

17th
Annual Report
2000-2001



RUNGTA IRRIGATION LIMITED

BOARD OF DIRECTORS

- Shri R.S. Rungta : Chairman
- Shri M.P. Rungta : Vice Chairman Cum Whole Time Director
- Shri Sanjay Rungta : Managing Director
- Shri N. Krishnamurthy : Whole Time Director
- Shri Naveen Rungta : Director
- Shri Prem Pal Sharma : Director
- Shri G. Natarajan : Director

COMPANY SECRETARY

Shri S. K. Sachdeva

AUDITORS

M/S O.P. TULSYAN & CO.
Chartered Accountants
4th Floor, Plaza Kalpana
24/147-A, Birhana Road
Kanpur

BANKERS

Allahabad Bank, I.F. Branch, New Delhi.
Punjab National Bank, Rajendra Place, New Delhi.
Bank of India, Secundrabad, (A.P.)

LENDING INSTITUTION

Industrial Development Bank of India, Kanpur.

REGISTERED OFFICE :

101, Pragati Tower,
26, Rajendra Place,
New Delhi-110 008.

SHARE DEPARTMENT

101, Pragati Tower,
26, Rajendra Place,
New Delhi-110 008.

DEMAT REGISTRAR WITH ELECTRONIC CONNECTIVITY

IN-HOUSE SHARE REGISTRY
3, Community Centre,
Naraina Industrial Area,
Phase-I, Near Payal Cinema,
New Delhi-110 028.

WORKS :

UNIT-1

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

UNIT-2

Moginand, Kala-amb,
Tehsil Nahan, Distt. Sirmour,
Himachal Pradesh.

UNIT-3

Plot No. B-7,
Electronic Complex, Kushaiguda,
Hyderabad.

UNIT-4

Village Ogli,
Patti Kalal Ghat,
Tehsil Nahan, Distt. Sirmour,
Himachal Pradesh.

UNIT-5

Village Advipolam,
Dist. Yanam,
Pondichery.

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NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Seventeenth Annual General Meeting of the Members of Rungta Irrigation Limited will be held as scheduled below :-

DAY	:	Friday
DATE	:	28th September, 2001
TIME	:	10.30 A.M.
PLACE	:	Deputy Speaker Hall, Constitution Club, Vithal Bhai Patel House, Rafi Marg, New Delhi-110001.

to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2001 and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To confirm the payment of interim dividend on the preference shares (privately placed) for the year ended 31st March, 2001.
3. To appoint a Director in place of Shri Prem Pal Sharma, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri G.Natarajan, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration and for that purpose to consider, and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED that pursuant to Section 224 read with Section 224A and other applicable provisions, if any, of the Companies Act, 1956, M/s. O.P.Tulsyan & Co., Chartered Accountants, Kanpur, the retiring Auditors of the Company be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration, as may be agreed upon between the Board of Directors of the company and the said M/s. O.P. Tulsyan & Co.

SPECIAL BUSINESS:

6. 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 Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof, for the time being in force), and subject to such approvals as may be necessary, the Company hereby accords its approval for the reappointment of Mr. N. Krishnamurthy as Whole-time Director for a period of 3 years from 21st January, 2001 to 20th January, 2004 on the terms and conditions including remuneration and perquisites as set out in the agreement dated 20th January, 2001 entered into between the Company and Mr. N. Krishnamurthy (a copy of which is placed before the meeting, duly authenticated by the Vice Chairman for the purposes of identification) with liberty to the Board of Directors of the Company to alter and vary the terms and conditions of the said agreement, in such manner as the Board of Directors may consider necessary and as may be agreed to by Mr. N. Krishnamurthy, within the overall limits as specified in Schedule XIII to the Companies Act, 1956 for the time being in force or any statutory modification or re-enactment thereof and/or any rules or regulations framed thereunder, and subject however, to all such restrictions, approvals as may be required, pursuant to provisions of the Companies Act, 1956 and the Articles of Association of the Company."
7. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT in partial modification of the Ordinary Resolution passed by the Company at its 15th Annual General Meeting held on 27th September, 1999 and in accordance with the provisions of Section 309, Schedule XIII (including any statutory modification or re-enactment thereof, for the time being in force), and all other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals, and permission, if and to the extent necessary, the Company hereby accords its approval to the withdrawal of the salary including remuneration, perquisites and allowances payable to Shri Sanjay Rungta, Managing Director of the Company (pursuant to Agreement entered into with him, dated 16.12.1998) w.e.f. 1st December, 2000 ."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT subject to the approval of the Stock Exchanges where the shares of the company are listed, and subject to applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the applicable provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules framed thereunder and the Listing Agreement entered into by the Company with the Stock Exchanges, where the shares of the Company are listed and subject to the consent of all concerned authorities, if and to the extent necessary and such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to obtain permission for voluntary delisting of the Company's shares from Calcutta and Ahmedabad Stock Exchanges."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to finalise and execute all documents and writings as may be necessary, proper, desirable or expedient as it may deem fit."

9. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:
"RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and is hereby altered as follows:

"The following Article No.75A be inserted after the existing Article No.75 in the Articles of Association of the Company:

75A Resolutions by postal ballot:

Notwithstanding anything contained in these Articles, in accordance with the provisions of Section 192A of the Companies Act, 1956 and all other applicable Rules, regulations, guidelines (including any statutory modification or re-enactment thereof, for the time being in force) and in the manner prescribed thereunder, the Company may, and in the case of resolutions relating to such business as the Central Government may, by notification, declare to be conducted only by postal ballot (including voting by electronic mode), shall, get any resolution passed by means of a postal ballot (including voting by electronic mode), instead of/in addition to transacting the business in the General Meeting of the Company.

By Order of the Board
for Rungta Irrigation Ltd.

S. K. SACHDEVA
COMPANY SECRETARY

New Delhi
31.07. 2001

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

NOTES

1. A member entitled to attend and vote at this Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member of the Company. A blank proxy form is attached herewith. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of this Annual General Meeting, duly completed.
2. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business set out in the notice is annexed hereto and forms a part of this Notice.
3. Documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company between 11.00A.M. and 1.00 P.M. on all working days, upto the date of the Annual General Meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from 25th September, 2001 to 28th September, 2001 (both days inclusive).

Request to the Shareholders:

1. The practice of distributing copies of the Annual Report at the Meeting has been discontinued as a measure of economy. Members are, therefore, requested to bring their copy of the Annual Report.
2. Members desirous of seeking any further information about the accounts and/or operations of the Company are requested to address their queries to the Secretary of the Company at least ten days before the date of Annual General Meeting so that the information, to the extent practicable, can be made available at the Annual General Meeting.
3. The shares of the Company have been brought under compulsory dematerialisation w.e.f. 14.11.2000. All the shareholders are requested to convert their shareholdings from physical to demat form.
4. Members are requested to immediately intimate the change, if any, in their registered address to the Company.
5. Shareholders who hold the shares in the dematerialised form, change of address, change of mandate and bank particulars etc. should be notified to the concerned DP only. These changes will be reflected in the Company's records on the downloading of information from Depositories which will help the Company provide better service to its shareholders.
6. Members are requested to quote their Regd. Folio No. in all their correspondence with the Company.
7. Members/Proxies are requested to deposit the enclosed Attendance Slip, duly filled in and signed, at the entrance of the meeting venue, for attending the meeting.
8. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
9. There is a facility available for nomination and shareholders are advised, in their own interest, to nominate persons for transferring the interest on those shares.

By Order of the Board
for Rungta Irrigation Ltd.

New Delhi
31.07. 2001

Registered Office :

101, Pragati Tower
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New Delhi-110008

S. K. SACHDEVA
COMPANY SECRETARY

**ANNEXURE TO THE NOTICE****REQUIRED PARTICULARS OF MR. P.P. SHARMA AND MR. G. NATARAJAN PURSUANT TO CLAUSE 49(VI) (A) OF THE LISTING AGREEMENT RELATING TO CORPORATE GOVERNANCE ARE GIVEN BELOW:****ITEM No.3**

Shri P.P. Sharma is a Graduate in Mining Engineering. He has over 40 years experience in the field of coal mining. He has worked with Coal India Ltd. and its subsidiaries. He is a member of the Audit Committee and is the Chairman of the Shareholders/ Investors Grievance Committee of Rungta Irrigation Limited.

ITEM No.4

Shri G. Natarajan is a 1st Class University Graduate and is a member of the Institute of Cost and Works Accountants of India. He has undergone Management Training at the Administrative Staff College of India, I.I.M, Ahmedabad, Management Development Institute, Gurgaon and Harvard. He has about 40 years experience in the field of corporate finance, budgeting and cost control. Formerly, he worked as Director (Finance) with Coal India Ltd. and Bharat Cooking Coal Ltd. He is a Director of Rungta Projects Ltd. and Lemos Cement Ltd. He is the Chairman of the Audit Committee of Rungta Irrigation Ltd.

EXPLANATORY STATEMENT:

As required by Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying notice.

ITEM NO. 5

M/s. O.P.Tulsyan & Co., Chartered Accountants, were appointed as the Statutory Auditors to hold office upto the conclusion of this Annual General Meeting and they have expressed their willingness to be reappointed as the Statutory Auditors of the Company.

Pursuant to Section 224A of the Companies Act, 1956, since more than twenty five per cent of the subscribed share capital of the Company is held by IDBI, a Public Financial Institution, the reappointment of the Statutory Auditors can be made by a Special Resolution, hence this Resolution.

Necessary certificate given by M/s. O.P.Tulsyan & Co. expressing their willingness for reappointment as Statutory Auditors is available for inspection by the members of the Company at the Registered Office of the Company between 11.00 A.M. to 1.00 P.M. on any working day

Your Directors recommend their reappointment as the Statutory Auditors of the Company.

None of the Directors of the Company is, in any way, concerned or interested in this resolution.

ITEM NO.6

Shri N. Krishnamurthy was appointed as a Director on 20th December, 1997 by the Board of Directors of the Company in their meeting held on 20.12.1997. The Board of Directors at their meeting held on 21st January, 1998, appointed Shri N. Krishnamurthy as a Whole-time Director of the Company with effect from 21st January, 1998 subject to the approval of the shareholders in the General Meeting. The appointment was made with the salary fixed at Rs.15200/- per month including Dearness and other allowances. The Board of Directors, subsequently, at their meeting held on 31st July, 1998 revised the aforesaid salary to be in the scale of Rs.17,000/- to Rs.30,000/- w.e.f. 1st April, 1998. The shareholders approved the appointment in the Annual General Meeting held on 24th September, 1998.

Information pursuant to Clause 49 of the Listing Agreement:

Shri N. Krishnamurthy is a Fellow Member of the Institute of Chartered Accountants of India as well as of the Institute of Company Secretaries of India, besides possessing a law degree. He is having an accumulated experience of over 25 years in the finance field and is presently looking after the Southern Zone activities of the Company. His vast experience will be of immense help to the Company. Shri N. Krishnamurthy is also a Chairman of (1) Technomark Advertising & Productions (P) Ltd. (2) JISL Irrigation Ltd. and Managing Trustee of S.K. Charitable Trust.

The Board of Directors at their meeting held on 20.1.2001 reappointed Sh. N. Krishnamurthy as a Wholetime Director of the Company w.e.f. 21st January, 2001 for a period of 3 years subject to the approval of the shareholders in the forthcoming General Meeting in the scale of Rs.17,000/- to Rs.30,000/- The draft Agreement between the Company and Shri N. Krishnamurthy dated 20.1.2001 contains the following main terms and conditions:-

1. Period: Three years with effect from 21st January, 2001.
2. Remuneration: Scale of Rs.17000/- to Rs.30,000/- from 21st January, 2001 to 20th January, 2004 with authority to the Board to fix his salary within the above mentioned scale from time to time. The annual increments will be merit-based.



3. Perquisites and Allowances: In addition to the above, Shri N. Krishnamurthy shall be entitled to: (i) re-imbusement of medical expenses incurred for self and family subject to a ceiling of half month's salary in a year; (ii) Leave travel concession for self and family once in a year incurred in accordance with the Rules of the Company; (iii) Company's car with driver shall be provided for use in the Company's business. Use of car for private purposes will be billed by the Company; (iv) Telephone to be provided at the residence and all rental and expenses except personal long distance calls will be paid by the Company; all such perquisites and allowances to be restricted to 100% of the annual salary.

For the purpose of calculating the above ceiling, the perquisites and allowances shall be evaluated as per the I.T. Rules, wherever applicable. In the absence of any such Rules, they shall be evaluated at actual cost.

Provision for use of the company's car and telephone at residence shall not be included in the computation of the perquisites for the purpose of calculating the said ceiling. Company's contribution to provident fund, superannuation fund or annuity fund, to the extent these either singly or put together are not taxable under the Income Tax Act, Gratuity payable as per the Rules of the Company and encashment of leave at the end of the tenure, shall not be included in the computation of the ceiling on the remuneration or perquisites aforesaid.

4. Ex-Gratia/Incentives: If declared, as per Rules of the Company but not exceeding 20% of the basic salary.

The terms and conditions of the said re-appointment and/or Agreement or remuneration may be varied/enhanced from time to time by the Board of Directors of the Company as it may in its discretion deem fit, within the maximum amounts payable to Managing & Whole-time Directors as per Schedule XIII to the Companies Act, 1956 or any amendments made hereafter in this regard.

Shri N. Krishnamurthy shall perform such duties and exercise such powers as have been or may from time to time be entrusted to or conferred upon him by the Board of Directors of the Company under the superintendence, control and direction of the Board of Directors of the Company.

If, at any time, the Whole-time Director ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Whole-time Director in terms of the Agreement and such Agreement shall terminate forthwith.

If the Whole-time Director ceases to be a Whole-time Director, he shall cease to be a Director of the Company.

If the Whole-time Director ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director of the Company.

The Whole-time Director is reappointed by virtue of his employment in the Company and his reappointment is subject to the provisions of Section 283(1) of the Companies Act, 1956.

The draft Agreement between the Company and Shri N. Krishnamurthy is available for inspection by the members of the Company at its Registered Office between 11.00 A.M. to 1.00 P.M. on any working day.

The Board is of the view that his reappointment as a Whole-time Director would be in the best interest of the Company.

Your Directors accordingly commend the resolution proposing his re-appointment for your approval.

None of the Directors except Mr. N. Krishnamurthy is interested in the resolution under this item.

The above may also be treated as an abstract of the terms of re-appointment and Memorandum of Interest under section 302 of the Companies Act, 1956.

ITEM NO. 7

At the Board Meeting held on 16th December, 1998, Shri Sanjay Rungta was reappointed as Managing Director of the Company w.e.f. 1.12.1998 for a period of 5 years on the terms and conditions including remuneration as set out in the agreement dated 16.12.1998 subject to the approval of shareholders in the General Meeting and the Shareholders in the Annual General Meeting held on 27th September, 1999, granted approval to his re-appointment. The Board was granted liberty, vide the resolution passed by the Shareholders in Annual General Meeting held on 27.9.1999, to alter and vary the terms and conditions of said re-appointment and remuneration in such manner as may be agreed to between the Board of Directors and Shri. Sanjay Rungta subject, however, to all such restrictions, permissions, approvals as may be required pursuant to the Companies Act, 1956 and the Articles of Association of the Company.

Keeping in view the difficult financial position of the Company and as also the fact that Shri Sanjay Rungta, Managing Director of the Company is not able to wholly look after the day to day affairs of the Company, due to his preoccupation with his other personal work, and as agreed with Shri Sanjay Rungta and the Board of Directors of the Company, the salary including remuneration, perquisites & allowances payable to Shri Sanjay Rungta, Managing Director of the Company has been withdrawn w.e.f. 1.12.2000 vide the resolution passed by the Board of Directors of the Company in their meeting held on 6.01.2001. As a matter of abundant precaution, the resolution is placed before the members for their approval.

Your directors recommend the resolution for the approval by the members.

None of the Directors of the Company is concerned or interested in the resolution.

The above may also be treated as an abstract of the variation of the terms of appointment and Memorandum of Interest under Section 302 of the Companies Act, 1956.

ITEM NO.8

The Company's equity shares are presently listed at Delhi, Mumbai, Calcutta and Ahmedabad Stock Exchanges. The shares are infrequently traded on Ahmedabad & Calcutta Stock Exchanges. Further with the advent of electronic transaction, an investor can buy/sell his securities in any of the Stock Exchange(s) in the country without any problem.

In view of above facts and to curtail the expenses of the Company, there does not appear proper justification for keeping the shares listed on Ahmedabad and Calcutta Stock Exchanges and thereby incurring avoidable expenditure. Pursuant to the listing guidelines of the Stock Exchanges, it is proposed to obtain the approval of the shareholders to the proposed delisting of shares by a Special Resolution.

The company is separately giving Special notice of the proposed resolution in newspapers. The proposed delisting of the company's shares, as and when the same takes place, will not adversely affect the investors.

The Board is of the view that proposed delisting would be in the best interest of the Company. The Board accordingly commend the resolution for approval of the members.

None of the Directors of the company is concerned or interested in the resolution under this item.

ITEM NO.9

Article 75A is proposed to be inserted, being consequential alteration to the Articles of Association of the Company in view of recent amendments to the Companies Act, 1956, by insertion of Section 192A for passing of certain resolutions by postal ballot, by the Companies (Amendment) Act, 2000.

According to Section 31 of the Companies Act, 1956, it is necessary to pass a Special Resolution to amend any of the provisions of Articles of Association of the Company. Therefore, the Board recommends the resolution for the approval of the members.

None of the Directors of the Company is concerned or interested in the resolution.

By Order of the Board
for RUNGTA IRRIGATION LTD.

New Delhi
31.07. 2001

Registered Office :

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

S. K. SACHDEVA
COMPANY SECRETARY

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Seventeenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2001.

FINANCIAL HIGHLIGHTS

Particulars	(Rupees in lacs)	
	Year ended 31.03.2001	Year ended 31.03.2000
Profit from Operations before Depreciation and Taxation	387.98	570.74
Less:		
Depreciation	187.31	254.60
Provision for Taxation	17.00	3.50
Add:		
Excess provision for tax for earlier year	1.31	—
Profit from Operations	184.98	312.64
Add:		
Balance brought forward from last year	120.80	—
Total amount available for appropriations	305.78	312.64
Appropriations:		
Dividend		
- Equity	—	67.79
- Preference	60.00	60.00
- Corporate Dividend Tax	9.73	14.05
Transfer to General Reserve	50.00	50.00
Balance carried to Balance Sheet	186.05	120.80

OPERATIONAL PERFORMANCE AND OUTLOOK

During the year under review, entire irrigation industry was reeling under severe recession and was put under a lot of pressure because of declining demand, bad monsoon, cut in the subsidy rates, paucity of power and various other external and internal factors. Although your company had envisaged good performance during the year under review, but your company could not perform as expected. There was a certain down fall in the sales targets but we are happy to note that collections against sales were pretty good. In this free market economy, survival of the fittest has become a rule. Your company being one of the leading players in the industry, has survived to do very well in the coming years.

Looking at the shift in the perceptions of customers' needs and demands, your Company also tried to change the focus as far as the product range is concerned. Besides retaining HDPE & Alu. SIS, your Company is laying great emphasis on PVC Pipes which are the products for future as it has wide range of applications all over the country. Your Company successfully participated in many tenders which are likely to be executed shortly. Your Company also plan to enhance capacities for the production of PVC Pipes and also taken measures to upgrade Research and Development activities in the factories at Ghaziabad and Yanam. Your Company is poised for a rapid growth and shall give you the results in the coming years which shall bring a smile on your faces.

DIVIDENDS

Your Directors are pleased to recommend the following interim dividend to be deemed as final Dividend paid during the year ended 31st March, 2001 for approval and confirmation of shareholders:

- a) A dividend @ 12% per annum on the cumulative redeemable preference shares

The dividend as above would be fully adjusted against the interim dividend paid by the company on these shares during the financial year ended on 31st March, 2001.

However, your directors have not recommended payment of any dividend on equity shares in order to conserve the funds of the company to maximise company's wealth.

FORFEITURE OF SHARES

During the year under review, 1,94,100 equity shares were forfeited on account of failure on the part of the shareholders to pay the call money pursuant to final notice except one shareholder whose matter is subjudice for refund of application money.

CORPORATE GOVERNANCE

As per the amended Listing Agreement with Stock Exchanges, your Company is required to comply with the requirements of the listing agreement relating to Corporate Governance by 31st March, 2002. However, the Company has already initiated measures of good corporate governance and will ensure that all mandatory provisions are fully complied with well before the prescribed date.

AUDIT COMMITTEE

In accordance with the requirements of Clause 49 of the Listing Agreement relating to Corporate Governance and Section 292 A of the Companies Act, 1956, the Board has constituted an Audit Committee comprising the following non-executive with majority of independent member Directors :

Shri G. Natarajan - Chairman
Shri P. P. Sharma - Member
Shri R. S. Rungta - Member

The role, terms of reference and authority and powers of the Audit Committee are in conformity with the requirements of the said Act and the listing agreement. Audit Committee Meetings were held in accordance with the provisions contained in Section 292 A of the Companies Act, 1956 and the listing agreement.

ENVIRONMENTAL PROTECTION

Environmental considerations are integrated in all business decisions of your company. Your Company's operational activities, product, etc. do not adversely affect the environment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The Statement pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the Annexure 'A' and forms an integral part of this Report. However, the requirement for disclosure of particulars with respect to conservation of energy is not applicable to your Company.

DEMATERIALISATION OF SHARES

As per Securities & Exchange Board of India's (SEBI) communication to the company, the equity shares of the company is being traded in the compulsory demat mode w.e.f. 14.11.2000. The company has executed agreements with both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd.(CDSL), which are functioning as Depositories through intermediaries called DPs, for demat of shares. M/s In-house Share Registry, New Delhi have been designated as the Demat Registrar with Electronic Connectivity. A press notice in this regard had also been published in the Financial Express (English) and Jansatta (Hindi) news papers on 3rd December, 2000.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of Section 58-A of the Companies Act, 1956 and Rules framed thereunder.

INDUSTRIAL RELATIONS

Your Directors are happy to report that your Company could meet the emerging challenges and make progress due to continued and unstinted cooperation from a loyal and highly motivated staff.

Your Directors wish to place on record their deep appreciation for the devoted services of the employees at all levels throughout the year in the progress of your Company and for the dedication and enthusiasm with which the Company's tradition of high standards of quality have been maintained. The relations with them continue to be cordial at all levels.

HUMAN RESOURCE DEVELOPMENT

The Company's belief in its Human Resources as the most valuable assets is firmly rooted in its philosophy of self reliance and indigenisation. The year in retrospect focussed on further strengthening its Human Resource - the rich repository of knowledge by adding, updating and training talents at all levels in the organization.

DIRECTORS

Shri N. Krishnamurthy was appointed as a Whole time Director w.e.f. 21.1.1998 for a period of 3 years, i.e., upto 20.1.2001, by the Board of Directors and the shareholders in the Annual General Meeting held on 24.9.1998 approved his appointment and remuneration. Keeping in view the efforts made by Shri N. Krishnamurthy towards the operations of the company, the Board in their meeting held on 20.1.2001 reappointed him as Whole-time Director of the Company for a period of 3 years, w.e.f. 21.1.2001, subject to the approval of the shareholders in the ensuing Annual General Meeting. Requisite approval of shareholders for the aforesaid re-appointment and payment of remuneration, is being sought at the ensuing Annual General Meeting.

Shri Sanjay Rungta was re-appointed as the Managing Director of the company w.e.f. 1.12.1998 for a period of 5 years on the terms and conditions including remuneration as set out in the agreement dated 16.12.1998 subject to the approval of the shareholders in the General Meeting and Shareholders in the Annual General Meeting held on 27.9.1999 granted approval. In the Board Meeting held on 6.1.2001, the salary, including remuneration, perquisites and allowances payable to Shri Sanjay Rungta was withdrawn w.e.f. 1.12.2000 as agreed between Shri Sanjay Rungta and the Board. Though the Board was granted liberty, vide resolution passed by shareholders in the Annual General Meeting held on 27.9.1999, to alter and vary the terms and conditions of his appointment and remuneration in such manner as may be agreed to between the Board and Shri Sanjay Rungta, as a matter of abundant precaution, necessary resolution in this regard, is being placed before the ensuing Annual General Meeting for requisite approval of the shareholders.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri P.P. Sharma and Shri G. Natarajan retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for reappointment as Directors of your Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' responsibility statement, it is hereby confirmed that:

In the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departure has been made from the same.

The Directors have selected such accounting policies and applied them consistently, save as otherwise mentioned at Sr. No. 4 to Notes to Accounts, and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2000-2001 and of the profit of the Company for that period;

The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

The Directors have prepared the annual accounts on a going concern basis.

AUDITORS

M/s O.P.Tulsyan & Co., Chartered Accountants, Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting, and are eligible, for reappointment. Necessary certificate has been obtained from the Auditors as required under Section 224(I-B) of the Companies Act, 1956. The Board recommends their reappointment.

The Directors have taken note of the observations made by the Auditors in their report. The concerned notes to accounts refer to these observations and other observations are self explanatory and do not call for any further explanation.

PARTICULARS OF EMPLOYEES

There are no employees in the Company falling under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

ACKNOWLEDGEMENTS

Your Directors would like to place on record their gratitude for the invaluable cooperation and support extended to your Company by the Industrial Development Bank of India, Allahabad Bank, Punjab National Bank, Bank of India and other Govt. Institutions and authorities. Your Directors gratefully acknowledge the patronage of its esteemed customers, the loyalty of the large family of Company's suppliers and shareholders, during the year under review. Your Directors look forward to receiving continuous support and guidance of all in good measure in future.

For and on behalf of the Board of Directors

New Delhi
31.07. 2001

R. S. RUNGTA
Chairman

ANNEXURE TO THE DIRECTORS' REPORT

Particulars required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

ANNEXURE 'A'

Form - B

A. TECHNOLOGY ABSORPTION

Research & Development (R & D) :

1. Specific areas in which R & D carried out by the company:

Research & Development is a continuous process in the organisation and is being carried out in the areas of process development, process modification, product development and technology upgradation.

2. Benefits derived as a result of above R & D :

Reduced raw material wastage, better input/output ratio, significant cost reduction were the direct benefits of the R & D carried out by the company.

3. Future plan of action :

Old testing and laborating equipments are being replaced with more sophisticated and computerised equipments to reduce human error interest in visual and unsophisticated test conducted for quality evaluation of products manufactured.

4. Expenditure on R & D:	Rs.in Lacs
i) Capital	Nil
ii) Recurring	6.22
iii) Total	6.22
iv) Total R & D expenditure as a percentage of total turnover	0.25 %

(B) TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

1. Efforts & Benefits

The R & D division of the company continues to improve the technical know-how available with the company to make the product more suitable to the requirement of the users. The above efforts has resulted in increased profit margins.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Rs. in Lacs

Total foreign exchange spent and earned

i) Foreign Exchange Spent	2.28
ii) Foreign exchange earned	47.62

ANNEXURE 'B'

INFORMATION AS REQUIRED UNDER THE LISTING AGREEMENT WITH STOCK EXCHANGES.

The securities of the Company are listed in the Stock Exchanges as stated below:

Name of the Stock Exchange	Address
(1) The Calcutta Stock Exchange Association Ltd.	7, Lyons Range Calcutta 700 001.
(2) The Stock Exchange, Mumbai	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.
(3) The Delhi Stock Exchange Association Ltd.	DSE House, 3/1, Asaf Ali Road, New Delhi-110 002.
(4) The Stock Exchange, Ahmedabad	Kamdhenu Complex Opp. Sahajanand College, Panjarapole, Ahmedabad-380015.

AUDITORS' REPORT

To the Members of Rungta Irrigation Limited

We have audited the attached Balance Sheet of Rungta Irrigation Limited, as at March 31, 2001 and the Profit & Loss Account of the Company for the year ended on that date annexed thereto, and report that:

1. As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the annexure, a statement of the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the annexure reported to in paragraph (1) above:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books.
 - c. The Balance Sheet and Profit & Loss Account referred to in this report are in agreement with the books of accounts.
 - d. In our opinion, the Balance Sheet and Profit & Loss account dealt with by the report, is in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - e. On the basis of the confirmations received from the Directors of the Company and the information and explanations given to us, none of the Directors of the Company are, prima facie, as at 31st March, 2001 disqualified from being appointed as directors of the Company under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f. In our opinion and to the best of our information and according to the explanation given to us, the said Balance Sheet and Profit & Loss Account read together with notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give true & fair view:
 - i. in the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2001, and
 - ii. in the case of Profit & Loss Account of the Company, of the profit for the year ended on that date.

For O.P.Tulsyan & Co.
Chartered Accountants

Place: New Delhi
Date: 31/07/2001

Kamlesh Kedia
Partner

ANNEXURE TO THE AUDITORS' REPORT

[Refer to paragraph (1) of our report of even date to the members of Rungta Irrigation Limited]

1. The company has maintained proper records showing particulars including quantitative detail and situation of fixed assets. As explained to us, the management during the year at reasonable intervals has physically verified all major items of fixed assets and no serious discrepancies have been noticed on such verification as compared to the book records.
2. None of the fixed assets have been revalued during the year.
3. As explained to us, the stock of finished goods, store, spare parts and raw materials have been physically verified by the management at reasonable intervals during the year.
4. According to the information and explanation given to us and in our opinion, the procedures of physical verification of stock followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
5. The discrepancies noticed on physical verification of stock, as compared to the book records were not material having regard to the size of the operations of the company and the same have been properly dealt with in the books of accounts.
6. In our opinion, the valuation of stock is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
7. The company has taken unsecured loans from the directors and companies listed in the Register maintained U/S 301 of the Companies Act, 1956. Terms and conditions of such loans are, prima facie, not prejudicial to the interest of the company. In terms of sub section (6) of Section 370 of the Companies Act, 1956, provisions of the Section are not applicable to a Company on or after 31st October, 1998.
8. The company has granted loans and advances in the nature of loan to the companies and other parties listed in the Register maintained U/S 301 of the Companies Act, 1956. Terms and conditions of loans are prima facie not prejudicial to the interest of the company. In terms of sub-section (6) of Section 370 of the Companies Act, 1956, provisions of the Section are not applicable to a Company on or after 31st October, 1998.
9. Parties to whom loans and advances in the nature of loans have been given by the Company are repaying the principal amount and interest thereon as stipulated.
10. In our opinion and according to the information and explanations given to us, there are adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchase of raw material including components, stores, plant and machinery, equipment and other assets and for the sale of goods.
11. According to the information and explanations given to us, the transactions of purchase of goods and material and sale of goods, material and services made in pursuance of contracts or arrangements falling U/S 301 of the Companies Act, 1956 and aggregate to Rs. 50,000/- or more, have been made at prices reasonable having regard to the prevailing market prices for such goods, material or services or the prices at which transaction for similar goods or materials or services have been made with other parties.
12. As explained to us, the Company has procedure for determination of unserviceable or damaged stores, raw material and finished goods and adequate provisions have been made in the accounts for the loss.
13. According to the information and explanations given to us, the company has not accepted any deposits from the public hence the compliance of provisions of section 58A of the Companies Act, 1956 and the Rules framed thereunder, are not applicable.
14. In our opinion, the Company has maintained reasonable records for the sale and disposal of scrap. According to the explanations and information given to us, the company has no by- products.
15. In our opinion, the company has an internal Audit System commensurate with the size and nature of its business.
16. As informed by the management, the Central Government has not prescribed the maintenance of cost records u/s 209 (1)(d) of the Companies Act, 1956.
17. According to the information and explanations given to us and the records of the company examined by us, the Company is, in general, regular in depositing Provident Fund and Employees State Insurance dues with the appropriate authorities.
18. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty were outstanding as at 31st March, 2001 for a period of more than six months from the date they become payable.
19. According to the information and explanations given to us, no personal expenses (other than those payable under the contractual obligation or in accordance with the generally accepted business practice) have been charged to revenue account.
20. The Company is not a sick industrial company within the meaning of clause (o) of sub section (1) of Section 3 of the Sick Industrial Companies (Special Provision) Act, 1985.
21. In respect of trading activities, damaged goods, if any, have been determined and the same has been properly dealt with in the books of accounts.

For O.P. Tulsyan & Co.
Chartered Accountants

Place: New Delhi
Date: 31/07/2001

Kamlesh Kedia
Partner

BALANCE SHEET AS AT 31ST MARCH, 2001

	SCHEDULE	As At 31/03/2001		As At 31/03/00	
		(Rs.)		(Rs.)	
SOURCES OF FUNDS					
1. Shareholders' Funds					
Share Capital	A	119137715		118891350	
Reserves & Surplus	B	<u>334107127</u>	453244842	<u>321350603</u>	440241953
2. Loan Funds					
Secured Loans	C	84985962		132119288	
Unsecured Loans	D	<u>1700000</u>	86685962	<u>3500000</u>	135619288
	TOTAL		<u>539930804</u>		<u>575861241</u>
APPLICATION OF FUNDS					
1. Fixed Assets					
Gross Block	E	239634040		249046913	
Less: Depreciation		<u>162473085</u>		<u>152302088</u>	
		77160955		96744825	
Capital Work In Progress		<u>6217015</u>	83377970	<u>5958369</u>	102703194
2. Investments					
	F		35669769		36618975
3. Current Assets, Loans & Advances					
Inventories	G	74222754		88687785	
Sundry Debtors	H	241165925		306612563	
Cash & Bank Balance	I	14632242		18282825	
Loans & Advances	J	<u>154196496</u>		<u>142385028</u>	
		484217417		555968201	
Less: Current Liabilities & Provisions					
Current Liabilities	K	66525353		118180073	
Provisions	L	<u>4025099</u>		<u>10216249</u>	
Net Current Assets			413666965		427571879
4. Miscellaneous Expenditure					
(to the extent not written off or adjusted)	M		<u>7216100</u>		<u>8967193</u>
	TOTAL		<u>539930804</u>		<u>575861241</u>
Significant Accounting Policies and Notes to Account					
	U				

Note : The schedules referred to above, form an integral part of the Balance Sheet.

As per our report of even date annexed

For O.P. TULSYAN & CO.
Chartered Accountants

KAMLESH KEDIA
Partner

Place : New Delhi
Dated : 31.07.2001

SANJAY GUPTA
G. M.(Finance)

SANJAY RUNGTA
Managing Director

FOR AND ON BEHALF OF THE BOARD

R. S. RUNGTA
Chairman

M. P. RUNGTA
Vice Chairman

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2001

	SCHEDULE	For the year ended 31/03/2001 (Rs.)	For the year ended 31/03/00 (Rs.)
INCOME			
Sales & Services	N	245942942	331192156
Other Income	O	10880384	13844957
		<u>256823326</u>	<u>345037113</u>
EXPENDITURE			
Materials, Manufacturing & Operating Expenses	P	128852811	170293454
Personnel Expenses	Q	24426258	28888836
Administrative Expenses	R	17559558	22274764
Interest & Financial Expenses	S	18989312	24742167
Selling & Distributing Expenses	T	28197706	41763401
Depreciation	E	18730715	25460358
		<u>236756360</u>	<u>313422980</u>
PROFIT BEFORE TAX		20066966	31614133
Less : Provision for taxation		1700000	350000
Add : Excess Provision of Tax for earlier year		130858	—
		<u>18497824</u>	<u>31264133</u>
PROFIT AFTER TAX		18497824	31264133
Balance Brought forward from Last year		12079861	—
Amount available for appropriation		<u>30577685</u>	<u>31264133</u>
APPROPRIATION			
Dividend on Equity Shares		—	6778624
Dividend on Preference Share		6000000	6000000
Corporate Dividend Tax		973122	1405648
Transferred to General Reserve		5000000	5000000
Balance Carried to the Balance Sheet		18604563	12079861
Significant Accounting Policies and Notes to Account	U		

Note : The schedules referred to above, form an integral part of the Balance Sheet.

As per our report of even date annexed

For O. P. TULSYAN & CO.
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

KAMLESH KEDIA
Partner

R. S. RUNGTA
Chairman

Place : New Delhi
Dated : 31.07.2001

SANJAY GUPTA
G.M.(Finance)

SANJAY RUNGTA
Managing Director

M. P. RUNGTA
Vice Chairman

SCHEDULES TO AND FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH, 2001

	As at 31/03/2001 (Rs.)	As at 31/03/00 (Rs.)
SCHEDULE 'A'		
SHARE CAPITAL		
Authorised		
80,00,000 Equity Shares of Rs. 10/- each	80000000	80000000
5,00,000 12% Redeemable cumulative preference shares of Rs. 100/- each	50000000	50000000
1,00,000 Redeemable cumulative preference shares of Rs. 100/- each	<u>10000000</u>	<u>10000000</u>
	<u>140000000</u>	<u>140000000</u>
Issued, Subscribed & Paid up		
68,06,100 Equity Shares of Rs. 10/- each (Previous Year 70,00,200 Equity Shares of Rs. 10/- each)	68061000	70002000
Add: Forfeited Shares	1078465	—
Less: Calls In Arrear	<u>1750</u>	<u>1110650</u>
	69137715	68891350
5,00,000 12% Redeemable cumulative preference shares of Rs. 100/- each	<u>50000000</u>	<u>50000000</u>
	<u>119137715</u>	<u>118891350</u>
SCHEDULE 'B'		
RESERVE & SURPLUS		
General Reserve		
Opening balance as per last Balance Sheet	114815992	109815992
Add: Amount transferred from Profit & Loss A/c	<u>5000000</u>	<u>5000000</u>
	119815992	114815992
Share Premium	195686572	194454750
Profit & Loss Account	<u>18604563</u>	<u>12079861</u>
	<u>334107127</u>	<u>321350603</u>
SCHEDULE 'C'		
SECURED LOANS		
1) Working Capital Loans from Bank		
a) From Allahabad Bank	27122399	42101519
b) From Punjab National Bank	18809785	30360696
c) From Bank of India	<u>12231670</u>	<u>14543386</u>
	58163854	87005601

(The above loans are secured by hypothecations of entire present and future movable assets of company such as stock of Raw Materials, Semi Finished Goods, Stores, Book Debts, Bills receivables etc. and mortgage of land at Ghaziabad and at Kala Amb, H.P. These are further secured by personal guarantee of Directors of the Company.)

SCHEDULES TO AND FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH, 2001

	As at 31/03/2001 (Rs.)	As at 31/03/00 (Rs.)
2) Term Loans		
a) From Allahabad Bank (Secured by way of equitable mortgage charge over immovable property and hypothecation charge over moveable fixed assets of the Company's unit at Kala-amb Distt. Sirmour (H.P.) both present and future. These are further secured by personal guarantee of five Directors of the Company.)	—	354129
b) From I.D.B.I. Kanpur (Sanctioned under equipment finance scheme of IDBI and secured by an Exclusive first charge on the equipment/plant installed at C-165/176 Bulandshahar Road Ind. Area Distt. Ghaziabad (U.P.). It is further secured by Unconditional and irrevocable personal guarantee of Sh. Sanjay Rungta, Managing Director and Sh. M.P. Rungta Vice Chairman.)	—	605000
c) From I.D.B.I. Kanpur (Secured by and exclusive first charge over all the plants, Machinery, Equipment acquired by the Company out of the proceed of the loan viz. Pay Loaders, Excavators, Tippers, Drill Machine etc. together with mortgage by deposit of title deeds of all the immovable property situated at village ogli, Pattikalal Ghat, Tehsil Nahan, Distt, Sirmour, (H.P.). The loan is further secured by personal guarantee of Sh.R.S. Rungta, Sh. M.P.Rungta and Sh. Sanjay Rungta Directors of the Company)	7600000	16800000
d) From i.D.B.I. Kanpur (Secured by an exclusive mortgage & charge over all the movable assets excepts to those charged to bankers for securing working capital facilities and immovable assets of the unit at Yanam, Pondicherry as well as extension of first charge over immovable property situated at village Ogli, Pattikalal Ghat, Tehsil Nahan together with extension of exclusive first charge over the Equipments under EFS/PFS from IDBI. The loan is further secured by personal Guarantee of Sh. R.S. Rungta, Sh. M.P.Rungta, and Sh. Sanjay Rungta, Directors of the Company.)	18000000	26000000
3) Other secured loans From Pvt Bank/Financer (secured by hypothecations of vehicle/ Earthmoving Machines)	1222108	1354558
	<u>84985962</u>	<u>132119288</u>
SCHEDULE 'D'		
UNSECURED LOANS		
a) From Directors	1700000	1700000
b) From Corporate Body	—	1800000
	<u>1700000</u>	<u>3500000</u>

SCHEDULES TO AND FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH, 2001

SCHEDULE 'E'

A. FIXED ASSETS AND DEPRECIATION

Sr. No.	Description	GROSS BLOCK			DEPRECIATION			NET BLOCK				
		Rate of Dep.	Cost as at 31-03-2000	Additions During the year	Sales/Adj. During the year	Total Cost as at 31-03-2001	Dep. up to 31-03-00	Dep. For the Year	Sales/Adj. During the Year	Total Dep. upto 31-03-2001	WDV as at 31-03-2001	WDV as at 31-03-00
1	Land & Site Development		9721087	-	-	-	-	-	-	9721087	9721087	
2	Staff Building	5%	2375275	-	-	227262	107402	-	334664	2040611	2148013	
3	Factory Building	10%	15290318	-	-	3351272	1193905	-	4545177	10745141	11939046	
4	Office Premises	10%	3691980	-	-	1511902	218008	-	1729910	1962070	2180078	
5	Furniture & Fixture	10%	2373070	30044	-	842220	155202	-	997422	1405692	1530850	
6	Plant & Machinery	25%	130789925	491712	8000000	85101295	11175989	-6273103	90004181	33277456	45688630	
7	Pay Loaders	25%	39756280	-	-	26188833	3391863	-	29580696	10175584	13567447	
8	Office Equipment	25%	3826681	343967	-	2992468	273824	-	3266292	904356	834213	
9	Vehicles	20%	15582637	648044	1788078	8647222	1287416	-1190713	8743925	5698678	6935415	
10	Lorries	40%	16663046	-	1228591	15434455	704034	-1095902	14378404	1056051	1892774	
11	Computer	60%	2184139	90029	-	2274168	223072	-	2099939	174229	307272	
12	Gas Cylinder		6792475	-	-	6792475	-	-	6792475	-	-	
TOTAL			249046913	1603796	11016669	239634040	152302088	18730715	-8559718	162473085	77160955	96744825
Previous Year			234523079	15392200	868366	249046913	127053218	25460358	211488	152302088	96744825	107469861
B. CAPITAL WORK IN PROGRESS			5958369	258646	-	6217015	-	-	-	-	6217015	5958369
Previous Year			14077407	2205135	10324173	5958369	-	-	-	-	5958369	14077407

SCHEDULES TO AND FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH, 2001

	As at 31/03/2001 (Rs.)	As at 31/03/00 (Rs.)
SCHEDULE 'F'		
INVESTMENTS		
(a) Investment in Govt. Securities		
7Yr National Saving Certificate (Pledged with Govt. Authorities as Security)	92000	208900
Indira Vikas Patra	2000000	2000000
	<u>2092000</u>	<u>2208900</u>
(b) Investment in Shares Unquoted (at cost)		
18400 fully paid-up Equity Shares of Rs.10/- each in JISL Irrigation Ltd.	462301	462301
42250 fully paid-up Equity Shares of Rs.100/- each in Chandwak Flour Mills Ltd.	4225000	4225000
48420 fully paid-up Equity Shares of Rs.100/- each in Trambakkam Flour Mills Ltd.	4842000	3217000
141000 fully paid-up Equity Shares of Rs.100/- each in Samara Reality Pvt. Ltd.	10220385	10220385
	<u>19749686</u>	<u>18124686</u>
(c) Investment in equity Shares Quoted (at cost)		
333 fully paid-up Equity Shares of Rs.10/- each in Eveready Industries Ltd,	95009	95009
107000 fully paid-up Equity Shares of Rs.10/- each in Sangam Aluminium Ltd.	62995	62995
200 fully paid-up Equity Shares of Rs.10/- each in National Organics & Chemicals Ltd.	8252	8252
100 fully paid-up Equity Shares of Rs.10/- each in Caprihans India Ltd.	5276	5276
100 fully paid-up Equity Shares of Rs.10/- each in Padmini Polymers Ltd.	3706	3706
100 fully paid-up Equity Shares of Rs.10/- each in Peacock Industries Ltd.	1016	1016
100 fully paid-up Equity Shares of Rs.10/- each in Pearl Polymers Ltd.	1981	1981
100 fully paid-up Equity Shares of Rs.10/- each in Hydro S&S Industries Ltd.	2487	2487
100 fully paid-up Equity Shares of Rs.10/- each in Finolex Pipes Ltd.	1495	1495
100 fully paid-up Equity Shares of Rs.10/- each in Nil Kamal Plastics Limited	3172	3172
200 fully paid-up Equity Shares of Rs.10/- each in Jai Prakash Industries Ltd.	4866	-
100 fully paid-up Equity Shares of Rs.10/- each in Larsen & Toubro Ltd.	27470	-
100 fully paid-up Equity Shares of Rs.10/- each in Gammon India Ltd.	10358	-
	<u>228083</u>	<u>185389</u>

SCHEDULES TO AND FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH, 2001

	As at 31/03/2001 (Rs.)	As at 31/03/00 (Rs.)
(d) Share Application Money		
In Equity Shares of Trambakkam Flour Mills Ltd.	—	2500000
In Equity Shares of Rungta Carriers Ltd.	<u>10500000</u>	<u>10500000</u>
	<u>10500000</u>	<u>13000000</u>
(e) Investment in the Capital of Partnership Firms		
Ajanta Minerals & Kishan Maharaj & Co.	<u>3100000</u>	<u>3100000</u>
Total Investment (a) to (e)	<u>35669769</u>	<u>36618975</u>
Aggregate Amount of Quoted Shares (Aggregate Market Value Rs. 70,818/- Previous year Rs.91,627/-)	<u>228083</u>	<u>185389</u>
Aggregate Amount of unquoted Shares	<u>19749686</u>	<u>18124686</u>

SCHEDULE 'G'

INVENTORIES

(as valued and certified by management)

Raw Materials	14203762	13353427
Finished Goods	58256584	73506145
Other spare parts & stores	<u>1762408</u>	<u>1828213</u>
	<u>74222754</u>	<u>88687785</u>

SCHEDULE 'H'

SUNDRY DEBTORS

(Unsecured & Considered Good)

Debts Outstanding for a period Exceeding 6 months	134065195	126992116
Other Debts	<u>107100730</u>	<u>179620447</u>
	<u>241165925</u>	<u>306612563</u>

SCHEDULE 'I'

CASH & BANK BALANCES

Cash & Cheques in Hand	3404773	5509942
Balance with Scheduled Banks:		
In current Account	1447723	2026121
In Term Deposit	9577180	9693025
Balance with other non scheduled banks In Current A/c (as per details given in Notes on accounts)	<u>202566</u>	<u>1053737</u>
	<u>14632242</u>	<u>18282825</u>



SCHEDULES TO AND FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH, 2001

	As at 31/03/2001 (Rs.)	As at 31/03/00 (Rs.)
SCHEDULE 'J'		
LOAN & ADVANCES		
(Unsecured, Considered good)		
Advances recoverable in cash or in kind or for value to be received	141382933	132137568
Advance payment of Income Tax	7270202	3654577
EMD/Security Deposits	5543361	6592883
	<u>154196496</u>	<u>142385028</u>
SCHEDULE 'K'		
CURRENT LIABILITIES		
Sundry Creditors	4305332	13956051
Due to Customers & Others	51306253	92662345
Bank Overdraft(uncashed cheques)	1536496	—
Dealers Deposits	9039839	11151051
Staff Deposits	337433	410626
	<u>66525353</u>	<u>118180073</u>
SCHEDULE 'L'		
PROVISIONS		
Provision of Taxation	1700000	350000
Proposed dividend	2109890	8888514
Provision for Corporate Dividend Tax	215209	977735
	<u>4025099</u>	<u>10216249</u>
SCHEDULE 'M'		
MISCELLANEOUS EXPENDITURE		
(To the extent not written off)		
Deferred Revenue Expenditure	95560	119450
Share Issue Expenditure	7120540	8847743
	<u>7216100</u>	<u>8967193</u>

SCHEDULES TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2001

	For the year ended 31/03/2001 (Rs.)	For the year ended 31/03/00 (Rs.)
SCHEDULE 'N'		
SALES & SERVICES		
Sales		
Local Sales	218998589	292503264
Export Sales	4681800	2502144
Hire & Service Charges	22262553	36186748
	<u>245942942</u>	<u>331192156</u>
SCHEDULE 'O'		
OTHER INCOME		
Interest Received	9250556	9615611
Miscellaneous Receipts	701753	3388531
Profit from Partnership Firms	928075	840815
	<u>10880384</u>	<u>13844957</u>
SCHEDULE 'P'		
MATERIALS, MANUFACTURING & OPERATING EXP.		
a) Trade Purchase/Raw Material Consumption		
Opening Stock	13353427	28318425
Add: Purchases	96281309	140032881
	<u>109634736</u>	<u>168351306</u>
Less: Closing Stock	14203762	13353427
	<u>95430974</u>	<u>154997879</u>
b) Change in Finished Goods stock		
Opening Stock	73506145	57276219
Less: Closing Stock	58256584	73506145
	<u>15249561</u>	<u>(16229926)</u>
c) Manufacturing & Operating expenses		
Carriage Inward	1282041	1535626
Fuel, Electricity & Water	4675437	4318554
Stores Consumed	1456476	5904128
Job Work	553787	1472305
Installation Expenses	233093	263261
Repairs & Maintenance		
Plant & Machinery	638922	737533
Factory Building	144718	125007
Testing & Laboratory expenses	621887	256374
Excise Duty paid	8565915	16912713
	<u>18172276</u>	<u>31525501</u>
Total (a + b + c)	<u>128852811</u>	<u>170293454</u>
SCHEDULE 'Q'		
PERSONNEL EXPENSES		
Salaries & Wages, Bonus & Award (Including perquisites & allowances)	18366562	23100785
Contribution to provident & other funds	2307921	2760274
Gratuity	1547690	508301
Staff Welfare Expenses	2204085	2519476
	<u>24426258</u>	<u>28888836</u>

SCHEDULES TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2001

	For the year ended 31/03/2001 (Rs.)	For the year ended 31/03/00 (Rs.)
SCHEDULE 'R'		
ADMINISTRATIVE EXPENSES		
Rate & Taxes	528389	769357
Rent, Hire Charges	2097179	5080121
Insurance Charges	489443	513208
Vehicle Running & Maintenance	3143071	3471631
Printing & Stationery	380052	485340
Postage, Telegram, Telephone & Telex	1527457	1833216
Repairs & Others	403121	553980
Travelling & Conveyance	4357302	5081694
Books & Periodicals	18702	40951
Electricity & Water Charges	139983	131371
General Expenses	575688	277437
Staff Recruitment Expenses	46670	31956
Membership fees & Subscription	239901	221782
Donation	52750	14237
Auditors Remuneration		
a) As Auditors	105000	100000
b) In other matters (Including Expenses)	77452	101604
Legal & Professional Charges	1039639	1383447
Loss on sale of Assets/Shares (net)	586667	432340
Misc. Expenses written off	1751092	1751092
	<u>17559558</u>	<u>22274764</u>
SCHEDULE 'S'		
INTEREST & FINANCIAL EXPENSES		
Interest to		
Banks and Financial Institutions	14843544	20609780
Others	1617341	1049543
Bank Charges & Commission	2528427	3082844
	<u>18989312</u>	<u>24742167</u>
SCHEDULE 'T'		
SELLING & DISTRIBUTING EXPENSES		
Carriage Outward Expenses	4250233	6543181
Advertisement & Sales Promotion	1085290	1693520
Packing Expenses	117334	32667
Discount & Commission	22482063	33246354
Sales Tax/T.O.T.	85589	36989
I.S.I. Marking Expenses	177197	210690
	<u>28197706</u>	<u>41763401</u>



SCHEDULES TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2001

SCHEDULE - U

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of Financial Statements:

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principle and the provisions of the Companies Act, 1956.

2. Fixed Assets and Depreciation:

a) Fixed assets are stated at cost of acquisition less accumulated depreciation.

b) The cost of Fixed Assets are inclusive of freight, duties and other incidental expenses incurred during construction period.

c) With regard to assets acquired under instalment, the cost of the assets are capitalised while the financial charges have been charged to revenue on accrual basis.

d) Depreciation has been provided on written down value method as per the rates mentioned opposite to each type of Fixed Assets. The rates of depreciation have been adopted from Income Tax Rules.

3. Investments:

Investments are stated at cost.

4. Inventories:

Raw materials are valued at cost less Cenvate claimed on it and Finished Goods are valued at cost added with the excise duties on clearance payable or market value whichever is lower. Stores and spare parts are valued at cost. Scrap is valued at estimated realisable value.

5. Revenue Recognition:

All revenues, costs assets and liabilities are accounted for on accrual basis except amounts which are not reasonably certain of realisation. Sales are inclusive of excise duty.

6. Contingent Liabilities:

These are disclosed by way of note on Balance Sheet.

7. Retirement Benefits:

Contribution to Provident, Pension Fund and provision for gratuity are accounted on accrual basis.

B. NOTES ON ACCOUNTS

1. CONTINGENT LIABILITIES NOT PROVIDED FOR:

a) Excise Department has issued show cause notices to company for payment of differential duty amounting to Rs. 72.20 Lacs (Previous year Rs.72.20 Lacs). The Company has preferred appeals against those notices before the Tribunal. Out of the above, the Tribunal has remanded the issue amounting to Rs.64.86 Lacs for adjudication denovo to the Commissioner (Excise).

b) In respect of Income-Tax Assessments completed, the Income Tax Authorities had disallowed certain concessions/allowances available to the company. Total demand outstanding is Rs. 110.23 Lacs (Previous year Rs. 120.47 Lacs) against which the company had preferred the appeals before the higher authorities. The appeals are likely to be decided in company's favour as per opinion of legal experts and various court orders.

c) The company has given counter guarantee to the bankers against Bank Guarantees issued by banks on behalf of the company amounting to Rs. 807.51 Lacs (Previous year Rs.789.00 Lacs).

2. Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. NIL (Previous year Rs. Nil).

3. In opinion of the management though, balance confirmation has not been obtained, all investment, Sundry Debtors, loans and advances are realisable at the values stated.


SCHEDULES TO AND FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH, 2001

4. During the year, the accounting method for provision of gratuity has been changed to accrual basis and consequent to this change, profit for the year is lower by Rs. 10.12 Lacs.

5. Details of balances with the Non-scheduled Bank in current Accounts (including maximum balances during the year):

Sl No.	Name of the Bank	31/03/2001 (Rs.)	31/3/2000 (Rs.)
i.	The Mahendragarh Central Co-operative Bank Ltd. Mahendragarh, Haryana (Maximum Balance during the year Rs. 214575)	79312	37142
ii.	The Gurgaon Central Coop. Bank Ltd., H/Mandi. (Maximum balance during the year Rs. 1196)	1196	1196
iii.	The Rewari Central Coop. Bank Ltd., Rewari (Maximum balance during the year Rs.102329)	2048	2329
iv.	The Mahendragarh Central Coop. Bank Ltd., Narnaul (Maximum balance during the year Rs.3567)	3537	3567
v.	The Rohtak Central Coop. Bank Ltd., Matenhail. (Maximum balance during the year Rs. 2998)	2958	2998
vi.	The Bhiwani Central Coop. Bank Ltd., Bhiwani (Maximum balance during the year Rs. 1684437)	67752	638484
vii.	The Bhiwani Central Coop. Bank Ltd., Dadri (Maximum balance during the year Rs. 2449)	2449	2449
viii.	The Bhiwani Central Coop. Bank Ltd., Badhara (Maximum balance during the year Rs. 7078)	7078	7078
ix.	The Bhiwani Central Coop. Bank Ltd., Loharu (Maximum balance during the year Rs.1005897)	7146	254263
x.	The Rewari Central Coop. Bank Ltd., Kosli. (Maximum balance during the year Rs.1130)	1130	1130
xi.	The Bhiwani Central Bank Ltd., Tosham. (Maximum balance during the year Rs.88547)	8003	88547
xii.	The Rohtak Central Coop. Bank Ltd., Jhajjar (Maximum balance during the year Rs. 91766)	3135	2924
xiii.	Hissar Central Coop. Bank Ltd., Siwani (Maximum balance during the year Rs. 4930)	4930	4930
xiv.	Haryana State Coop. Apex Bank Ltd., Chandigarh (Maximum balance during the year Rs. 1500)	1500	1500
xv.	Gurgaon Central Coop. Bank Ltd., Gurgaon (Maximum balance during the year Rs. 5200)	5170	5200
xvi.	The Jalore Coop. Bank Ltd. (Maximum balance during the year Rs. 5262)	5222	5262
	Total	202566	1058999

6. Figures have been rounded off to the nearest Rupee.

7. Figures of previous year have been regrouped and/or rearranged wherever found necessary to make them comparable with that of current year.

C) ADDITIONAL INFORMATION PURSUANT TO THE PROVISION OF PARAGRAPHS 3 & 4 PART-II OF SCHEDULE VI OF THE COMPANIES ACT, 1956

1. CAPACITY, PRODUCTION, TURNOVER

	Unit	31-03-2001		31-03-2000	
		Licenced	Installed	Licenced	Installed
a. Licenced/Installed Capacity					
SIS system Aluminium based	Sets	NA	17500	NA	17500
SIS system HDPE based	Sets	NA	10000	NA	10000
HDPE pipes	M.T.	NA	4500	NA	4500
Rigid PVC Pipes	M.T.	NA	5000	NA	5000
LLDPE Tubes	M.T.	NA	450	NA	450
Pesticides	M.T./KL	4900	450	4900	450
Fountain	Nos.	NA	NA	NA	NA

NOTE: Licence and Installed capacity is as certified by the Management and not verified by the Auditors, being, technical matter.

	Unit	31-03-2001	31-03-2000
b. Production			
Aluminium Pipe with coupler	Nos.	38814	79069
HDPE pipe with coupler	Nos.	139639	159575
Rigid PVC Pipe	Nos.	104831	147411
LLDPE Tubes	Mt.	2699100	4560400
Pesticides	Ltr./Kg.	23169	33990
Fountain	Nos.	13	-

	Unit	31-03-2001		31-03-2000	
		Qty.	Value (Rs.)	Qty.	Value (Rs.)
c. Turnover					
Aluminium Pipe with coupler	Nos.	45933	223680389	76444	295005408
HDPE pipe with coupler	Nos.	143699		153707	
Rigid PVC Pipe	Nos.	127480		149073	
LLDPE Tubes	Mtr.	3433140		4445277	
Pesticides	Ltr/kg	25636		30841	
Fountains	Nos.	13		-	
Accessories & Fittings	-	-	-		

	Unit	31-03-2001		31-03-2000	
		Qty.	Value (Rs.)	Qty.	Value (Rs.)

2. OPENING STOCK

a. Finished Goods:

Aluminium Pipes with couplers	Nos.	15262	9520261	12637	7427610
HDPE pipes with coupler	Nos.	34283	6937429	28415	5506330
Rigid PVC Pipes	Nos.	51929	11984768	53591	10043935
LLDPE Tubes	Mtr.	1556122	3469165	1440999	3010513
Pesticides	Ltr./Kg	9849	855023	6700	1279140
Sprinklers, Fountains & accessories	-	-	40739499	-	30008691
			<u>73506145</u>		<u>57276219</u>

b. Raw Material

Aluminium Pipe	Nos.	3559	1875190	10856	5221736
Aluminium Ingot	MT	15.145	1283173	18.378	1509780
HDPE Granules	MT	35.247	1563073	15.714	497273
PVC Resin	MT	53.841	2005935	118.110	2890525
LLDPE Granules	MT	7.982	351803	83.438	3677140
Pesticides Chemicals	Ltr/Kg	10943	981423	4800	595702
Others	-	-	5292830	-	13926269
			<u>13353427</u>		<u>28318425</u>

Particulars	Unit	31-03-2001		31-03-2000	
		Qty.	Value (Rs.)	Qty.	Value (Rs.)
3. CLOSING STOCK					
a. Finished Goods:					
Aluminium Pipes with couplers	Nos.	8143	6597236	15262	9520261
HDPE pipes with coupler	Nos.	30223	6589501	34283	6937429
Rigid PVC Pipes	Nos.	29280	6633348	51929	11984768
LLDPE Tubes	Mtr.	822082	2099100	1556122	3469165
Pesticides	Ltr/kg.	7382	925920	9849	855023
Sprinklers, Fountains & accessories	-	-	35411479	-	40739499
			<u>58256584</u>		<u>73506145</u>
b. Raw Material					
Aluminium Pipe	Nos.	4882	3726509	3559	1875190
Aluminium Ingot	MT	22.581	2049468	15.145	1283173
HDPE Pipe Granules	MT	23.963	1174191	35.247	1563073
PVC Resin	MT	25.96	1076955	53.841	2005935
LLDPE Granules	MT	7.709	368130	7.982	351803
Pesticides/Chemicals	Ltr./kg	9517	951295	10943	981423
Others	-	-	4857214	-	5292830
			<u>14203762</u>		<u>13353427</u>

Particulars	Unit	31-03-2001		31-03-2000	
		Qty.	Value (Rs.)	Qty.	Value (Rs.)
4. RAW MATERIAL CONSUMED					
Aluminium Ingot	MT	94.031	8089969	108.843	9309732
HDPE Granules	MT	457.096	19039021	506.161	22576229
PVC Resin	MT	383.873	13568263	648.677	25993873
Aluminium Pipes	Nos	39105	21923821	79027	42081712
LLDPE Granules	MT	92.308	4308165	164.049	7230389
Pesticides	Ltr/Kg	24824	1729460	37107	1462534
Others	-	-	26772275	-	46343410
			<u>95430974</u>		<u>154997879</u>
5. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL, SPARE PARTS, COMPONENTS AND STORES CONSUMED:					
a. Raw Material					
Imported	-	-	-	-	-
Indigenous	-	100.00%	95430974	100.00%	154997879
		<u>100.00%</u>	<u>95430974</u>	<u>100.00%</u>	<u>154997879</u>
b. Stores and Spare Parts					
Imported	-	-	-	-	-
Indigenous	-	100%	1456476	100%	5904128
		<u>100%</u>	<u>1456476</u>	<u>100%</u>	<u>5904128</u>

	31-03-2001 Value (Rs.)	31-03-2000 Value (Rs.)
6. CIF VALUE OF IMPORTS	NIL	NIL
7. Earnings in Foreign Exchange	4762380	2518941
8. Expenditure in Foreign Exchange	228000	281178
9. Managerial Remuneration:		
Details of payments and provisions on account of Remuneration to Managing Director and whole time directors included in Profit & Loss Account :		
- Salary	856800	976800
- Commission	180000	600000
- Contribution to Provident Fund	102816	117216
- Other Perquisites	66703	62885
	<u>1206319</u>	<u>1756901</u>

As per our report of even date annexed
For O. P. TULSYAN & CO.
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

KAMLESH KEDIA
Partner

R. S. RUNGTA
Chairman

Place : New Delhi
Dated : 31.07.2001

SANJAY GUPTA
G. M. (Finance)

SANJAY RUNGTA
Managing Director

M. P. RUNGTA
Vice Chairman



CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2001

	(Rs. in lacs)	
	31.3.2001	31.03.2000
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax and extraordinary items	200.67	316.14
Adjustment for:		
Depreciation	187.31	254.60
Miscellaneous Exp. written off.	17.51	17.51
Interest paid	164.61	216.59
Loss on Sale of Assets	5.86	4.29
Loss on Sale of Investment	-	0.03
Income on Investment	(9.29)	(10.27)
Operating Profit before working capital changes	566.67	798.89
Adjustment for:		
Trade & Other receivables	536.35	55.85
Inventories	144.65	(1.34)
Trade payables	(578.46)	(93.19)
Cash generated from operations	669.21	760.21
Direct Taxes Paid	(15.69)	(3.50)
Cash Flow before Extraordinary items	653.52	756.71
Extraordinary items	-	-
Net Cash From Operating Activities	653.52	756.71
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(18.62)	(72.73)
Sales of Fixed Assets	18.70	2.28
Sale of Investment	9.92	0.72
Purchase of Investments	(0.43)	(127.05)
Income from Investment	9.29	10.27
Loan to other Corporate	(18.00)	(12.40)
Net Cash Used in investing activities	0.86	(198.91)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Equity Share Capital and premium	14.78	-
Proceeds from Bank Borrowings	(288.42)	62.20
Repayment of Long Term Borrowings	(182.92)	(265.35)
Dividend paid (Including Div.Tax)	(69.73)	(141.84)
Interest Paid	(164.61)	(216.59)
Net Cash used in Financing Activity	(690.89)	(561.58)
Net Decrease in cash & cash Equivalents (A+B+C)	(36.51)	(3.78)
Cash & Cash Equivalents as on 1.4.2000	182.83	186.61
Cash & Cash Equivalents as on 31.3.2001	146.32	182.83

FOR AND ON BEHALF OF THE BOARD

R.S. RUNGTA
CHAIRMANPLACE : NEW DELHI
DATED : 31.07.2001SANJAY GUPTA
G.M. (FINANCE)SANJAY RUNGTA
MANAGING DIRECTORM. P. RUNGTA
VICE CHAIRMAN

AUDITOR'S CERTIFICATE

We have examined the attached Cash Flow Statement of RUNGTA IRRIGATION LIMITED for the period ended on 31st March, 2001. The statement has been prepared by the company in accordance with the requirement of Clause No. 32 of the company's Listing Agreement with the Delhi Stock Exchange. The statement is based on and is derived from the Profit & Loss A/C and the Balance Sheet of the Company for the period ended on 31st March, 2001 covered by our report of even date to the members of the company.

FOR O.P. TULSYAN & CO.
CHARTERED ACCOUNTANTSPLACE: NEW DELHI
DATED: 31/07/2001(KAMLESH KEDIA)
PARTNER

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Information pursuant to Part IV of Schedule VI of Companies Act, 1956 (as amended)

i Registration Details

Registration No. 23934 State Code 55
 Balance Sheet Date 31 03 2001
 Date Month Year

ii Capital Raised during the year (Amount in Rs. Thousands)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

iii Position of Mobilisation & Deployment of funds (Amount in Rs.Thousands)

Total Liabilities	610481	Total Assets	610481
Source of Funds		Reserves & Surplus	
Paidup Capital	119138	Unsecured Loans	1700
Secured Loans	84986		
Application of Funds		Investments	
Net Fixed Assets	83378	Misc. Expenditure	7216
Net Current Assets	413667		

iv Performance of Company (Amounts in Rs. Thousand)

Turnover & Other Receipts	256823	Total Expenditure	236756
Profit Before Tax	20067	Profit after Tax	18498
Earning per Share	2.72	Dividend %	Nil

v. Generic Names of three principal products/services of company (As per monetary terms) item code No (ITC Code)

Product Description	SPRINKLER IRRIGATION SYSTEM	DRIP IRRIGATION SYSTEM
Item Code	84248100	84248100

As per our report of even date annexed

For O. P. TULSYAN & CO.
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

KAMLESH KEDIA
Partner

R. S. RUNGTA
Chairman

Place : New Delhi
Dated : 31.07.2001

SANJAY GUPTA
G.M. (Finance)

SANJAY RUNGTA
Managing Director

M. P. RUNGTA
Vice Chairman

PROXY FORM



RUNGTA IRRIGATION LIMITED

Registered Office : 101, Pragati Tower, 26, Rajendra Place, New Delhi-110 008

I/We.....
of.....
in the district of.....being a member/members of the
above named Company hereby appoint.....
of.....in the district of.....
or failing him.....of.....in the district of

.....as my/our proxy to attend and vote for me/us on my/our behalf at the Annual
General Meeting of the Company to be held on Friday, September 28, 2001 at 10.30 A.M. and at any adjournment thereof.

Signed thisday of.....2001

Affix
Revenue
Stamp
of Re 1

NOTES :

1. Proxy need not be a member.
2. Proxy form duly signed across revenue stamp should reach Company's Registered Office atleast 48 hours before the time of the meeting.
3. The Company reserves the right to ask for identification of the proxy.
4. Proxy cannot speak at the meeting or vote on a show of hands.
5. Please note that no gift/gift coupons will be given at the venue of Annual General Meeting.

(Signature of Member)

ATTENDANCE SLIP



RUNGTA IRRIGATION LIMITED

Regd. Folio No.....No. of shares held.....

DP. ID. No.....Client ID No..... No. of shares held.....

I Certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the Annual General Meeting of the Company at the Deputy Speaker Hall, Constitution Club, Vithal Bhai Patel House, Rafi Marg, New Delhi-110001 at 10.30 A.M. on Friday, September 28, 2001.

.....
Member's/Proxy's name in Block Letter

.....
Signature of Member/Proxy

Note: Please fill up this attendance slip and hand over at the entrance of the meeting hall.