 52.55 | 46.60 |
| Deferred tax liabilities (Net) | 6 | - | - |
| Total non-current liabilities(B) | | 202.54 | 94.18 |
| Current liabilities | | | |
| Financial liabilities | | | |
| (i) Borrowings | 18 | 938.26 | 1,061.12 |
| (ia) Lease Liabilities | | - | - |
| (ii) Trade Payables | 19 | 446.80 | 324.65 |
| (iii) Others | 20 | 71.52 | 80.25 |
| Other current liabilities | 21 | 1,220.99 | 1,095.63 |
| Short term provisions | 22 | 9.53 | 20.85 |
| Total current liabilities(C) | | 2,687.10 | 2,582.50 |
| Total liabilities(B+C) | | 2,889.64 | 2,676.68 |
| TOTAL EQUITY AND LIABILITIES(A+B+C) | | 11,578.34 | 10,360.49 |

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

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

For and On Behalf of the Board

Mamraj Agarwal
Partner
Membership No.: 084944

Mahabir Prasad Rungta
Chairman Cum Managing Director
DIN-00235632

Shruti Rungta
Director
DIN-00229045

Place: New Delhi
Date: 24/05/2024
UDIN :2408494944BKKJRC6478

Swati Garg
Chief Financial Officer

Kanwal Ohri
Company Secretary

RUNGTA IRRIGATION LIMITED
Statement of Profit and Loss for the period ended Mar 31,2024

Amount in ₹ lakh

| Particulars | Note | For The | |
|---|------|-----------------------------|-----------------------------|
| | | Year Ended March 31,2024 | Year Ended March 31,2023 |
| Income: | | | |
| Revenue from Operations (Net) | 23 | 14,877.30 | 13,013.36 |
| Other income | 24 | 385.67 | 179.13 |
| Total Income (I) | | 15,262.97 | 13,192.49 |
| Expenses: | | | |
| Purchases of Stock in Trade | | 1,718.29 | 1,865.70 |
| Cost of Material Consumed | 25 | 8,223.14 | 7,410.09 |
| Changes in inventories of Finished Goods, Work in Progress and stock in Trade | 26 | (46.93) | 291.26 |
| Employee benefit expenses | 27 | 1,015.99 | 820.67 |
| Finance costs | 28 | 122.40 | 181.78 |
| Depreciation and Amortization | 29 | 199.78 | 153.59 |
| Other expenses | 30 | 3,268.97 | 2,068.49 |
| Total Expenses (II) | | 14,501.64 | 12,791.58 |
| Profit before Exception Items and Taxes (III)=(I)-(II) | | 761.33 | 400.91 |
| Less: Exceptional Items (IV) | | - | - |
| Profit before Tax (V) | | 761.33 | 400.91 |
| (I) Current tax expense for current year | | 193.23 | 104.92 |
| (II) Income tax related to previous year | | 3.15 | 2.39 |
| (III) Deferred tax | | (0.11) | (4.72) |
| Tax Expense (VI) | 31 | 196.27 | 102.59 |
| Profit for the period/ year (VII)= (V)-(VI) | | 565.06 | 298.32 |
| Other Comprehensive Income (OCI) (after tax) | | (3.66) | (0.30) |
| Total Comprehensive Income for the period/year, net of tax (VIII) | | 561.40 | 298.02 |
| Earning per equity share of ₹ 10 each | 32 | 1,992.35 | 1659.52 |
| - Basic | | 4.47 | 2.93 |
| - Diluted | | 4.47 | 2.93 |

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

As per our Report of even date

For Mamraj & Co.

CHARTERED ACCOUNTANTS

Firm Registration Number: 006396N

For and On Behalf of the Board

Mamraj Agarwal

Partner

Membership No.: 084944

Mahabir Prasad Rungta
Chairman Cum Managing Director
DIN-00235632

Shruti Rungta

Director

DIN-00229045

Place: New Delhi

Date: 24/05/2024

UDIN :2408494944BKKJRC6478

Swati Garg
Chief Financial Officer

Kanwal Ohri
Company Secretary

RUNGTA IRRIGATION LIMITED
Statement of Cash Flow for the year ended March 31,2024

Amount in ₹ lakh

| Particulars | For The | |
|---|--------------------------|--------------------------|
| | Year Ended March 31,2024 | Year Ended March 31,2023 |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit/ (Loss) before Exceptional items and Tax | 761.33 | 400.91 |
| Non-cash adjustments: | | |
| Depreciation and amortisation expenses | 199.78 | 153.59 |
| Interest Expense | 90.33 | 168.06 |
| Interest Income | (344.05) | (131.36) |
| Dividend Received | (0.03) | (0.06) |
| Loss/ (Gain) on Sale of Property,Plant and Equipment | (12.66) | (0.37) |
| Operating profit before working capital changes | 694.70 | 590.77 |
| Changes in working capital : | | |
| (Increase)/ Decrease in Inventories | 112.61 | 256.62 |
| (Increase)/Decrease in Trade Receivables | (1,179.02) | 333.06 |
| (Increase)/Decrease in Other receivables | 35.25 | (288.48) |
| Increase/(Decrease) in Trade Payables | 122.15 | 219.09 |
| Increase/(Decrease) in Other Liabilities | 106.73 | (65.09) |
| Cash generated from operations | (107.58) | 1,045.97 |
| Income tax (Refund)/ paid during the year | (173.99) | (134.42) |
| Net cash from operating activities (A) | (281.57) | 911.55 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Property,Plant and Equipment | (452.47) | (416.66) |
| Sale of Property,Plant and Equipment | 55.03 | 2.42 |
| Sale/(Purchase) of Investment | - | - |
| Dividend Received | 0.03 | 0.06 |
| Interest Received | 343.37 | 129.19 |
| Net cash from investing activities (B) | (54.04) | (284.99) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of share capital/application money | 443.48 | 773.91 |
| Interest paid on borrowings | (90.33) | (168.06) |
| Proceeds/(Repayment) of Borrowings | (20.45) | (1,231.37) |
| Net cash from financing activities (C) | 332.70 | (625.52) |
| Net increase in cash and cash equivalents (A+B+C) | (2.91) | 1.04 |
| Cash and cash equivalents at the beginning of the year | 10.91 | 9.87 |
| Cash and cash equivalents at the end of the year | 8.01 | 10.91 |

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

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

For and On Behalf of the Board

Mamraj Agarwal
 Partner
 Membership No.: 084944

Mahabir Prasad Rungta
 Chairman Cum Managing Director
 DIN-00235632

Shruti Rungta
 Director
 DIN-00229045

Place: New Delhi
 Date: 24/05/2024
 UDIN :2408494944BKKJRC6478

Swati Garg
 Chief Financial Officer

Kanwal Ohri
 Company Secretary

RUNGTA IRRIGATION LIMITED
Statement of Changes in Equity for the year ended 31 Mar, 2024

Amount in ₹ lakh

A. Equity Share Capital
Current Reporting Period (31-Mar-2024)

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in the equity share capital during the current year | Balance at the end of the current reporting period |
|--|--|---|---|--|
| 1,659.52 | - | - | 332.83 | 1,992.35 |

Previous Reporting Period (31-Mar-2023)

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in the equity share capital during the current year | Balance at the end of the current reporting period |
|--|--|---|---|--|
| 885.61 | - | - | 773.91 | 1,659.52 |

B. Other Equity

| Particulars | Reserves and Surplus | | | | Other Comprehensive Income | | Total |
|--|----------------------|-------------------|----------------------------|----------------------|--------------------------------|---------------------------------------|----------|
| | General Reserve # | Retained Earnings | Capital Redemption Reserve | Securities Premium ^ | Equity Instruments through OCI | Remeasurement of defined benefit Plan | |
| Balance as at April 1,2022 | 1198.03 | 1512.47 | 500.00 | 2469.37 | 29.00 | 17.40 | 5,726.27 |
| Profit for the year | - | 298.32 | - | - | - | - | 298.32 |
| Prior Period Exp | - | - | - | - | - | - | - |
| <u>Other Comprehensive Income</u> | - | - | - | - | - | - | - |
| -Defined Benefit Plan | - | - | - | - | - | -0.54 | (0.54) |
| -Fair Value Gain/(Loss) on investments | - | - | - | - | 0.24 | - | 0.24 |
| Total Comprehensive Income for the year | - | 298.32 | - | - | 0.24 | (0.54) | 298.02 |
| Balance as at March 31,2023 | 1,198.03 | 1,810.79 | 500.00 | 2,469.37 | 29.24 | 16.86 | 6,024.29 |
| Profit for the year | - | 565.06 | - | - | - | - | 565.06 |
| Received during the year | - | - | - | 110.66 | - | - | 110.66 |
| <u>Other Comprehensive Income</u> | - | - | - | - | - | - | - |
| -Defined Benefit Plan | - | - | - | - | - | (4.52) | (4.52) |
| -Fair Value Gain/(Loss) on investments | - | - | - | - | 0.86 | - | 0.86 |
| Total Comprehensive Income for the year | - | 565.06 | - | 110.66 | 0.86 | (4.52) | 672.06 |
| Balance as at Mar 31,2024 | 1,198.03 | 2,375.85 | 500.00 | 2,580.03 | 30.10 | 12.34 | 6,696.35 |

Notes :

General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by the transfer from one component of equity to another and is not an item of other comprehensive income; items included in the General Reserve will not be reclassified subsequently to profit or loss.

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

The above statement of changes in equity should be read in conception with the accompanying notes. This is the statement of changes in equity referred to in our report of even date.

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

For and On Behalf of the Board

Mamraj Agarwal
 Partner
 Membership No.: 084944

Mahabir Prasad Rungta
 Chairman Cum Managing Director
 DIN-00235632

Shruti Rungta
 Director
 DIN-00229045

Place: New Delhi
 Date: 24/05/2024
 UDIN :2408494944BKKJRC6478

Swati Garg
 Chief Financial Officer

Kanwal Ohri
 Company Secretary

Notes to the Financial Statements

1) Corporate Information

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

2) Significant Accounting Policies

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

2.1 Basis of Preparation

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

Historical Cost Conventions and Fair Value

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

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

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

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

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

Reporting Presentation Currency

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

2.2 Classification of Assets and Liabilities

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

2.3 Accounting Estimates & Judgements and key sources of estimation uncertainty

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

- Tangible fixed assets (estimate useful life);
- Intangible fixed assets (estimate useful life)
- Impairment testing (if and when applicable)
- Provision inventories (obsolescence / lower net realizable value)

- Provision for doubtful debts
- Provision for employee's post-employment benefits (actuarial assumptions)

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

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

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

Furthermore, the management believe that the net carrying amount of trade receivables is recoverable based on their past experience in the market and their assessment of the credit worthiness of debtors at 31st March 2024.

2.4 Operating Segments

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

2.5 Inventories

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

2.6 Property, Plant and Equipment

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

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

2.7 Intangible Assets

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

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

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

Amortization methods and estimated useful lives:

Software - 4-6 Years

2.8 Impairment of Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is 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 impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.9 Depreciation

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

Factory Buildings – 30 Years

Non Factory Buildings- 60 Years

Plant and Machinery – 10-15 Years

Furniture and Fixtures- 10 Years

Office Equipment- 5 Years

Computers- 3 Years

Vehicles- 6-8 Years

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

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

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

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

2.10 Financial Instruments

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

Financial Assets

(a) Initial recognition and measurement:

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

(b) Subsequent measurement:

For purposes of subsequent measurement financial assets are classified in two broad categories:

Financial assets at fair value

Financial assets at amortized cost

(c) Classification:

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

(d) Financial assets measured at amortized cost:

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely for payments of principal and interest. Such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. The losses arising from impairment are recognized in the Statement of profit and loss. This category generally applies to trade and other receivables.

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

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

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

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

(g) Derecognition of Financial assets:

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

(h) Impairment of Financial assets:

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

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

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

(b) Classification & Subsequent measurement:

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

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

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

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

(d) Derecognition of Financial Liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or

expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting financial instruments:

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

2.11 Cash and Cash Equivalents

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

2.12 Trade Receivables

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

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

2.13 Provisions

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

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

2.14 Employee Benefits

a) Short Term Obligations

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

b) Post-Employment Obligations

Defined contribution plans

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

Defined benefit plan

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in the Other Comprehensive Income in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized.

2.15 Revenue Recognition

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

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

(a) Sale of goods

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

(b) Interest income

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

(c) Rental Income

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

(d) Dividend

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

2.16 Income Taxes

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

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

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

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

2.17 Foreign currency transactions and translation

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

2.18 Borrowing Costs

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

2.19 Contingent Liability and Contingent Assets

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

2.20 Earnings per Share

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

2.21 Share Capital and Securities Premium Reserve

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

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

Notes to the Financial Statements for the period ended 31st Mar 2024
NOTE 3.1: PROPERT,PLANT & EQUIPMENT
Amount in ₹ lakh

| Particulars | Land | Building | Plant & Machinery | Vehicles | Furniture & Fixture | Office Equipment | Computer | Softwares | Total |
|-----------------------------------|---------------|---------------|-------------------|---------------|---------------------|------------------|--------------|-------------|-----------------|
| Gross Block | | | | | | | | | |
| Balance as at April 1, 2023 | 537.14 | 230.21 | 986.00 | 382.48 | 23.57 | 44.23 | 40.73 | 0.46 | 2,244.82 |
| Additions for the period | | | 332.99 | 85.76 | 3.29 | 7.38 | 13.37 | | 442.79 |
| Disposals | | | 30.40 | 11.98 | | | | - | 42.38 |
| Balance as at Mar 31, 2024 | 537.14 | 230.21 | 1,288.59 | 456.26 | 26.86 | 51.61 | 54.10 | 0.46 | 2,645.23 |
| Accumulated Depreciation | | | | | | | | | |
| Balance as at April 1, 2023 | - | 69.84 | 433.73 | 285.94 | 14.27 | 33.16 | 30.75 | 0.46 | 868.15 |
| Depreciation for the year | | 14.91 | 122.08 | 43.81 | 2.79 | 6.29 | 9.91 | - | 199.79 |
| Deductions/adjustments | | - | - | - | - | - | - | - | - |
| Balance as at Mar 31, 2024 | - | 84.75 | 555.81 | 329.75 | 17.06 | 39.45 | 40.66 | 0.46 | 1,067.94 |
| Net Carrying Value | | | | | | | | | |
| Balance as at March 31, 2023 | 537.14 | 160.37 | 552.27 | 96.54 | 9.30 | 11.07 | 9.98 | - | 1,376.67 |
| Balance as at Mar 31, 2024 | 537.14 | 145.46 | 732.78 | 126.51 | 9.80 | 12.16 | 13.44 | - | 1,577.29 |

NOTE 3.2: CAPITAL WORK IN PROGRESS

| Particulars | As at | |
|--------------------------|-----------|--------------|
| | 31-Mar-24 | 31-Mar-23 |
| Capital Work in Progress | - | 12.10 |
| Total | - | 12.10 |

CWIP Ageing Schedule:

| Particulars | Amount in CWIP for a period of | | | | |
|------------------------------|--------------------------------|----------|----------|------------------|--------------|
| | Less than 1 Yr | 1-2 yrs. | 2-3 yrs. | More than 3 yrs. | Total |
| Projectes in Progress | | | | | |
| As at 31-Mar-2024 | - | - | - | - | - |
| As at 31-Mar-2023 | 12.10 | | | | 12.10 |
| Total | 12.10 | - | - | - | 12.10 |

NOTE 3.3: INTANGIBLE ASSET UNDER DEVELOPMENT

| Particulars | As at | |
|------------------------------------|--------------|--------------|
| | 31-Mar-24 | 31-Mar-23 |
| Intangible asset under development | 32.35 | 22.67 |
| Total | 32.35 | 22.67 |

Intangible Asset under development Ageing Schedule:

| Particulars | Amount in IAUD for a period of | | | | |
|------------------------------|--------------------------------|--------------|--------------|------------------|--------------|
| | Less than 1 Yr | 1-2 yrs. | 2-3 yrs. | More than 3 yrs. | Total |
| Projectes in Progress | | | | | |
| As at 31-Mar-2024 | 9.68 | 6.19 | 13.27 | 3.21 | 32.35 |
| As at 31-Mar-2023 | 6.19 | 13.27 | 3.21 | - | 22.67 |
| Total | 15.87 | 19.46 | 16.48 | 3.21 | 55.02 |

NOTE 4 : INVESTMENTS

Amount in ₹ lakh, unless otherwise stated

| Particulars | Paid Up Value (Amt. in Rs.) | As at Mar 31,2024 | | As at Mar 31,2023 | |
|---|--------------------------------|---------------------|-----------------|---------------------|-----------------|
| | | No. of Shares | Amount | No. of Shares | Amount |
| Investment in Equity Instruments | | | | | |
| <i>I) Quoted (at Fair Value through OCI)</i> | | | | | |
| Caprihans Limited | 10 each | 10.00 | 0.02 | 10.00 | 0.01 |
| Finolex Industries Limited | 2 each# | 500.00 | 1.23 | 500.00 | 0.85 |
| Gammon India Limited | 2 each | 100.00 | - | 100.00 | - |
| Kingfa Science and Technologies (India) Limited | 10 each | 10.00 | 0.20 | 10.00 | 0.13 |
| Jindal Poly Films Limited | 10 each | - | - | - | - |
| Jindal Poly Investment and Finance Co. Limited | 10 each | 250.00 | 1.55 | 250.00 | 1.11 |
| Mcleod Russell India Limited | 10 each | 333.00 | 0.08 | 333.00 | 0.06 |
| Nilkamal Limited | 10 each | 100.00 | 1.71 | 100.00 | 1.75 |
| PIL ITA LICA Lifestyle Limited | 1 each* | 400.00 | 0.05 | 400.00 | 0.02 |
| Pearls Polymers Limited | 10 each | 100.00 | 0.03 | 100.00 | 0.02 |
| Reliance Communication Limited | 10 each | 2,000.00 | 0.04 | 2,000.00 | 0.03 |
| Padmini Tech limited | 10 each | 100.00 | - | 100.00 | - |
| Reliance Industries Limited | 10 each | - | - | - | - |
| Suzlon Energy Limited | 2 each | 1,000.00 | 0.40 | 1,000.00 | 0.08 |
| Unitech Limited | 2 each | 1,000.00 | 0.11 | 1,000.00 | 0.01 |
| Universe Photo Imagings Limited | | 250.00 | 0.83 | 250.00 | 0.90 |
| (A) | | 6,153.00 | 6.25 | 6,153.00 | 4.97 |
| <i>II) Unquoted (at Fair Value Through OCI)</i> | | | | | |
| Akshay Ispat Udyog Private Limited | 100 each | 27,500.00 | 27.50 | 27,500.00 | 27.50 |
| Sangam Aluminium Limited | 10 each | 13,200.00 | 0.39 | 13,200.00 | 0.39 |
| JISL irrigation Limited | 10 each | 18,400.00 | 4.62 | 18,400.00 | 4.62 |
| Manortha Distribution Private Limited | 10 each | 1,27,715.00 | 12.77 | 1,27,715.00 | 12.77 |
| Alchemist Aviation Private Limited | 10 each | 5,00,000.00 | 50.00 | 5,00,000.00 | 50.00 |
| Ramgarh Sponge Iron Private Limited | 10 each | 31,64,601.00 | 1,242.11 | 31,64,601.00 | 1,242.11 |
| Jharkhand Ispat Private Limited | 10 each | 5,00,000.00 | 50.00 | 5,00,000.00 | 50.00 |
| (B) | | 43,51,416.00 | 1,387.39 | 43,51,416.00 | 1,387.39 |
| Total (A) +(B) | - | 43,57,569.00 | 1,393.64 | 43,57,569.00 | 1,392.36 |

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

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

Amount in ₹ lakh

NOTE 5 : OTHER FINANCIAL ASSETS

| Particulars | As at | |
|--|---------------|---------------|
| | 31-Mar-24 | 31-Mar-23 |
| (Unsecured considered good, unless otherwise stated) | | |
| Security deposits | 120.48 | 105.32 |
| Balance with Banks | | |
| - In Fixed Deposits * | 555.22 | 181.83 |
| Total | 675.70 | 287.15 |

* Pledged with Bank as Margin Money

NOTE 6 : DEFERRED TAX ASSETS/LIABILITIES (NET)

| Particulars | As at | |
|---|--------------|--------------|
| | 31-Mar-24 | 31-Mar-23 |
| Deferred Tax Assets | 44.85 | 45.13 |
| Deferred Tax Liabilities | - | |
| Net deferred tax assets/ (liabilities) | 44.85 | 45.13 |

NOTE 7: INVENTORIES

| Particulars | As at | |
|--|-----------------|-----------------|
| | 31-Mar-24 | 31-Mar-23 |
| (Valued at lower of cost or net realisable value) | | |
| Raw Materials | 556.88 | 704.27 |
| Finished Goods/Semi Finished Goods/ Work in Progress | 880.82 | 833.89 |
| Stores and Spares | 59.03 | 71.18 |
| Total | 1,496.73 | 1,609.34 |

NOTE 8 : TRADE RECEIVABLES

| Particulars | As at | |
|-------------------------------------|-----------------|-----------------|
| | 31-Mar-24 | 31-Mar-23 |
| Unsecured, Considered Good | 4,524.37 | 3,345.35 |
| Unsecured, Considered Doubtful | - | - |
| | 4,524.37 | 3,345.35 |
| Less : Provision for Doubtful Debts | - | - |
| Total | 4,524.37 | 3,345.35 |

Trade Receivables Ageing Schedule:

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|--|--|-----------------|---------------|--------------|------------------|-----------------|
| | Less than 6 months | 6 months-1 yrs. | 1-2 yrs. | 2-3 yrs. | More than 3 yrs. | Total |
| As at March 31,2024 | | | | | | |
| (i) Undisputed Trade receivables-considered good | 3,552.03 | 471.49 | 437.74 | 27.10 | 9.38 | 4,497.74 |
| (ii) Disputed Trade receivables-considered good | - | - | 0.99 | - | 25.64 | 26.63 |
| Total | 3,552.03 | 471.49 | 438.73 | 27.10 | 35.02 | 4,524.37 |

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|--|--|-----------------|---------------|---------------|------------------|-----------------|
| | Less than 6 months | 6 months-1 yrs. | 1-2 yrs. | 2-3 yrs. | More than 3 yrs. | Total |
| As at March 31,2023 | | | | | | |
| (i) Undisputed Trade receivables-considered good | 2,545.14 | 237.90 | 145.18 | 222.16 | 152.73 | 3,303.11 |
| (ii) Disputed Trade receivables-considered good | - | - | - | - | 42.24 | 42.24 |
| Total | 2,545.14 | 237.90 | 145.18 | 222.16 | 194.97 | 3,345.35 |

Note 9 : CASH AND CASH EQUIVALENTS

| Particulars | As at | |
|---|-------------|--------------|
| | 31-Mar-24 | 31-Mar-23 |
| -Balance with banks in current accounts | 0.56 | 0.33 |
| -Cash in hand | 7.45 | 10.58 |
| Total | 8.01 | 10.91 |

NOTE 10: CURRENT LOANS

| Particulars | As at | |
|--|---------------|---------------|
| | 31-Mar-24 | 31-Mar-23 |
| (Unsecured considered good, unless otherwise stated) | | |
| Loan to Employees | 9.79 | 10.12 |
| Others | 415.09 | 701.70 |
| Total | 424.88 | 711.82 |

NOTE 11: OTHER FINANCIAL ASSETS

| Particulars | As at | |
|----------------------|-------------|-------------|
| | 31-Mar-24 | 31-Mar-23 |
| Interest accrued on: | | |
| Term deposits | 4.08 | 3.40 |
| Others | - | - |
| Total | 4.08 | 3.40 |

NOTE 12: CURRENT TAX ASSETS (NET)

| Particulars | As at | |
|---|-------------|--------------|
| | 31-Mar-24 | 31-Mar-23 |
| Advance Income Tax (Net of Provision for Tax) | 3.07 | 25.46 |
| Total | 3.07 | 25.46 |

NOTE 13: OTHER CURRENT ASSETS

| Particulars | As at | |
|-------------------------------------|-----------------|-----------------|
| | 31-Mar-24 | 31-Mar-23 |
| Unsecured, considered good: | | |
| Balance with Government Authorities | 986.58 | 801.91 |
| Prepaid Expenses | 4.28 | 7.25 |
| Advance for Capital Goods | 12.64 | 8.34 |
| Advance to Suppliers | 81.01 | 571.66 |
| Other | 272.96 | 105.17 |
| Insurance Claim Recoverable | 35.90 | 35.90 |
| Total | 1,393.37 | 1,530.23 |

NOTE 14 : SHARE CAPITAL

Amount in ₹ lakh, unless otherwise stated

| Particulars | 31-Mar-24 | | 31-Mar-23 | |
|--|-----------------------|-----------------|-----------------------|-----------------|
| | No. of shares | Amount | No. of shares | Amount |
| Authorised Share Capital | | | | |
| Equity Shares of ₹ 10 each | 2,00,00,000.00 | 2,000.00 | 2,00,00,000.00 | 2,000.00 |
| Total | 2,00,00,000.00 | 2,000.00 | 2,00,00,000.00 | 2,000.00 |
| Issued, Subscribed and Fully Paid Up | | | | |
| Equity Shares of ₹ 10 each | 1,99,21,783.00 | 1,992.18 | 88,56,100.00 | 885.61 |
| Issued, Subscribed and Partly Paid Up | | | | |
| Equity Shares of ₹ 7 each | 916.00 | 0.06 | 1,10,45,274.00 | 773.17 |
| Equity Shares of ₹ 3 each | 3,526.00 | 0.11 | 24,851.00 | 0.75 |
| Total | 1,99,26,225.00 | 1,992.35 | 1,99,26,225.00 | 1,659.52 |

The company has issued shares on right basis in proportion to 1:1.25 per share as per letter of offer dated 23/11/2022. Accordingly 11070125 no. of shares had been allotted on 21/12/2022 against which we had received Rs. 3 per share as application money. Later on the company opened the window for first call money @ Rs. 4 per share and in this we had received first call money on 11045274 no. of shares only. Later on we had received second call money @ Rs. 3 per share on 11037073 no. of shares. For balance shareholders, again window was opened and received amount for some balance shares. Now we had pending payment of first call money for 3526 shares and second call money for 916 shares.

a) Rights, Preferences and restrictions attached to shares

The company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

b) Reconciliation of Equity Share Capital

| Particulars | 31-Mar-24 | | 31-Mar-23 | |
|---|-----------------------|-----------------|-----------------------|-----------------|
| | No. of shares | Amount | No. of shares | Amount |
| Shares outstanding at the beginning of the year | 1,99,26,225.00 | 1,659.52 | 88,56,100.00 | 885.61 |
| Shares issued during the year | | 332.82 | 1,10,70,125.00 | 773.91 |
| Share outstanding at the end of the year | 1,99,26,225.00 | 1,992.35 | 1,99,26,225.00 | 1,659.52 |

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

| Name of Shareholder | 31-Mar-24 | | 31-Mar-23 | |
|---|-----------------------|--------------|-----------------------|--------------|
| | Number of shares held | % of holding | Number of shares held | % of holding |
| Gladiolus Finance Consultants Pvt. Ltd. | 31,49,771 | 15.81% | 31,49,771 | 15.81% |
| Samara Realty Pvt Ltd | 40,82,583 | 20.49% | 40,82,583 | 20.49% |
| Manoratha Distributor Pvt Ltd | 12,80,566 | 6.43% | 12,80,566 | 6.43% |
| Mr. Mahabir Prasad Rungta | 34,27,966 | 17.20% | 34,26,866 | 17.20% |
| Mrs. Priya Rungta | 20,67,616 | 10.38% | 20,67,616 | 10.38% |
| Mrs. Shruti Rungta | 13,00,748 | 6.53% | 13,00,748 | 6.53% |
| Mrs. Urmila Rungta | 12,75,313 | 6.40% | 12,75,313 | 6.40% |

| Shares held by promoter at the end of the year | 31-Mar-24 | | 31-Mar-23 | | % change during the year |
|--|-----------------------|--------------|-----------------------|--------------|--------------------------|
| | Number of shares held | % of holding | Number of shares held | % of holding | |
| Mr. Mahabir Prasad Rungta | 34,27,966 | 17.20% | 34,26,866 | 17.20% | 0.01% |
| Mrs. Priya Rungta | 20,67,616 | 10.38% | 20,67,616 | 10.38% | 0.00% |
| Mrs. Shruti Rungta | 13,00,748 | 6.53% | 13,00,748 | 6.53% | 0.00% |
| Mrs. Urmila Rungta | 12,75,313 | 6.40% | 12,75,313 | 6.40% | 0.00% |



| | | | | | |
|---------------------|----------|-------|----------|-------|--------|
| Nand Kishore Rungta | 1,42,800 | 0.72% | 1,42,800 | 0.72% | 0.00% |
| Ram Chandra Rungta | 34,200 | 0.17% | 34,200 | 0.17% | 0.00% |
| Meenakshi Rungta | - | 0.00% | 1,100 | 0.01% | -0.01% |

NOTE 15: OTHER EQUITY

| Particulars | As at | |
|----------------------------|-----------------|-----------------|
| | 31-Mar-24 | 31-Mar-23 |
| Capital Redemption Reserve | 500.00 | 500.00 |
| Securities Premium | 2,580.03 | 2,469.37 |
| General Reserve | 1,198.03 | 1,198.03 |
| Retained Earnings | 2,375.85 | 1,810.79 |
| Other Comprehensive Income | 42.44 | 46.10 |
| Total | 6,696.35 | 6,024.29 |

NOTE 16: NON-CURRENT BORROWINGS

| Particulars | As at | |
|--|---------------|--------------|
| | 31-Mar-24 | 31-Mar-23 |
| At Amortised Cost | | |
| Term Loans(secured) | | |
| Indian rupee loan from Bank (refer note a and b below) | 200.23 | 155.21 |
| Less: Amount disclosed under the head other current financial liabilities 'Current Maturities of Long Term Debt' | (50.24) | (107.63) |
| Total | 149.99 | 47.58 |

a. Term Loan

India Rupee loan from bank comprises of loans having interest in the range of 8.00% p.a. to 8.50 % p.a.

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

b. Loans against movable assets hypothecated for vehicles carries an interest rate of 6.64% to 8% p.a.

NOTE 17: LONG TERM PROVISIONS

Amount in ₹ lakh

| Particulars | As at | |
|------------------------|--------------|--------------|
| | 31-Mar-24 | 31-Mar-23 |
| Provision for Gratuity | 52.55 | 46.60 |
| Grand Total | 52.55 | 46.60 |

NOTE 18: SHORT-TERM BORROWINGS

| Particulars | As at | |
|--|---------------|-----------------|
| | 31-Mar-24 | 31-Mar-23 |
| Secured | | |
| Loans repayable on demand from Banks (Refer Note) | - | - |
| Current Maturities of Long Term Debt (Refer Note 16)(from Banks) | 888.02 | 248.05 |
| | 50.24 | 107.63 |
| Unsecured | | |
| Loans from Related Parties | - | 705.44 |
| Other | - | - |
| Total | 938.26 | 1,061.12 |

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

NOTE 19: TRADE PAYABLES

| Particulars | As at | |
|--|---------------|---------------|
| | 31-Mar-24 | 31-Mar-23 |
| Total outstanding dues to micro enterprises and small enterprises | 208.90 | 67.36 |
| Total outstanding dues to other than micro enterprises and small enterprises | 237.90 | 257.29 |
| TOTAL | 446.80 | 324.65 |

Trade Payable Ageing Schedule:

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|--|-------------|-------------|------------------|---------------|
| | Less than 1 Yr | 1-2 yrs. | 2-3 yrs. | More than 3 yrs. | Total |
| As at March 31,2024 | | | | | |
| (a) Micro, small and medium enterprises | 208.90 | - | - | - | 208.90 |
| (b) Others | 232.16 | 5.58 | 0.16 | - | 237.90 |
| Total | 441.06 | 5.58 | 0.16 | - | 446.80 |

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|--|-------------|-------------|------------------|---------------|
| | Less than 1 Yr | 1-2 yrs. | 2-3 yrs. | More than 3 yrs. | Total |
| As at March 31,2023 | | | | | |
| (a) Micro, small and medium enterprises | 67.36 | - | - | - | 67.36 |
| (b) Others | 254.02 | 1.54 | 1.73 | - | 257.29 |
| Total | 321.38 | 1.54 | 1.73 | - | 324.65 |

NOTE 20: OTHER FINANCIAL LIABILITIES

| Particulars | As at | |
|-------------------------------|--------------|--------------|
| | 31-Mar-24 | 31-Mar-23 |
| Unpaid Dividend ^{^^} | 15.05 | 15.05 |
| Security Deposits | 56.47 | 65.20 |
| TOTAL | 71.52 | 80.25 |

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

NOTE 21 :OTHER CURRENT LIABILITIES

| Particulars | As at | |
|------------------------------------|-----------------|-----------------|
| | 31-Mar-24 | 31-Mar-23 |
| Statutory Remittances | 27.52 | 30.35 |
| Advances from customers and others | 263.39 | 260.47 |
| Employee related payables | 180.12 | 112.53 |
| Expense payable | 743.41 | 687.75 |
| Other payables | 6.55 | 4.53 |
| Total | 1,220.99 | 1,095.63 |

NOTE 22: SHORT-TERM PROVISIONS

| Particulars | As at | |
|---|-------------|--------------|
| | 31-Mar-24 | 31-Mar-23 |
| Provision for Gratuity | 9.53 | 20.85 |
| Provision for Income Tax (Net of Advance Tax) | | |
| Grand Total | 9.53 | 20.85 |

NOTE 23: REVENUE FROM OPERATIONS

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|-------------------------|------------------------------|------------------------------|
| Sale of Products | | |
| Finished Goods: | | |
| Within India | 14,848.30 | 13,013.36 |
| Outside India | 29.00 | - |
| Total | 14,877.30 | 13,013.36 |

NOTE 24 :OTHER INCOME

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Interest Income | 344.05 | 131.36 |
| Dividend Received | 0.03 | 0.06 |
| Profit on Sale of Property, Plant & Equipment | 12.66 | 0.37 |
| Gain on Financial Asset measured on Fair value through P&L | 3.39 | 3.97 |
| Advance written back | 24.96 | 20.54 |
| Miscellaneous Income | 0.58 | 22.83 |
| Total | 385.67 | 179.13 |

Note 25 : COST OF MATERIALS CONSUMED

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|-------------------------------------|------------------------------|------------------------------|
| Opening Stock of Raw Material | 704.27 | 702.69 |
| Add: Purchases of Raw Material | 8,075.75 | 7411.67 |
| Less: Closing Stock of Raw Material | 556.88 | 704.27 |
| Total | 8,223.14 | 7,410.09 |

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

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| As at the end of the reporting period/year | | |
| Finished Goods | 880.82 | 833.89 |
| Work in Progress | - | - |
| Total (A) | 880.82 | 833.89 |
| As at the beginning of the reporting period/year | | |
| Finished Goods | 833.89 | 1,047.00 |
| Work in Progress | - | 78.15 |
| Total (B) | 833.89 | 1,125.15 |
| Total (B-A) | (46.93) | 291.26 |

NOTE 27: EMPLOYEE BENEFIT EXPENSE

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Salaries and wages | 819.84 | 731.16 |
| Contribution to provident and other funds | 28.38 | 29.91 |
| Gratuity expense | 13.51 | 12.37 |
| Staff welfare expenses | 154.26 | 47.23 |
| Total | 1,015.99 | 820.67 |

NOTE 28: FINANCE COSTS

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|-----------------------|------------------------------|------------------------------|
| Interest Expense | 90.33 | 168.06 |
| Others (Bank Charges) | 32.07 | 13.72 |
| Total | 122.40 | 181.78 |

NOTE 29: DEPRECIATION AND AMORTISATION EXPENSES

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|------------------------------|------------------------------|------------------------------|
| Propert, Plant and Equipment | 199.78 | 153.59 |
| Total | 199.78 | 153.59 |

NOTE 30: OTHER EXPENSES

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---------------------------------|------------------------------|------------------------------|
| Consumable Stores | 165.33 | 120.11 |
| Power and Fuel | 382.12 | 302.11 |
| <u>Repairs and Maintenance:</u> | | |
| Plant & Machinery | 51.03 | 28.43 |
| Buildings | 38.49 | 0.96 |
| Others | 32.67 | 11.71 |
| Other Manufacturing expenses | 62.86 | 45.00 |
| Auditors Remuneration | 5.15 | 5.02 |
| Carriage Outwards | 555.45 | 488.48 |
| Sales Promption | 16.69 | 4.90 |
| Electricity & Water Expenses | 16.86 | 20.04 |
| Insurance Charges | 7.07 | 6.52 |
| Legal & Professional Charges | 104.30 | 49.60 |

| | | |
|--|-----------------|-----------------|
| Telephone & Internet Expenses | 6.22 | 4.73 |
| Rent Expenses | 86.16 | 70.04 |
| Rates and taxes | 4.77 | 0.97 |
| Installation Expenses | 0.16 | 2.44 |
| Donation | 0.15 | 1.01 |
| Commission to selling agents | 814.89 | 572.75 |
| Travelling & Conveyance Expenses | 106.37 | 77.96 |
| Festival Expenses | 1.59 | 1.30 |
| Vehicle Running & Maintenance | 19.55 | 20.06 |
| Inspection/Testing Exp | 50.54 | 48.42 |
| Selling & Distribution Exp | 273.32 | 123.79 |
| Loss on foreign currency transactions (net) | 0.03 | 20.20 |
| Miscellaneous Expenses | 68.72 | 33.05 |
| Printing & Stationery | 8.31 | 8.89 |
| Bad Debts Written Off (Net of write back of liabilities) | 390.17 | 0.00 |
| Total | 3,268.97 | 2,068.49 |

Remuneration to Auditor's comprises:

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| <u>To Statutory Auditors</u> | | |
| For Audit (including quarterly reviews) | 3.50 | 3.50 |
| For Taxation Matters | 1.50 | 1.50 |
| Other Services | - | 0.10 |
| Total | 5.00 | 5.10 |

Note 31: Tax Expenses

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Income Tax | | |
| Current Tax on profits for the year | 193.23 | 104.92 |
| Adjustments for current tax of prior periods | 3.15 | 2.39 |
| Total current tax expense (A) | 196.38 | 107.31 |
| Deferred Tax | | |
| (Decrease) / increase in deferred tax liabilities | (0.11) | (4.72) |
| Total deferred tax expense/(benefit) (B) | (0.11) | (4.72) |
| Total | 196.27 | 102.59 |

Reconciliation of Tax expense and the accounting profit multiplied by India's Tax Rate:

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Profit before Income Tax expenses | 761.33 | 400.91 |
| Enacted Tax Rates in India | 25.168% | 25.168% |
| Computed Expected Income Tax Expense | 191.61 | 100.90 |
| Effect of Expenses Disallowed | 11.61 | 3.92 |
| Deductions | (9.99) | 0.10 |
| Income tax expense recognized in statement of profit and loss | 193.23 | 104.92 |

Note 32: Earning Per Share

| | Particulars | For the year ended Jun 30,2023 | For the year ended March 31,2023 |
|--------------------|--|--------------------------------------|--|
| (a) Basic | | | |
| | Profit for the year attributable to owners of the company (Amount in Rs.) | 565.06 | 298.32 |
| | Weighted average number of shares outstanding at the beginning of the year | 1,99,26,225 | 88,56,100 |
| | Add: Weighted average number of shares issued during the year | - | ##### |
| | Weighted average number of shares used to compute basic earning per share | 1,99,26,225 | 1,01,89,628 |
| | Basic earnings per share of Rs.10/- each (March 31,2024: Rs. 10/- each) | 4.47 | 2.93 |
| (b) Diluted | | | |
| | Profit for the year attributable to owners of the company (Amount in Rs.) | 565.06 | 298.32 |
| | Weighted average number of shares outstanding at the end of the year | 1,99,26,225 | 1,01,89,628 |
| | Diluted earnings per share of Rs.10/- each (March 31,2024: Rs. 10/- each) | 4.47 | 2.93 |

The company does not have any potential equity shares and thus, weighted average number of shares for computation of basic EPS and diluted EPS remains same.

Note 33: Fair Value Measurements
33.1 Financial instruments by category

| Particulars | As at 31 March 2024 | | | As at 31 March 2023 | | |
|-------------------------------------|---------------------|----------|-----------------|---------------------|----------|-----------------|
| | FVTPL | FVTOCI | Amortized Cost | FVTPL | FVTOCI | Amortized Cost |
| Financial assets | | | | | | |
| Investments | | | | | | |
| Quoted Equity Shares | 6.25 | - | - | 4.97 | - | - |
| Un-Quoted Equity Shares | - | - | 1,387.39 | - | - | 1,387.39 |
| Other non-current financial assets | - | - | 675.70 | - | - | 287.15 |
| Trade receivables | - | - | 4,524.37 | - | - | 3,345.35 |
| Cash and cash equivalents | - | - | 8.01 | - | - | 10.91 |
| Loans & Advances | - | - | 424.88 | - | - | 711.82 |
| Other current financial assets | - | - | 4.08 | - | - | 3.40 |
| Total Financial Assets | 6.25 | - | 7,024.43 | 4.97 | - | 5,746.02 |
| Financial liabilities | | | | | | |
| Borrowings | - | - | 149.99 | - | - | 47.58 |
| Short terms borrowings | - | - | 938.26 | - | - | 1,061.12 |
| Trade payables | - | - | 446.80 | - | - | 324.65 |
| Other current financial liabilities | - | - | 71.52 | - | - | 80.25 |
| | - | - | 1,606.57 | - | - | 1,513.60 |

33.2 Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments.

- (a) To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

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

| As at 31-March-2024 | Level 1 | Level 2 | Level 3 |
|---|-------------|----------|-----------------|
| Financial assets | | | |
| Financial Investments at FVTPL | | | |
| Quoted Equity Shares | 6.25 | - | - |
| Financial Investments at Amortized Cost | | | |
| Unquoted Equity Shares | - | - | 1,387.39 |
| Total Financial Assets | 6.25 | - | 1,387.39 |

| As at 31-March-2023 | Level 1 | Level 2 | Level 3 |
|---|-------------|----------|-----------------|
| Financial assets | | | |
| Financial Investments at FVTPL | | | |
| Quoted Equity Shares | 4.97 | - | - |
| Financial Investments at Amortized Cost | | | |
| Unquoted Equity Shares | - | - | 1,387.39 |
| Total Financial Assets | 4.97 | - | 1,387.39 |

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year

(b) **Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

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.

(c) **Fair value estimation**

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.

The following summarizes the major methods and assumptions used in estimating the fair values of financial instruments.

Interest-bearing borrowings

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.

Trade and other receivables / payables

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.

Other long term receivables

These receivables are regularly reviewed and adjusted for impairment losses. Therefore, management considers the carrying amount of these receivables to approximate fair value.

(d) **Valuation process**

The accounts & 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).

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.

The main level 3 inputs for unlisted equity securities, contingent considerations and indemnification asset used by the Company are derived and evaluated as follows:

- 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.
- 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.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analyzed at the end of each reporting period during the quarterly valuation discussion between the CFO, AC and the valuation team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

Note 34: Financial risk management

(a) **Risk management framework**

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.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(b) **Credit risk**

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.

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.

Trade and other receivables

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 2024 aggregates Rs 4524.37 lacs (Previous year ended 31st March 2023 Rs 3345.35 Lacs). The Company reviews for any required allowance for impairment that represents its expected credit losses in respect of trade receivables.

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.

(c) **Liquidity Risk**

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.

Further, the Company continues to maintain enough liquidity buffer to meet additional demands that may emerge on account of COVID-19 crisis.

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.

Rs in Lacs

| Particulars | Carrying Amounts | Contractual cash flows | | | | |
|---|------------------|------------------------|---------------|--------------|---------------|-------------------|
| | 31-Mar-24 | Total | 0 to 1 years | 1 to 2 years | 2 to 5 years | More than 5 Years |
| Non-derivative financial liabilities | | | | | | |
| Borrowings | 149.99 | 149.99 | - | 39.72 | 110.27 | - |
| Short term borrowings | 938.26 | 938.26 | 938.26 | - | - | - |
| Total non-derivative liabilities | 1,088.25 | 1,088.25 | 938.26 | 39.72 | 110.27 | - |

| Particulars | Carrying Amounts | Contractual cash flows | | | | |
|---|------------------|------------------------|-----------------|--------------|--------------|-------------------|
| | 31-Mar-23 | Total | 0 to 1 years | 1 to 2 years | 2 to 5 years | More than 5 Years |
| Non-derivative financial liabilities | | | | | | |
| Borrowings | 47.58 | 47.58 | - | 23.26 | 24.32 | - |
| Short term borrowings | 1,061.12 | 1,061.12 | 1,061.12 | - | - | - |
| Total non-derivative liabilities | 1,108.70 | 1,108.70 | 1,061.12 | 23.26 | 24.32 | - |

(d) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements can not be normally predicted with reasonable accuracy.

(e) Currency risk

The Company's functional currency in Indian Rupees (INR). The Company undertakes transactions denominated in the foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports, primarily in relation to raw material. The Company is exposed to exchange rate risk under its trade and debt portfolio.

Exposure to currency risk

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 :

| Nature | Cross Currency | As at 31st March 2024 | | As at 31st March 2023 | |
|------------------------------|----------------|-----------------------|------------------|-----------------------|------------------|
| | | Foreign Currency | INR (In Lacs) | Foreign Currency | INR (In Lacs) |
| Financial Liabilities | | | | | |
| Trade and Other Payables | USD : INR | 668031 | 557.30 | 277200 | 227.91 |
| Financial Assets | | | | | |
| Advance to Supplier | USD : INR | 10100 | 8.34 | - | - |

(f) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in INR.

| Particulars | As at | As at |
|--------------------------|-----------------|-----------------|
| | 31st Mar 24 | 31st Mar 23 |
| Variable rate borrowings | 938.26 | 1,061.12 |
| Fixed rate borrowings | 200.23 | 155.21 |
| Total Boorowings | 1,138.49 | 1,216.33 |

As at the end of the reporting period, the company had the following variable rate borrowings outstanding:

| Particulars | Balance | % of total loans |
|--|---------|------------------|
| As at 31st March 2024 | | |
| Bank overdrafts, bank loans, cash credit | 888.02 | 78.00% |
| Loan from related parties | - | 0.00% |
| As at 31st March 2023 | | |
| Bank overdrafts, bank loans, cash credit | 248.05 | 20.39% |
| Loan from related parties | 705.44 | 58.00% |

Note 35: Income Tax

| | Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|------|---|---------------------------------------|---------------------------------------|
| 35.1 | Income Tax Expenses recognised in Statement of Profit and Loss | | |
| | Current income tax expense for the year | 193.23 | 104.92 |
| | Income tax related to previous year | 3.15 | 2.39 |
| | Deferred income tax (benefit)/expense for the year | -0.11 | -4.72 |
| | MAT Credit Entitlement | - | - |
| | Total Income tax expense recognised in statement of profit and loss for the year | 196.27 | 102.59 |

| | | | |
|-------------|--|---------------|---------------|
| | Reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of comprehensive income | | |
| | Income before income taxes | 761.33 | 400.91 |
| | Indian Statutory Income tax Rate | 25.168 | 25.168 |
| 35.2 | Estimated income tax expenses | 191.61 | 100.90 |
| | Tax effects of adjustments to reconcile expected income tax expense to reported income tax expense: | | |
| | Effect of Expenses disallowed | 11.61 | 3.92 |
| | Deductions | -9.99 | 0.1 |
| | Others | - | 0 |
| | | 193.23 | 104.92 |

Note 36: Capital Management

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 liabilities) in proportion to Total Equity.

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|------------------------|-----------------------|-----------------------|
| Debt to Equity Ratio : | 0.33 | 0.35 |

Note 37: Contingent Liabilities:
37.01 Contingent Liabilities (Bank Guarantee & Legal cases) :

The company has given counter guarantee to the bankers against guarantees issued by Banks on behalf of the company amounting to Rs.1434.98 Lacs (Previous Year: Rs. 855.97 Lacs). The liability may arise in case of failure in supply of material or malfunctioning of products supplied by the Company.

37.02 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. 91.54/-lacs (previous year Rs.106.22/- lacs.)

37.03 Income Tax Cases

Year wise details of demands alongwith their assessment status is as under:-

| Assessment Year | Demand (Rs.) | Status |
|-----------------|--------------|---|
| 2012-13 | 2,94,05,867 | Pending before CIT (A) |
| 2013-14 | 76,12,768 | |
| 2014-15 | 91,03,196 | |
| 2015-16 | 8,27,32,941 | |
| 2016-17 | 84,48,225 | |
| 2017-18 | 19,97,040 | Demand is under dispute for verification. |
| 2018-19 | 1,070 | |

The company has reviewed all its pending litigations and proceedings and no provision has been considered necessary since the company does not expect the outcome of these proceedings to have a materially effect on financial statements.

Note 38: Capital & other Commitments:

Capital Commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Nil (31 March, 2023: Nil)

Note 39: Related Party Transactions:
Details of related parties:
(a) Key Managerial Personnel:

| Name | Designation |
|--|--------------------------------|
| Mr. Mahabir Prasad Rungta | Chairman Cum Managing Director |
| Mr. Tarun Kumar Megotia | Whole Time Director |
| Ms. Shruti Rungta | Whole Time Director |
| Mr. Bajrang Bardia | Chief Executive Officer |
| Ms. Swati Garg | Chief Financial Officer |
| Ms. Ayushi Vijay* | Company Secretary |
| Mr. Kanwal Ohri | Company Secretary |
| | |
| * Ms. Ayushi Vijay has relinquished office on 12-Feb-2024. | |
| * Mr. Kanwal Ohri has joined office on 29-Apr-2024. | |

(b) Relatives of Key Managerial Personnel:

| Name | Relation |
|-----------------------|------------------------------|
| Mrs. Urmila Rungta | Wife of Mr. MP Rungta |
| Mrs. Sweta Rasiwasia | Daughter of Mr. MP Rungta |
| Mrs. Priya Rungta | Daughter of Mr. MP Rungta |
| Mrs. Jyoti Rungta | Daughter of Mr. MP Rungta |
| Mrs. Namrata Megotia | Wife of Mr. Tarun Megotia |
| Mr. Aditya Rasiawasia | Son-in-law of Mr. MP Rungta |
| Mr. Gaurav Jain | Husband of Ms. Shruti Rungta |
| Mr. Samrat Jain | Son-in-law of Mr. MP Rungta |
| Mr. Ankur Gupta | Son-in-law of Mr. MP Rungta |

(c) Entities where Directors/Relatives of Directors have control/significant influence:

| |
|--|
| Jisl Irrigation Private Limited |
| Ramgarh Sponge Iron Private Limited |
| Rungta Irrigation Systems Pvt Limited |
| Global Earthmovers Private Limited |
| Kalinga Power Corporation Private Limited |
| Manorath Distributors Private Limited |
| Shriram Power & Steel Private Limited |
| Samara Reality Private Limited |
| Alchemist Aviation Private Limited |
| MP Homes Private Limited |
| Vaishnodevi Vinimay Private Limited |
| Deserve Deal Trade Private Limited |
| Gladious Finance Consultants Private Limited |
| Gladious Mercantile Private Limited |
| Gladious Stock Management Private Limited |
| Nextgen Vincom Private Limited |
| Sangini Suppliers Private Limited |
| Depose Vintrade Private Limited |
| Wax India Specialties LLP |
| DBS Building Products Private Limited |
| Akshay Ispat Udyog Private Limited |
| Arvind Construction Private Limited |
| Arvind Medicare Private Limited |
| Arvind Overseas Project Services Private Limited |
| Chanderi Wax Specialities Private Limited |

2 Following transactions were carried out with related parties in the ordinary course of business:

| Particular of Transaction | As at 31st March 2024 | | | As at 31st March 2023 | | |
|---------------------------|--|-------------------------------------|---|---|-------------------------------------|---|
| | Company/ Firm in Which Director and Their Relatives Are Interested | Directors and their Relatives | Key Management Personnel & Relatives | Company/ Firm in Which Director and Their Relatives Are Interested | Directors and their Relatives | Key Management Personnel & Relatives |
| Sale | 131.74 | - | - | - | - | - |
| Purchase | 23.48 | - | - | - | 24.75 | - |

| | | | | | | |
|------------------------------------|--------|----------|-------|----------|----------|-------|
| Director Remuneration | - | 35.35 | - | - | 31.55 | - |
| Advance for Material | 155.00 | - | - | - | - | - |
| Rent Paid | 4.80 | 51.60 | - | 4.80 | 25.50 | - |
| Rent Received | - | - | - | - | - | - |
| Loan Taken | 192.50 | - | - | 1,569.00 | 32.75 | - |
| Repayment of Loan | 925.45 | - | - | 2713.86 | 32.75 | - |
| Interest Paid | 30.57 | - | - | 118.99 | - | - |
| Loan Given | - | - | - | 170.00 | - | - |
| Receipt of Loan | - | - | - | 170.00 | - | - |
| Reimbursement of Exp | -0.65 | 2.53 | 4.27 | 3.31 | 1.87 | 2.50 |
| Board Sitting Fee | - | 1.86 | - | - | 1.02 | - |
| Salary | - | 51.54 | 49.76 | - | 24.62 | 39.85 |
| Balance As At 31.03.2024 | - | - | - | - | -705.44 | - |
| Receivable | - | - | - | - | - | - |
| (Payable) | - | - | - | - | -705.44 | - |
| Investment As At 31.03.2024 | - | 1,387.39 | - | - | 1,387.39 | - |

Note 40: Employee Benefits Plan
(A) Defined Contribution Plans

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

During the year, the Company has recognized the following amounts towards defined contribution plan in the Statement of Profit and Loss -

| Particulars | For the year ended March 31,2024 | For the year ended March 31,2024 |
|---|-------------------------------------|-------------------------------------|
| Employer's Contribution to Provident Fund | 28.38 | 29.91 |

Included in 'Contribution to provident and other funds' under Employee Benefits Expense (Refer Note 27)

(B) Defined Benefit Plans
(a) Description of the employee Benefit Plan

The company has an obligation towards gratuity, unfunded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days/ one month salary, as applicable, payable for each completed year of service or part thereof in excess of six months in terms of Gratuity scheme of the company or as per payment of Gratuity Act, whichever is higher. Vesting occurs upon completion of five years of service

(b) Risk exposure
Investment Risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount risk which is determined by reference to market yields at the end of the reporting period on government bonds. Currently, for the plan in India, it has relatively balanced mix of investments in Insurance related products.

Interest Rate Risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt .

Longevity Risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability

Salary Risk

"The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. No other post-retirement benefits are provided to the employees. In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31,2024 by an actuary."

(c) Details as per actuarial valuation are as follows:

| | Particulars | As at 31st March 2024 | As at 31st March 2023 |
|------|--|--------------------------|--------------------------|
| i. | Change in defined benefit obligation | | |
| | A. Present Value of Obligation as at the beginning of the year | 122.63 | 117.11 |
| | B. Current Service cost | 10.96 | 10.6 |
| | C. Interest Cost | 6.58 | 6.26 |
| | D. Benefit Paid | -47.96 | -15.79 |
| | E. Actuarial (Gain)/Loss | -1.24 | 4.45 |
| | F. Past service cost including curtailment Gains/loss | - | - |
| | G. Present defined Value of obligation (G=A+B+C+D+E+F) | 90.97 | 122.63 |
| ii. | Change in Fair Value of Plan Assets | | |
| | A. Present Value of Obligation as at the beginning of the year | 55.18 | 62.10 |
| | B. Interest Income | 4.03 | 4.49 |
| | C. Actual Company contribution | 21.62 | 2.59 |
| | D. Benefit Paid from fund | -46.16 | -14.00 |
| | E. Actuarial (Gain)/Loss | -5.78 | - |
| | F. Past service cost including curtailment Gains/loss | - | - |
| | G. Present Value of obligation (G=A+B+C+D+E+F) | 28.89 | 55.18 |
| iii. | Net Liability recognised in Balance Sheet | 62.07 | 67.45 |
| | Recognized Under: | | |
| | Short Term Provision | 9.53 | 20.85 |
| | Long Term Provision | 52.55 | 46.60 |
| iv. | Expense Recognised in the Profit and Loss Account | | |
| | A. Current Service Cost | 10.96 | 10.60 |
| | B. Net Interest Cost | 2.55 | 1.77 |
| | C. Remeasurement - Actuarial (Gain)/Loss | - | - |
| | D. Past Service Cost including curtailment Gains/Losses | - | - |
| | E. Net Charge (A+B+C+D) | 13.51 | 12.37 |
| v. | Principal Actuarial Assumptions | | |
| | A. Discount Rate (P.A.) | 7.09% | 7.30% |
| | B. Salary Escalation Rate (P.A.) | 5% | 5% |
| vi. | Demographic Assumptions | | |
| | 1. Retirement Age | 58 Years | 58 Years |
| | 2. Mortality Rate | IALM (2012-14) Ultimate | IALM (2012-14) Ultimate |
| | 3. Ages | Withdrawal Rate (%) | Withdrawal Rate (%) |
| | Upto 30 Years | 5 | 5 |
| | From 31 to 44 Years | 3 | 3 |
| | Above 44 Years | 2 | 2 |

Note 41: Turnover, Opening and Closing Stock of Finished Goods

| a. | Particulars | Units | 2023-24 | | 2022-23 | |
|----|--------------------------------|-------|-----------|------------------|-------------|------------------|
| | | | Qty. | Rs. In Lacs | Qty. | Rs. In Lacs |
| | Aluminium Pipes | NOS | 112 | 2.15 | 404 | 6.53 |
| | HDPE Pipes | NOS | 12,56,867 | 4,105.51 | 1,96,135 | 1,245.21 |
| | PVC Pipes | NOS | 4,83,130 | 1772.26 | 2,37,648 | 1317.11 |
| | HDPE Coils | MTR | 7,28,223 | 749.76 | 2,12,524 | 141.74 |
| | MDPE Coils | MTR | 24,19,729 | 3465.09 | 41,28,925 | 4463.24 |
| | LLDPE Coils | MTR | 33,12,542 | 507.59 | 1,16,16,509 | 1577.94 |
| | Accessories, Fittings & Other | | | 4,274.94 | | 4,261.59 |
| | Total | | | 14,877.30 | | 13,013.36 |
| | Trading Goods (Coal & Other) | | | - | | - |
| | Gross Total | | | 14,877.30 | | 13,013.36 |

| | | | | | | |
|-----------|---------------------------------|-----|-----------|-----------------|-----------|-----------------|
| b. | Opening Stock | | | | | |
| | Aluminium Pipes | NOS | 469 | 2.93 | 392 | 5.29 |
| | HDPE Pipes | NOS | 36,146 | 112.93 | 31,984 | 170.00 |
| | PVC Pipes | NOS | 15,800 | 36.80 | 10,159 | 53.16 |
| | HDPE Coils | MTR | 76,885 | 8.24 | 58,293 | 18.60 |
| | MDPE Coils | MTR | 68,463 | 212.92 | 1,61,909 | 159.30 |
| | LLDPE Coils | MTR | 11,37,223 | 65.42 | 23,56,475 | 88.45 |
| | Accessories, Fittings & Other | | | 394.66 | | 552.20 |
| | | | | 833.89 | | 1047.00 |
| c. | Closing Stock | | | | | |
| | Aluminium Pipes | NOS | 41 | 1.00 | 469 | 2.93 |
| | HDPE Pipes | NOS | 56,803 | 169.56 | 36,146 | 112.93 |
| | PVC Pipes | NOS | 24,886 | 70.27 | 15,800 | 36.80 |
| | HDPE Coils | MTR | 12,499 | 25.16 | 76,885 | 8.24 |
| | MDPE Coils | MTR | 2,24,024 | 103.04 | 68,463 | 212.92 |
| | LLDPE Coils | MTR | 19,65,305 | 134.80 | 11,37,223 | 65.42 |
| | Accessories, Fittings & Other | | | 376.99 | | 394.66 |
| | | | | 880.82 | | 833.89 |
| d. | Raw Material Consumption | | | | | |
| | HDPE Granuels | MT | 4873.34 | 4744.60 | 2669.83 | 3053.41 |
| | PVC Resin | MT | 1233.23 | 997.26 | 773.86 | 723.16 |
| | MDPE Granuels | MT | 996.19 | 1080.31 | 1874.10 | 2573.23 |
| | LLDPE Granuels | MT | 462.16 | 456.76 | 328.73 | 373.91 |
| | Accessories & Others | - | | 944.21 | | 686.38 |
| | | | | 8,223.14 | | 7,410.09 |

| e. | Value of imported and indigenous Raw Material, Stores & Spares consumed: | % of total Consumption | Rs. In lacs | % of total Consumption | Rs. In lacs |
|-----------|---|-------------------------------|--------------------|-------------------------------|--------------------|
| (i) | <u>Raw Material</u> | | | | |
| | Imported | 9.92% | 815.57 | 23.02% | 1705.46 |
| | Indigenous | 90.08% | 7,407.57 | 76.98% | 5,704.63 |
| (ii) | | 100% | 8223.14 | 100% | 7410.09 |
| | <u>Stores and Spares</u> | | | | |
| | Imported | - | - | - | - |
| | Indigenous | 100% | 165.33 | 100% | 120.11 |
| (iii) | | 100% | 165.33 | 100% | 120.11 |
| | <u>Trading Goods</u> | | | | |
| | Imported | - | - | - | - |
| | Indigenous | 100% | 1718.29 | 100% | 1865.7 |
| | | 100% | 1718.29 | 100% | 1865.7 |
| f. | CIF Value of imports | | 1061.42 | | 2214.00 |
| g. | Earnings in Foreign Exchange | | | | |
| | FOB Value of Export of Goods | | 29.00 | | - |
| h. | Expenditure in Foreign Currency | | | | |
| | Travelling Expenses | | - | | - |
| | Medical expenses | | - | | - |
| | Goods | | 611.68 | | 1788.80 |
| | Fixed Assets | | 7.75 | | - |
| | | | 619.43 | | 1788.8 |
| i | Managerial Remuneration: | | 2023-24 | | 2022-23 |
| | Details of payments and provisions on account of Remuneration to Managing Director and Whole Time Director. | | | | |
| | - Salary | | 24.48 | | 21.18 |
| | - Provident Fund | | 0.56 | | 0.56 |
| | - Allowances and Benefits | | 10.87 | | 10.37 |
| | | | 35.91 | | 32.11 |

Note 42: Segment Reporting

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:

| Particulars | For the Year ended 31st March 2024 | For the Year ended 31st March 2023 |
|-----------------|---------------------------------------|---------------------------------------|
| Turnover | | |
| Within India | 14848.3 | 13013.36 |
| Outside India | 29.00 | 0.00 |

Note 43: Corporate Social Responsibility

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

Note 44: Financial Ratios:

| S.no. | Particulars | Methodlogy | As at March 31, 2024 | As at March 31, 2023 | Variance |
|-------|----------------------------------|---|-------------------------|-------------------------|----------|
| a) | Current Ratio | Current assets over current liabilities | 2.92 | 2.80 | 4% |
| b) | Debt Equity Ratio | Debt over total shareholders' equity | 0.13 | 0.14 | -13% |
| c) | Debt Service Coverage Ratio(1) | Net Operating income over total debt service | 11.47 | 2.54 | 351% |
| d) | Return on Equity %(2) | PAT over total average equity | 6.46% | 3.88% | 67% |
| e) | Inventory Turnover ratio(3) | Revenue from operations over average inventory | 9.58 | 7.49 | 28% |
| f) | Trade receivables turnover ratio | Revenue from operations over average trade receivables | 3.78 | 3.71 | 2% |
| g) | Trade Payables turnover ratio(4) | Net purchase over average trade payables | 25.39 | 43.13 | -41% |
| h) | Net Capital turnover ratio | Revenue from operations over working capital | 2.88 | 2.80 | 3% |
| i) | Net Profit %(5) | Net profit over revenue | 3.70% | 2.26% | 64% |
| j) | Return on capital employed(6) | PBIT over average capital employed | 9.94% | 7.49% | 33% |
| k) | Return on investment(7) | Change in fair value of non current quoted investment over opening value of non current quoted investment | 25.75% | -6.75% | 481% |

- (1) Increase in Profit & reduction in debt led to increase in debt service coverage ratio.
- (2) Higher profitability led to increase in return on equity.
- (3) Higher profitability led to increase in inventory turnover ratio.
- (4) Increase in purchase cost as well in increase in trade payable led to decrease in trade payable turnover ratio.
- (5) Increase in Profit & revenue led to increase in net profit margin.
- (6) Increase in PBIT & capital employed led to increase in return on capital employed.
- (7) Increase in market price of investment has lead to increase in return on investment.

Note 45: Information submitted to Bank:

The company has borrowed from Banks on the basis of security of current assets, the variation in quarterly returns or statements filed by the Company with Bank are as under:

The Company is not filing any quarterly returns or statement with the Bank. However, the monthly statements filed by the Company with the Bank are reconciled with the books for each quarter ends and there are no material difference except as under:

| Particulars | Month | As per Books | As per monthly statement | Diff | Remarks |
|-------------|--------|--------------|--------------------------------|----------|---|
| Stock | Dec-23 | 1,879.48 | 2,088.18 | (208.70) | Due to clerical error as one kind of stock considered twice in stock statement. |
| Stock | Mar-24 | 1,496.73 | 2,088.52 | (591.79) | |

| | | | | | |
|---------|--------|----------|----------|----------|--|
| Debtors | Jun-23 | 3,633.19 | 3,916.90 | (283.71) | Collection in suspense not adjusted due to non-receipt of complete information at the time of Stock statement. |
| Debtors | Dec-23 | 4,498.08 | 4,784.57 | (286.49) | |
| Debtors | Mar-24 | 4,524.37 | 5,012.57 | (488.20) | |

Note 46: Payable to MSMED

The company has certain dues to suppliers (trade and capital) registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosure pursuant to the said MSMED Act are as follows:

| S.No. | Particulars | As at 31st March 2024 | As at 31st March 2023 |
|-------|---|-----------------------|-----------------------|
| 1 | Amount remaining unpaid to any supplier as at the end of accounting year on account of: | | |
| | <i>Principal Amount</i> | 208.90 | 67.36 |
| | <i>Interest Due</i> | - | - |
| 2 | Total Interest paid on all delayed payments during the year under the provision of the Act | - | - |
| 3 | The amount of interest due and payable for the period <i>(Where the principal has been paid but interest under the MSMED Act, 2006 not paid)</i> | - | - |
| 4 | The amount of interest accrued and remaining unpaid at the end of the accounting year | - | - |
| 5 | The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006 | - | - |

Note 47: Other Information:

| | |
|-----|---|
| (a) | The Company do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property. |
| (b) | The Company do not have any transactions with companies struck off. |
| (c) | The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period. |
| (d) | The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year. |
| (e) | The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: |
| | (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries |
| (f) | The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: |
| | (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. |
| (g) | The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961) |
| (h) | The company has not been declared wilful defaulter by any bank or financial institution or other lender. |
| (i) | The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules 2017. |
| (j) | The Company didn't have any long term contracts including derivative contracts for which there were any foreseeable losses. |
| (k) | The Company has not revalued its Property, Plant and Equipment. |



Note 46: Recasted, Re-grouped & reclassified

Previous year figures have been recasted, re-grouped and reclassified, wherever necessary to confirm to the current year classification.

This is the balance sheet referred to in our report of even date

As per our Report of even date

For Mamraj & Co.

CHARTERED ACCOUNTANTS

Firm Registration Number: 006396N

For and On Behalf of the Board

Mamraj Agarwal

Partner

Membership No.: 084944

Mahabir Prasad Rungta

Chairman Cum Managing Director

DIN-00235632

Shruti Rungta

Director

DIN-00229045

Place: New Delhi

Date: 24/05/2024

UDIN :2408494944BKKJRC6478

Swati Garg

Chief Financial Officer

Kanwal Ohri

Company Secretary

List of our clients for Rungta PE Gas Pipe



Indraprastha
Gas Ltd. Delhi



Oil
Gas Limited,
Noida, UP



Green Gas
Limited
Lucknow,
UP



Hindustan
Petroleum
Corpn.
Limited
Mumbai



IndianOil
Indian Oil
Corporation
Limited
Noida, UP



Bhagyanagar
Gas Ltd



HP Oil Gas
Private
Limited
Mumbai

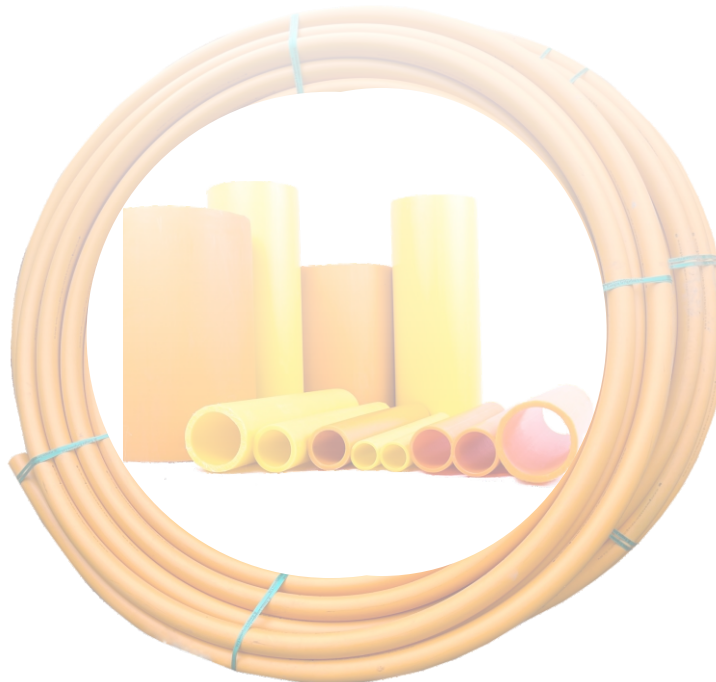


Goa Natural Gas Pvt.Ltd.
A Joint Venture of GAIL Gas Ltd & BPCL

Goa Natural
GasGoa



Bharat
Petroleum
Corpn Ltd
Mumbai



SYMBOL OF QUALITY

An ISO 9001:2015 Certified Company

Rungta Irrigation Ltd.

AN ISO 9001 : 2015 CERTIFIED COMPANY

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

Ph.: 011-45090900, 32905291 FAX : 91-11-45030391

E-mail : Info@runtairrigation.in / Website : www.runtairrigation.in

Manufacturing unit : Ghaziabad | Yanam