



# 34<sup>th</sup> **ANNUAL REPORT** **2020-21**

Ritesh Properties and Industries Limited

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Chairman cum Managing Director	:	Mr. Sanjeev Arora
Executive Director & Chief Financial Officer	:	Mr. Kavya Arora
Executive Director	:	Mr. Roop Kishore Fatehpuria
	:	Mr. Virinder Jit Singh Billing (ceased to be director on 28th November 2020)
Non-executive Non-independent Director	:	Mr. Hemant Sood (appointed on 14th August 2021)
Independent Directors	:	Mr. Deva Pampapathi Reddy
	:	Mr. Gurpreet Singh Brar
	:	Mr. Surendar Kumar Sood
	:	Ms. Shweta Sehgal
	:	Mr. Rohit Kumar Maggu (ceased to be director on 8th June 2021)
Statutory Auditors	:	M/s. Khandelwal Jain & Co. Chartered Accountants GF-8 & 9, Hans Bhawan, 1, Bahadur Shah Zafar Marg, New Delhi - 110002
Secretarial Auditor	:	M/s. MZ & Associates Company Secretaries, 3/31, West Patel Nagar, New Delhi 110008
Internal Auditor	:	M/s. AKGSR & Company Chartered Accountants, 348, 2nd Floor, Tarun Enclave, Pitampura, New Delhi 110034
Bankers	:	Axis Bank Udyog Vihar, Phase-V, Gurgaon 122016 ICICI Bank 6-D, Kitchlu Nagar, Ludhiana-141001
Project Office	:	Hampton Court Business Park, Nh-05, Opp. Fortis Hospital, Ldh-Chd Road, Ludhiana-141123, PB
Registered Office	:	11/5B, Pusa Road, New Delhi, Delhi-110060 CIN : L74899DL1987PLC027050 Website : www.riteshindustries.us
Corporate office	:	Plot No. 312, Udyog Vihar, Phase IV, Gurugram, 122015, Haryana
Registrar & Share Transfer Agent	:	Skyline Financial Services Private Limited D-153 A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi-110020 Tel: 011-40450193 - 97 Website: www.skylinerta.com

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**RITESH PROPERTIES AND INDUSTRIES LIMITED**  
 Regd. Office: 11/5B, 1st Floor, Pusa Road, New Delhi-110060, India  
 Ph.: 011- 41537951/9212359076, Email-ID: riteshlimited8@gmail.com  
 Website: www.riteshindustries.us  
 CIN: L74899DL1987PLC027050

## AGM NOTICE

NOTICE IS HEREBY GIVEN THAT THE 34th ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF RITESH PROPERTIES AND INDUSTRIES LIMITED ("THE COMPANY") FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021 WILL BE HELD ON FRIDAY, 31ST DAY OF DECEMBER, 2021 AT 12:00 NOON (IST) THROUGH VIDEO CONFERENCING ("VC")/OTHER AUDIO VISUAL MEANS ("OAVM") FACILITY TO TRANSACT THE FOLLOWING BUSINESSES:

### ORDINARY BUSINESSES:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2021, the reports of the Board of Directors and the Auditors thereon.

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

"**RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended 31st March, 2021 along with the reports of the Board of Directors and the Auditors thereon as circulated to the members, be and are hereby considered and adopted."

2. To appoint a director in place of Mr. Kavya Arora (DIN:02794500), who retires by rotation and being eligible, offers himself for re-appointment.

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

"**RESOLVED THAT** Mr. Kavya Arora (DIN:02794500) who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company."

### SPECIAL BUSINESSES:

3. Appointment of Mr. Hemant Sood (DIN: 02446952) as a Non-executive Non-independent Director of the Company.

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

"**RESOLVED THAT** pursuant to the provisions of Section 149, 152, and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the allied rules framed there under, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, if any, [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, Mr. Hemant Sood (DIN: 02446952) who was appointed as an Additional Director in the capacity of Non-executive Non-independent Director with effect from 14th August 2021, under section 161 of the Act and Articles of Association of the Company and who holds office up-to the date of this Annual General Meeting, and in respect of whom the Company has received a Notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director, being so eligible, be and is hereby appointed as the Non-executive Non-

independent Director of the Company.

**RESOLVED FURTHER THAT** any of the directors of the Company or the Company Secretary of the Company or any other official of the Company as authorised by the Board of Directors of the Company be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution."

4. Re-appointment of Mr. Sanjeev Arora as Chairman & Managing Director of the Company.

To consider and if thought fit to pass the following resolution(s) as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and all other applicable provisions if any, read with Schedule V of the Companies Act, 2013 ('Act') and the rules framed thereunder, and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee, Audit Committee, and the Board of Directors, the approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Sanjeev Arora (DIN: 00077748), as Chairman & Managing Director of the Company for a period with effect from 1st August, 2022 upto 31st July, 2025 on the terms and conditions as set out in the Explanatory Statement of this resolution, with powers to the Board of Directors to alter, amend, vary and modify the terms and conditions of the said re-appointment and remuneration payable from time to time as they deem fit in such manner and within the limits prescribed under this resolution and the Act or any statutory amendment(s) and/or modification(s) thereof, without requiring any further approvals of members of the Company.

**RESOLVED FURTHER THAT** in event of no profit or inadequate profit in any financial year during his tenure, the aforesaid remuneration shall be continued to be paid as minimum remuneration to Mr. Sanjeev Arora as minimum remuneration in compliance with the provisions of the Act.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

5. Alteration in the Memorandum of Association of the Company.

To consider and if thought fit, to pass the following resolution as **Special resolution**.

"**RESOLVED THAT** pursuant to the provisions of Section 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder and subject to such approvals, permissions and sanctions from the appropriate authority as may be required, the consent of the members of the Company be and is hereby accorded for alteration in object clause of the Memorandum of Association

of the Company by substituting existing sub-clause 9 in Clause III (A) of the Memorandum of Association of Company with the following sub-clause :

**“9. To carry on the business of real estate, and properties including, purchase of real estate, setting up or development of land/premises/buildings/industrial parks/IT parks, hospitals, schools, creation of plots for the sale, lease, rent & to carry on the business of colonizers & developers, construction of commercial/ industrial, residential buildings, sale and purchase of properties on commission basis etc., whether on its own or through any of its subsidiaries, associates or group entities or in collaboration, association or joint venture with chain of hospitals“.**

**RESOLVED FURTHER THAT** any of the directors of the Company and/or the Company Secretary of the Company or any other official of the Company as authorised by the Board of Directors of the Company be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to the foregoing resolution.”

**6. To fix borrowing powers and authorization to secure the borrowings, if required, under Section 180(1)(c) and 180(1)(a) of the Companies Act, 2013**

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

**“RESOLVED THAT** in supersession of all the previous resolutions passed by the shareholders of the Company, if any, in this regard and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, read with the rules framed there under, the Articles of Association of the Company and other applicable laws, if any, [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the consent of the members of the Company be and is hereby accorded to the Board of Directors (“Board”), to borrow money for and on behalf of the Company from time to time as the Board may deem requisite and proper for the business of the Company, by way of loans, advances, deposits or otherwise, whether the same be unsecured or secured by guarantee of any bank, persons and /or secured by mortgage, charge, hypothecation or pledge, of all or any of the Company's assets, whether movable or immovable, on such terms and conditions as the Board may think fit, from, including without limitation, any Bank and/or other financial institution and/or foreign lender and/or anybody corporate/entity/entities and/or authority/authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board, notwithstanding that the money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company, free reserves and security premium account as per the latest annual audited financial statements of the Company, provided that the total amount so borrowed and outstanding at any time shall not exceed Rs. 500 crore (Rupees Five Hundred Crore only) and the aggregate of the paid-up capital, free reserves of the Company and security premium, whichever is higher.

**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the

Companies Act, 2013, read with the allied rules framed there under, the Articles of Association of the Company, and other applicable laws, if any, (including any statutory modification or re-enactment thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to the Board of Directors, to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favor of banks/financial institutions, other investing agencies and trustees for the holders of debentures/bonds/other instruments, if any, to secure the amount borrowed by the Company or any third party from time to time, for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings which shall not, at any time exceed Rs. 500 crore (Rupees Five Hundred Crore only) and the aggregate of the paid up capital, free reserves of the Company and security premium.

**RESOLVED FURTHER THAT** any of the directors of the Company or the Company Secretary of the Company or any other official of the Company as authorized by the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

**7. Approval for making investments/extending loans and giving guarantees or providing securities in connection with loans exceeding the ceiling prescribed under Section 186 of the Companies Act, 2013.**

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

**“RESOLVED THAT** in supersession of all the previous resolutions passed by the shareholders of the Company in this regard, if any and pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with the rules framed there under and other applicable laws, if any [including any statutory modification(s) thereto or re-enactment(s) thereof for the time being in force] and subject to such other consents, permissions, approvals, as may be required in that behalf, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person; and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject to the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 500 Crore (Rupees Five Hundred Crore only) and the limit of 60%

of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Act.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

**8. Approval of loans, guarantee or security under section 185 of Companies act, 2013**

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

**"RESOLVED THAT** pursuant to the provisions of Section 185 and all other applicable provisions, if any of the Companies Act, 2013 (the "Act"), read with the rules made thereunder and any other applicable laws, if any, and Memorandum of Association and Articles of Association of the Company and subject to such other consents, permissions, approvals, as may be required in that behalf, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to grant inter corporate deposit/loan or give any guarantee or provide any security in connection with loan taken by any entities/ persons covered under the category of 'a person in whom any of the director of the company is interested' as specified in the explanation to Sub-section (b) of Section 2 of the section 185 of the Act ("Entities"), from time to time, up to an aggregate amount not exceeding Rs. 100 Crore (Rupees One Hundred Crore only) outstanding at any point of time, in one or more tranches, provided that such loans/guarantee/security given by the Company shall be utilized by the Entities for its principal business activities.

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

**9. Approval of material related party transactions**

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) and other applicable provisions, if any of the SEBI (Listing Obligations and Disclosure Requirements), 2015 (Listing Regulations), the Companies Act, 2013 and Rules made thereunder, and other applicable laws, if any, including statutory modification(s) or re- enactment thereof for the time being in force and as may be notified from time to time, consent of the members of the company be and is hereby accorded to the Board of Directors of the company to enter into contract(s)/ arrangement(s)/ transaction(s) with parties as detailed in the table forming part of the Explanatory

Statement annexed to this notice with respect to Sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such parties to any office or place of profit in the company or any other transactions of whatever nature, at arm's length basis and in the ordinary course of business, notwithstanding that such transactions may exceed 10% of the Consolidated Turnover of the Company in any financial year or such other threshold limits as may be specified by the Listing Regulations and the Act from time to time, up to such extent and on such terms and conditions as specified in the table forming part of the Explanatory Statement annexed to this notice.

**RESOLVED FURTHER THAT** the terms and conditions of all the transactions with the related parties of the Company shall be approved by the Audit Committee of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to perform and execute all such deeds, matters and things including delegation of such authority as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto."

**10. To Increase the Remuneration of Mr. Roop Kishore Fatehpuria (DIN-00887774) Whole-time Director**

To consider and if thought fit to pass the following resolution(s) as a **Special Resolution**:

**"RESOLVED THAT** in furtherance of the resolution passed by the members of the Company at the 33rd Annual General Meeting held on 28th December, 2020, pursuant to which members' consent was accorded for the appointment of Mr. Roop Kishore Fatehpuria as Whole-time Director for 3 (Three) years with effect from 1st September, 2020 to 31st August 2023 and the remuneration to be paid to him for holding the office of as such and pursuant to the provisions of sections 197, 198 read with read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules framed thereunder and applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, if any (including any statutory modifications or re-enactment thereof for the time being in force) and in terms of Articles of Association ("AOA") of the Company and upon recommendation of Nomination and Remuneration Committee and Board of Directors, the consent of the members of the Company be and is hereby accorded for increase in the basic pay of Mr. Roop Kishore Fatehpuria, on such terms and conditions as stated below:

**Basic Pay:** Rs. 1,65,000 (Rupees One Lakh Sixty Five Thousand only) per month w.e.f 1st September, 2021 as fixed pay for the remaining tenure of his appointment or such other period as may be determined in accordance with applicable laws with such increments as the Board may decide from time to time subject to maximum ceiling of Rs. 2,00,000 (Rupees Two Lakh only) per month.

**RESOLVED FURTHER THAT** except for the aforesaid revision in remuneration, all other terms and conditions of appointment and remuneration of Mr. Roop Kishore

Fatehpuria, as Whole-time Director of the Company vide resolution approved by the members at the 33rd Annual General Meeting held on 28th December, 2020, and which are not dealt with in this resolution, remain unchanged.

**RESOLVED FURTHER THAT** in the event of any inadequacy or absence of profits in any Financial year or years during the tenure of his appointment, the aforementioned remuneration comprising salary, perquisites and other benefits be continued to be paid as minimum remuneration to Mr. Roop Kishore Fatehpuria.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

**By Order of the Board**  
**For Ritesh Properties and Industries Limited**  
**Sd/-**  
**(Sanjeev Arora)**  
**Chairman-Cum-Managing Director**  
**DIN: 00077748**  
**Hampton Court, Business Park,**  
**Nh 05, Opp. Fortis Hospital,**  
**Ldh-Chd Road,**  
**Ludhiana, Punjab-141123**

**Place: Gurgaon**

**Date: 06.12.2021**

**NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ("the Act") setting out material facts relating to Special Business under item no. 3 to 10 of the notice to be transacted at the 34th AGM is annexed hereto. The recommendation of the Board of Directors of the Company (the "Board") in terms of the Listing Regulations is also provided in the said Statement.
2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (the "MCA") vide its General Circulars No. 14/2020, No. 17/2020 and No. 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020 respectively and by General Circular No. 02/2021 dated January 13, 2021 and other applicable circulars, (hereinafter, collectively referred as the "MCA Circulars") read with the SEBI Circulars No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 and No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated May 12, 2020 and January 15, 2021 respectively and other applicable circulars (hereinafter, collectively referred as the "SEBI Circulars") has allowed companies to conduct their annual general meetings through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), which does not require physical presence of the Members, Directors, Auditors and other persons at common venue, in view of this, the 34th AGM of the Company is being conducted through VC / OAVM

facility. The deemed venue for the 34th AGM shall be the Registered Office of the Company. Hence Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC / OAVM is annexed herewith in note no. 26.

3. The **34th** AGM of the Company is being convened through VC/OAVM in compliance with the applicable provisions of the Act read with all the applicable MCA and SEBI Circulars.
4. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the Listing Regulations, Secretarial Standards on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM and facility for those Members participating in the AGM to cast vote through e-Voting system during the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. CDSL will be providing facility for voting through remote e-voting, for participation in the **34th** AGM through VC/ OAVM facility and e-Voting during the **34th** AGM. The instructions and other information relating to e-voting are given in the notice under note no 26.
5. In terms of the MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement for the appointment of proxies. Accordingly, the facility to appoint proxies to attend and cast vote for the Members is not available for this AGM. However, in pursuance of Section 113 of the Act, and rules made thereunder, the Body Corporates Members are entitled to appoint their authorised representatives to attend the AGM through VC/OAVM and participate and cast their votes through remote e-voting and e-voting during the **34th** AGM of the Company.
6. Institutional / Corporate Shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/Authorization etc., with attested specimen signature of the duly authorized signatory(ies) authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting and e-voting during AGM, to the Scrutinizer by email through its registered email address to **cszafar@gmail.com** with a copy marked to **riteshlimited8@gmail.com** and **helpdesk.evoting@cdslindia.com**.
7. The quorum for the Annual General Meeting, as provided in Section 103 of the Act, is thirty members (including a duly authorized representative of a body corporate) and the members present in the meeting through VC/ OAVM shall be counted for the purpose of quorum pursuant to MCA Circulars.
8. Voting rights of the members for voting through e-voting shall be in proportionately the share of the paid-up Share Capital of the Company as on cut off date 24th December, 2021.

## 9. Dispatch of Annual Report through E-mail

In accordance with the MCA Circulars and SEBI Circular, the Notice of the **34th AGM** along with the Annual Report of the Company for the financial year ended 31 March 2021 are being sent only through electronic mode (e-mail) to those Members whose email addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA") or with their respective Depository Participant/s (DPs).

Members may note that the Notice and Annual Report for the financial year ended 31 March 2021 shall also available on the Company's website [www.riteshindustries.us](http://www.riteshindustries.us), websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the website of CDSL (Agency for providing the Remote e-voting facility) at [www.evotingindia.com](http://www.evotingindia.com).

We urge the shareholders for registration and/ or updation of their email id, Permanent Account Number (PAN) and bank mandate with the Company to ensure receipt of Annual Report, dividend and/or any other consideration and other communication timely, faster and easier and more importantly avoids fraudulent encashment of warrants.

Accordingly, to update the details with the Company, the following procedure may be followed:

Updating/ Registration	Procedure
<b>Email Id &amp; PAN</b>	<b>Physical Holding:</b> An email requesting for updation/ registration of email id and PAN with a copy of PAN card and mentioning folio number may be send to the Company's email id at <a href="mailto:riteshlimited8@gmail.com">riteshlimited8@gmail.com</a> or, Company's Registrar and Share Transfer Agent email id at <a href="mailto:grievances@skylinerta.com">grievances@skylinerta.com</a>
	<b>Demat Holding:</b> Update the email id / PAN through your Depository Participant.
<b>Bank Mandate</b>	<b>Physical Holding:</b> An email requesting for updation/ registration of Bank Mandate with a copy of PAN card, cancelled cheque with name printed on cheque, copy of share certificate or any letter received from Company or dividend warrant where folio number is mentioned may be send to the Company's email id at <a href="mailto:riteshlimited8@gmail.com">riteshlimited8@gmail.com</a> or, Company's Registrar and Share Transfer Agent email id at <a href="mailto:grievances@skylinerta.com">grievances@skylinerta.com</a>
	<b>Demat Holding:</b> Update the Bank mandate through your Depository Participant

The Company has also issued public notice dated 04 December, 2021 urging the shareholders for registration and/ or updation of their email id, Permanent Account Number (PAN) and bank mandate with the Company to ensure receipt of Annual Report, dividend and/or any other consideration and other communication timely, faster and easier and more importantly avoids fraudulent encashment of warrants.

10. Members may please note that in view of the proviso to Regulation 40(1) of the Listing Regulations, securities of listed companies can be transferred only in dematerialised form (DEMAT) with effect from 1 April 2019, except in case of request received for transmission or transposition of securities. Dematerialisation of shares would help to eliminate risks associated with Physical Shares. In this regard, SEBI has clarified by a Press Release No. 12/2019 dated March 27, 2019, that the said amendments do not prohibit an investor from holding the shares in physical mode and the investor has the option of holding shares in physical mode even after April 1, 2019. However, any investor who is desirous of transferring shares (which are held in physical mode) after April 1, 2019 can do so only after the shares are dematerialized.
11. The Dividend on shares, if declared, will be paid, subject to deduction of tax at source, as applicable, in respect of shares held in electronic form, to those persons whose names appear as beneficial owners in the statement(s) furnished by the Depositories as on the close of the market day prior to start of book closure and in respect of shares held in physical form, to those Shareholders whose names appear on the Company's register of members after giving effect to all valid transmission / transposition request lodged with the Company before the start of date of book closure. The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the Depositories for payment of dividend through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend. In the event the Company is unable to pay the dividend to any Member directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the Bankers' cheques/ demand draft/ dividend warrant to such Member, as soon as possible. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion of/change in such bank account details.
12. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Registrar and Share Transfer Agent.
13. As per the provisions of Section 72 of the Act the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet



registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website, **www.riteshindustries.us**. Members are requested to submit the said details to their DPs in case the shares are held by them in electronic form and to the Registrar and Share Transfer Agent in case the shares are held in physical form.

14. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's RTA for consolidation into single folio.
15. Members are requested to intimate about change in their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to the Company's Registrar and Share Transfer Agent, M/s Skyline Financial Services Private Limited, Address : D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi 110020 (Phone No.: 011-40450193-97; Email: [info@skylinerta.com](mailto:info@skylinerta.com)) in case the shares are held in physical form and to the Depository Participants (DPs) in case of shares held in electronic form.
16. Non-resident Indian Members are requested to inform Company's Registrar and Share Transfer Agent, M/s Skyline Financial Services Private Limited, Address : D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi 110020 (Phone No.: 011-40450193-97; Email: [info@skylinerta.com](mailto:info@skylinerta.com)), immediately of (a) Change in their residential status on return to India for permanent settlement. (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
17. The Board has appointed Mr. Mohd. Zafar, Practising Company Secretary (FCS: 9184), as the scrutinizer to scrutinize the remote e-voting process and also e-voting during the AGM in a fair and transparent manner. The Scrutinizer shall after the conclusion of e-voting at the 34th AGM, shall unblock the votes cast through remote e-voting system and voting at the AGM and shall make a consolidated Scrutinizer's Report.
18. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.riteshindustries.us](http://www.riteshindustries.us) immediately after declaration and on the website of CDSL. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed. Further the results shall also be displayed on the Notice Board of the Registered Office & Corporate Office of the Company.
19. Recorded transcript of the Meeting shall be uploaded on the website of the Company and the same shall also be maintained in safe custody of the Company.
20. The scanned copies of the relevant documents referred to in the accompanying notice/ explanatory statement will be made available at **www.riteshindustries.us** for inspection by the Members at the AGM, up to the date of this AGM.
21. Also during the AGM, the scanned copy of Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act and the Memorandum and Articles of Association of the Company will be made available at **www.riteshindustries.us** for inspection by the Members.
22. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ Depositories for receiving all communications including Annual Reports, Notices, Circulars etc. from the Company electronically.
23. Ms. Tarandeep Kaur, Company Secretary and Compliance Officer of the Company shall be responsible for addressing all the grievances in relation to this AGM including e-voting. The Members may contact at the following address: Name: Ms. Tarandeep Kaur Designation: Company Secretary and Compliance Officer Registered Office: 11/5B, First Floor, Pusa Road, New Delhi 110060, Delhi Email id: [riteshlimited8@gmail.com](mailto:riteshlimited8@gmail.com); Phone No.: 011-41537951
24. Details as required under Regulation 36(3) of the Listing Regulations and Revised Secretarial Standards on General Meeting (SS-2) with respect to Directors seeking appointment / reappointment at ensuing AGM is given to this Notice.
25. Since the AGM will be held through VC / OAVM facility, the Attendance slip and Route Map are not annexed to this Notice.
26. Conduct of AGM through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) facility.

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

- i. The Members are requested to join the 34th Annual General Meeting (AGM) through VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting i.e 12 Noon (IST) by clicking on the link **<https://www.evotingindia.com>** under Members login, where the EVSN of the Company will be displayed, by using the Remote e-Voting credentials and the same shall be kept open throughout the meeting and are also requested to follow the procedure mentioned in these notes.
- ii. The facility of participation at the 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 AGM without restriction on account of first come first served basis.
- iii. In line with the Ministry of Corporate Affairs (MCA) Circular No. 02/2021 dated 13 January 2021 along with 17/2020 dated 13 April 2020, the Notice calling the 34th AGM has been uploaded on the website of the Company at [www.riteshindustries.us](http://www.riteshindustries.us). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).



- iv. Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed. 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. Further members can also use the OTP based login for logging into the e-Voting system of CDSL.
- v. Members who would like to express their views or ask questions during the 34th AGM of the Company will be required to register themselves as a speaker by sending e-mail to the Company Secretary & Compliance Officer at [riteshlimited8@gmail.com](mailto:riteshlimited8@gmail.com) from their registered e-mail address mentioning their name, DP ID and Client ID number/folio number, email id, mobile number. Only those members who have registered themselves as speaker by 4 p.m. (IST) on Friday, 24 December, 2021 will be able to speak at the meeting.
- vi. Further, Members who would like to have their questions/queries responded to during the AGM are requested to send such questions/queries in advance within the aforesaid date and time, by following the similar process as stated above.
- vii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- viii. When a pre-registered speaker is invited to speak at the meeting, but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/camera along with good internet speed. Please note that Members connecting from mobile devices or tablets or through laptops etc 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.
- ix. Members desiring any information regarding the Financial Statements of the Company to be placed at the AGM are requested to write to the Company through email on [riteshlimited8@gmail.com](mailto:riteshlimited8@gmail.com) latest by 4 p.m. (IST) on Friday, 24 December 2021 so as to enable the management to keep the information readily available at the meeting.
- x. 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 [riteshlimited8@gmail.com](mailto:riteshlimited8@gmail.com). The same will be replied by the Company suitably.
- xi. In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however,

they shall not be eligible to vote at the meeting. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast their votes, the e-Voting will be closed with the formal announcement of the closure of the 34th AGM of the Company.

- xii. Institutional Investors who are Members of the Company, are encouraged to attend and vote in the 34th AGM of the Company through VC/OAVM Facility.
- xiii. Members who need assistance before or during the AGM with use of technology, can: - Send a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**THE INTRUCTIONS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

- i. The remote e-voting period begins at 09:00 a.m. on 28 December, 2021 and ends at 05:00 p.m. on 30 December, 2021. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **December 24, 2021** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
- iv. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- v. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.
- vi. Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in Demat mode with CDSL</b>	<ol style="list-style-type: none"> <li>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 URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>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 &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be 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.</li> </ol>
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<ol style="list-style-type: none"> <li>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDe AS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
<b>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</b>	<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. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

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

# **LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING IN DEMAT FORM & PHYSICAL SHAREHOLDERS.**

1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
2. Click on "Shareholders" module.
3. Now enter your User ID
  - i. For CDSL: 16 digits beneficiary ID,
  - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - iii. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (3).</p>

7. After entering these details appropriately, click on "SUBMIT" tab.
8. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
11. On the voting page, you will see "RESOLUTION

DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
13. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
16. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

## **1) Facility for Non – Individual Shareholders and Custodians –Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [riteshlimited8@gmail.com](mailto:riteshlimited8@gmail.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

4. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.
5. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

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

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
2. 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.evotingindia.com](http://www.evotingindia.com) or send a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
3. Any person, who acquires shares of the Company and becomes Member of the Company after sending the Notice of the Meeting and holding shares as of the cut-off date or registers his mail id/phone number up to the cut-off date needs to refer the instruction above regarding login ID and password and may contact the Company/RTA for any query or assistance in this regard. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

#### **EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD ON GENERAL MEETING ('SS-2')**

##### **ITEM NO. 1**

This explanatory statement is provided though strictly not required as per section 102 of the Companies Act, 2013.

The Members are hereby informed that the Company had filed a scheme of arrangement (the "Scheme") inter alia providing the merger of Ritesh Spinning Mills Limited, Ritesh Impex Private Limited and H. B. Fibres Limited (collectively referred as "Transferor Companies") with and into the Company under section 230 to 232 of the Companies Act, 2013. The Appointed date of the Scheme was 1st April, 2018. The Hon'ble National Company Law Tribunal, New Delhi Bench vide its order dated 25th August, 2021 approved the aforesaid Scheme. Accordingly, all liabilities and assets of Transferor Companies shall be subsumed in the Company w.e.f April 01, 2018 i.e. appointed date.

In view of the above, all the assets and liabilities of Transferor Companies have been consolidated and subsumed in the books of accounts of the Company w.e.f. April 01, 2018. Therefore, financial statement of the Company for financial year 2020-21 has been prepared based on the aforesaid consolidation and adjustments.

##### **ITEM NO. 3**

Members are hereby informed that Findoc Finvest Private Limited ("Findoc"), a company of Findoc group of companies promoted by Mr Hemant Sood had acquired 30,41,245 equity shares representing 26.24% in the Company from the promoter of the Company and an open offer under the provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 on account of the aforesaid acquisition of shares by Findoc. In addition to this, Findoc has also acquired 42,00,000 unsecured unlisted optionally full convertible debentures issued by the Company. Consequent upon the completion of the open offer Findoc was categorised as a promoter shareholder of the Company.

Thereafter, Mr. Hemant Sood (DIN:02446952) was inducted on the Board of the Company as an Additional Director in the capacity of Non-executive Non-independent Director under the provisions of Section 161 of the Companies Act, (the "Act") with effect from 14th August, 2021. As per the provisions of section 161 of the Act Mr Sood's office as an Additional Director is up to the date of this AGM and it is proposed to regularise him as a non-executive non-independent director on the Board of the Company at nil remuneration.

Mr. Hemant Sood, aged 42 years (approx.), is a first generation entrepreneur and has completed his Bachelor of Commerce from Punjab University, Chandigarh. Mr. Sood has a vast experience in the field of finance and marketing. Mr. Sood is the director and promoter of Findoc which is now part of promoter group of the Company. Considering the knowledge, experience and expertise of Mr. Sood, the Board is of opinion that his appointment as the Non-executive Non-independent Director of the Company shall be of immense benefit to the Company.

In terms of the provisions of the Act, Mr. Hemant Sood has provided requisite consents and disclosures to the Board of Directors of the Company and the Company has also received an intimation from Mr. Sood in Form DIR-8 to the effect that he is not disqualified to be appointed as a Director in any Company, and further confirmed that he is not debarred by the Securities and Exchange Board of India, Ministry of Corporate Affairs to be appointed as a Director in any Company. In this regard, the Company has also received a notice in writing, under section 160 of the Act, from a member proposing the candidature of Mr Sood as the Non-executive Non-independent Director of the Company.

The notice from a member under section 160 of the Act proposing the candidature of Mr. Sood as the Non-executive Non-independent Director of the Company is available for inspection by the Members in electronic form as per the instructions provided in Notes of this Notice.

Necessary information under Regulation 36(3) of the Listing Regulations and SS-2 issued by the ICSI, relating to Mr. Sood has been provided separately in the annexure which shall form part of this explanation statement.

Except Mr. Sood and his relatives, no other Director or Key Managerial Personnel of the Company or their relatives, is concerned or interested financially or otherwise, in the proposed resolution no. 3 as contained in the Notice.

The Board recommends the resolution set out in Item No. 3 of the Notice of AGM for approval by the Members of the Company as an Ordinary Resolution.

#### ITEM NO. 4

The Company had started its journey in the year 1987 with manufacturing, cultivating, buying, selling, procuring or dealing in agricultural products as its main activity. The Company has diversified its business in due course of time and entered in the real estate business and is engaged in development of approved integrated Industrial Park on the land situated at Ludhiana, Chandigarh Road, Ludhiana. The Company also started trading of shares, derivatives, options, forex, commodities, other financial instruments and is also engaged in setting up of infrastructure projects

In the entire development journey of the Company Mr. Sanjeev Arora has played a key role. Mr. Sanjeev Arora is a Commerce Graduate and has business experience of over 38 years. Mr. Arora is the promoter director of the Company and he is the visionary behind Company's R&D, technology partnerships, business developments and marketing initiatives. The contribution of Mr. Arora in industrial sector is commendable and many milestones in the sector have been achieved over the years due to his initiatives and entrepreneurship.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company (the "Board"), at its meeting held on 6th December, 2021 has, subject to the approval of members, re-appointed Mr. Sanjeev Arora as the Chairman and Managing Director, for a period of 3 (three) years on the following terms and conditions including the remuneration as recommended by the Nomination Remuneration Committee and approved by Audit Committee:

- i. Basic salary not exceeding Rs. 10,00,000/- (Rupees Ten Lacs only) per month with such increments as the Board may decide from time to time subject to maximum ceiling of Rs. 30,00,000/- (Rupees Thirty Lacs only) per month.
- ii. Rent free accommodation subject to a ceiling of 60 % of the basic salary.
- iii. Reimbursement of medical expenses incurred in India or abroad including hospitalization, nursing home and surgical charges for himself and family.
- iv. Reimbursement of actual travelling expenses for proceeding on leave with family to anywhere in India or aboard as per rules of the Company.
- v. Car, Telephone, Cell Phone, Computer shall be provided and their maintenance and running expenses shall be met by the Company.
- vi. Other benefits like Gratuity, Provident Fund, Leaves etc. as applicable to the employee of the Company.
- vii. Any other perquisites as may be determined by the Board of Directors of the Company from time to time within the overall limits specified in the Act.

#### Other Terms and Conditions:

- i. The terms and conditions of appointment of the Chairman and Managing Director may be altered and varied from time to time by the Board in such manner as may be recommended by Nomination and Remuneration Committee, subject to the provisions of the Act, without requiring any further approval of the members of the Company.
- ii. No sitting Fees will be paid to the Managing Director for attending meeting of the Board of Directors or any Committee thereof.
- iii. Mr. Sanjeev Arora, while holding the offices as Chairman and Managing Director of the Company, shall not be liable to retire by rotation.
- iv. The appointment may be terminated by either party by giving one month notice of such termination or salary in lieu thereof or by mutual consent.

Notwithstanding anything to the contrary contained herein, where in a financial year, during the currency of the tenure of Mr. Sanjeev Arora, the Company has no profit or its profits are inadequate, the Company shall pay the aforesaid remuneration to Mr. Sanjeev Arora as minimum remuneration.

#### General Conditions:

- i. The Managing Director will perform the duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respect and confirm to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- ii. The Managing Director shall abide by the provisions of section 166 of the Act with regard to duties of directors.
- iii. The Managing Director shall adhere to the Company's Code of Conduct.

Having regard to the type of industry, trends in the industry, size of the Company, the responsibilities, background and capabilities, the Company believes that the remuneration proposed to be paid to Mr. Sanjeev Arora as a Chairman and Managing Director is appropriate. Considering his rich experience, competence, and the growth and development of the Company under his leadership, the terms of his remuneration are considered fair and reasonable.

The Special resolution being proposed would also be in compliance with the aforesaid requirements of SEBI Listing Regulations.

Mr Sanjeev Arora holds 15,25,498 equity shares of the Company. Mr. Sanjeev Arora satisfies all the conditions set out in section 196 and Schedule V to the Act for being eligible for his re-appointment. He is not dis-qualified from being re-appointed as a Director in terms of Section 164 of the Act.

In compliance of Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2 on General Meetings issued by the Institute of Company Secretaries of India, a brief profile and relevant details and disclosures of Mr. Sanjeev Arora has been provided in annexure which shall form part of this explanatory statement.

The terms and conditions stated herein above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Sanjeev Arora under Section 190 of the Act.

The Board of Directors recommends the Resolution set forth at Item No. 4 of the Notice for approval of the Members by way of Special Resolution in the best interest of the Company.

Except Mr. Sanjeev Arora, Mr. Kavya Arora son of Mr. Sanjeev Arora, none of the Directors, Key Managerial Personnel (KMP) or their relatives are in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 4 of the Notice.

#### ITEM NO. 5

The Company is presently engaged in three business segments i.e. real estate, textile and investment division. The management of the Company has been exploring avenues for expanding the business activities of the Company and it is proposed to include additional activities, which are otherwise related to real estate and/ or infrastructure facilities, in the objects of the Company.

Accordingly, it is proposed to alter the object clause of the Memorandum of Association ("MOA") by substituting existing sub-clause 9 in clause III (A) of the MOA with following clause:

*"9. To carry on the business of real estate, and properties including, purchase of real estate, setting up or development of land/premises/buildings/industrial parks/IT parks, hospitals, schools, creation of plots for the sale, lease, rent & to carry on the business of colonizers & developers, construction of commercial/industrial, residential buildings, sale and purchase of properties on commission basis etc., whether on its own or through any of its subsidiaries, associates or group entities or in collaboration, association or joint venture with chain of hospitals"*

The Board of Directors at their meeting held on December 06, 2021 has approved the alteration of Clause III (A) of MOA of the Company subject to the approval of the Members of the Company by way of Special Resolution. The existing MOA of the Company as well as the MOA with the proposed amendments will be available for online inspection on all days except for Saturday and Sunday till the date of AGM.

In view of the above, the Board of Directors recommends the resolution set forth at Item No. 5 of the Notice for approval of the Members of the Company by way of Special Resolution in the best interest of the Company.

None of the Directors, Key Managerial Personnel (KMP) or their relatives are in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5 of the Notice, except to the extent of their shareholding in the Company, if any.

#### ITEM NO. 6

Member of the Company hereby informed that keeping in view the Company's existing and future financial requirements to support its business operations, the Company may need additional funds. For this purpose, the Company may, from time to time, raise finance from various banks and/or financial institutions and/ or any other lending institutions and/or bodies corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves and security premium of the Company.

In terms of the provisions of section 180(1)(c) of the Companies Act, 2013 (the "Act") the power to borrow money in excess of the paid up share capital, free reserves and security premium account and creation of security on such borrowing can be exercised by the Board of Directors only with the consent of the shareholders obtained by a special resolution.

Further, in terms of the provisions of Section 180(1)(a) of the Companies Act, 2013, a company cannot sell, lease or otherwise dispose-off the whole or substantially the whole of the undertaking or undertakings of the Company without the consent of the shareholders of the Company by way of a special resolution. Since the proposed borrowing by the Company may require to be secured by way of charge over the assets of the Company, therefore, it shall be necessary to pass a special resolution under Section 180(1)(a) of the Companies Act, 2013 giving such authority to that effect to the Board of the Company.

Therefore, in order to enable the Board of Directors of the Company to borrow money for the business needs of the Company and to create such charges, mortgages and hypothecations to secure the amount borrowed by the Company, it is proposed to fix the borrowing limits to Rs. 500 crores (Rupees Five Hundred Crore only) and the aggregate of the paid up capital, free reserves of the Company, whichever is higher.

In view of the above, the Board of Directors recommends the special resolution as set out under Item No. 6 of the Notice of AGM for approval of the Members of the Company as a special

resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested, whether financially or otherwise, in the resolution mentioned at item No. 6 of the Notice..

#### ITEM NO. 7

The provisions of section 186(2) of the Act read with the rules framed there under provide that no company is permitted to,

- a) give any loan to any person or other body corporate;
- b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and
- c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding:

sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

Further, section 186(3) of the Act provides that where giving of any loan or guarantee or providing any security or the acquisition as provided under section 186(2) of the Act, exceeds the limits specified therein, a prior approval of members of the company by means of a special resolution is required to be passed at a general meeting.

Keeping in view the opportunities and/or business requirements of the group companies, the Company may require to give any loan or guarantee or provide any security or the acquire the securities of any other body corporate, the approval of the members of the Company is being sought under section 186 of the Act, to make loan, guarantee or security by the Company for an aggregate limit of Rs.500 Crores (Rupees Five Hundred Crores) and the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Act.

In view of the above, the Board recommends the special resolution as set forth in Item No. 7 of the Notice of AGM for approval of Members of the Company as a special resolution.

None of the other Directors / Key Managerial Personnel of the Company / their relatives are concerned or interested, whether financially or otherwise, in the aforesaid resolution. .

#### ITEM NO. 8

Members of the Company are hereby informed that pursuant to the provisions of Section 185 of the Companies Act, 2013 ('Act'), a company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, subject to the condition that—

- (a) a special resolution is passed by the company in general meeting; and
- (b) the loans are utilised by the borrowing company for its principal business activities.

Members of the Company are hereby further informed that the Company may have to render support for the business requirements of its group entities/ persons covered under the

category of 'a person in whom any of the director of the company is interested' as specified in the explanation to sub-section (b) of Section 2 of the section 185 of the Act ("Entities"), from time to time.

Therefore, the Board of Directors seek consent of the members by way of a special resolution pursuant to section 185 of the Act for making loan(s) or providing financial assistance or providing guarantee or securities in connection with the loans taken or to be taken by the Entities, as may be required from time to time, which shall be utilise for principal business activities of such Entities.

The Members may note that Board of Directors would carefully evaluate proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, only for principal business activities of such Entities.

Accordingly, the Board of Directors recommend the special resolution as set out in Item no. 8 of Notice of AGM for approval of the Members of the Company as a special resolution.

Except to the extent of their shareholdings and directorships in the Company, none of the Directors, Key Managerial Personnel of the Company or any of their relatives, are concerned or interested in the above sated proposed resolution.

#### ITEM NO. 9

Members of the Company are hereby informed that section 188 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 states that no company shall enter into transactions, which exceed the threshold limits ascribed in rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014, with a related party as defined under section 2(76) of the Act except with the consent of the Board and Members of the Company, where such transactions are not in the ordinary course of business of the Company or not on an arm's length basis. However, as per the regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") all material transactions with related party, as defined under section 2(76) of the Act or under the applicable accounting standards, shall require approval of the Members of the Company and all the related parties shall abstain from voting on such resolutions. Regulation 23 of Listing Regulation inter alia provides that a transaction with a related party shall be considered as material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

Member are hereby informed that the Company may be required to enter into transaction with its related parties and such transactions may be treated as material as per the provisions of regulation 23 of the Listing Regulations.

In this regard, details in respect of the proposed related party transactions viz. the name of related parties, nature of proposed transactions, maximum value of proposed transactions along with time duration thereof, are as under for Members' consideration:.



Sr. No.	Name of related parties	Nature of Transaction	Maximum value	Duration
1.	Femella Fashions Ltd,	Availing/ providing loan Sale/ purchase of goods Availing/ rendering services Reimbursement of expenses	10 crore  At actuals	Financial year 2021-22
2.	K P Advisors (Realty) Pvt. Ltd	Availing/ providing loan Sale/ purchase of goods Availing/ rendering services Reimbursement of expenses	50 lacs  At actuals	Financial year 2021-22
3.	Ritesh Rental (P) Ltd.	Availing/ providing loan Sale/ purchase of goods Availing/ rendering services Reimbursement of expenses	20 lacs  At actuals	Financial year 2021-22
4.	Kamal Oil & Allied Industries	Availing/ providing loan Sale/ purchase of goods Availing/ rendering services Reimbursement of expenses	10 lacs  At actuals	Financial year 2021-22
5.	Teneron Limited	Availing/ providing loan Sale/ purchase of goods Availing/ rendering services Reimbursement of expenses	50 Lacs  At actuals	Financial year 2021-22
6.	NP Blockhouse Real Estate Pvt. Ltd.	Availing/ providing loan Sale/ purchase of goods Availing/ rendering services Reimbursement of expenses	50 Lacs  At actuals	Financial year 2021-22

Members are hereby further informed that all the transactions with related parties shall be done in the ordinary course of business and on an arms' length basis. Members may note that the Audit Committee and the Board of Directors, wherever required, shall evaluate each and every related party transactions and shall ensure that such related party transactions must be in the best interest of the Company and its Members.

Members are hereby further informed that no related party of the Company shall note on the resolution as set out in item 9 of the Notice of AGM.

Accordingly, the Board of Directors recommend the resolution as set out in item no. 9 of the Notice of AGM for approval of the Members of the Company, who are not related parties of the Company, as an ordinary resolution.

Except Mr Sanjeev Arora, Mr Kavya Arora and Mr HemantSood and their relatives, none of the other Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, whether financially or otherwise, in the aforesaid resolution.

#### Item No. 10

The Members of the Company at their 33rd Annual General Meeting held on 28th December, 2020 had appointed Mr. Roop Kishore Fatehpuria as Whole-Time Director w.e.f. 1st' September, 2020 for a period of three (3) years. The terms of appointment and remuneration were approved by the Member(s) vide Special resolution passed at the Meeting.

Mr. Roop Kishore Fatehpuria has a rich experience in the area of business of the Company. He has been associated with the Company since 2006 and since then the Company has been taking the advantage of his guidance and supervision. Mr. Fatehpuria association with the Company as Whole-time Director would be beneficial to the Company and his continued support is required for further growth and development of the business of the Company.

Considering his immense contribution towards the operations of

the Company. Nomination & Remuneration Committee and Board of Director(s) recommends upward revision in remuneration w.e.f 1st' September 2021 for his remaining tenure in compliance with the provisions of the 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In compliance of Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2 on General Meetings issued by the Institute of Company Secretaries of India, a brief profile and relevant details and disclosures of Mr. Fatehpuria has been provided in annexure which shall form part of this explanatory statement.

The Board of Directors recommends the Resolution set forth at Item No. 10 of the Notice for approval of the Members by way of Special Resolution in the best interest of the Company.

Except Mr. Roop Kishore Fatehpuria, none of the Directors, Key Managerial Personnel (KMP) or their relatives are in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 10 of the Notice.

**By Order of the Board**  
**For Ritesh Properties and Industries Limited**  
**Sd/-**  
**(SanjeevArora)**  
**Chairman-Cum-Managing Director**  
**DIN: 00077748**  
**Hampton Court, Business Park,**  
**NH95, Ldh-Chd Road,**  
**Ludhiana, Punjab-141123**

**Place:Gurgaon**  
**Date: 06.12.2021.**

**Profile of the Directors, being appointed/re-appointed, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India (ICSI)**

<b>Name of the Director</b>	<b>Mr Kavya Arora</b>	<b>Mr Hemant Sood</b>
Father's Name	Mr Sanjeev Arora	Mr. Lokinder Sood
Date of Birth	September 15, 1987	September 21, 1979
Age	33 years	42 years
Date of first appointment	October 31, 2011	August 14th 2021
Brief resume and expertise in specific functional areas	MrKavya Arora (DIN:02794500), aged 33 years has an experience in business management of more than 14 years. Currently he is also involve in real estate activities of the Company. He is a Chief Financial Officer (CFO) in the Company and part of audit committee and look into the financial affairsand business administration of the Company.	Mr. Hemant Sood (DIN : 02446952) is a first generation entrepreneur has an experience in Business Management and Real Estate Divisions for more than 20 years.
Qualification	He is graduated in Bachelor of Business Administration.	He is graduated in Bachelor of Commerce from Punjab University, Chandigarh. Further he did Certification in Business Mangement from Harvard Business School .
Directorship held in other companies as on date	8	16
Chairman/member of the committee of the Board of Directors of the Company	<b><u>Chairman:</u></b> <b><u>Nil</u></b> <b><u>Member:</u></b> a) Stakeholder Relationship Committee b) Restructuring Committee	<b><u>Chairman:</u></b> <b><u>Nil</u></b> <b><u>Member:</u></b> <b><u>Nil</u></b>
Chairman/member of the committee of the Board of Directors of other companies in which he is a director	Nil	Nil
Number of shares held in the Company	7,13,049	Nil
No. of Board Meetings attended during the financial year 2020-21	7 out of 7 Meetings.	Nil
Relationship with other Directors, Manager and KMPs of the Company	Son of Mr Sanjeev Arora, Chairman Cum Managing Director of Company.	No Relationship
Terms & conditions of appointment/re-appointment	The terms and conditions of re-appointment are as approved by the members of the Company in 33rd Annual General Meeting.	The terms and conditions of appointment are as stated in the AGM Notice.

Name of the Director	Mr. Sanjeev Arora	Mr. Roop Kishore Fatehpuria
Father's Name	Late Sh. Pran Arora	Late Sh. Sanwar Mal Fatehpuria
Date of Birth	September 18, 1963	September 02, 1953
Age	58 years	68 years
Date of first appointment	25/10/2004	04/09/2006
Brief resume and expertise in specific functional areas	He has more than 38 years of experience in business administration and rich experience in real estate sector Mr Sanjeev Arora is the promoter and Managing Director of the Company. He leads the overall strategy and planning, business development and marketing activities of the Company. Mr. Sanjeev Arora contribution to the real estate, apparel and textile products are commendable and many milestones in the sector have been achieved due to his initiatives and entrepreneurship.	He has more than 48 years of Experience and possesses expert knowledge in the area of management. Prior to joining the Board of Ritesh Properties and Industries Limited (RPIL), he was associated with the Company and engaged in various important functions of RPIL viz. promoting brand building at national level, developing and execute marketing strategy, building and maintaining relationship with research organizations, advertising agencies and product promotional houses. His experience and guidance in the area of Business management is expected to continue to enhance our Company's image in the market significantly.
Qualification	Bachelor of Commerce, Punjab University	Graduation in Commerce from Rajasthan University in 1973.
Directorship held in other companies as on date	11	1
Chairman/member of the committee of the Board of Directors of the Company	<b><u>Chairman:</u></b> <b>Board of Directors Meeting</b> <b><u>Member:</u></b> Nil	<b><u>Chairman:</u></b> Nil <b><u>Member:</u></b> Stakeholder Relationship Committee Audit Committee
Chairman/member of the committee of the Board of Directors of other companies in which he is a director	Nil	Nil
Number of shares held in the Company	15,25,498	Nil
No. of Board Meetings attended during the financial year 2020-21	7	7
Relationship with other Directors, Manager and KMPs of the Company	Father of Mr. Kavya Arora	No Relation
Terms & conditions of appointment/re-appointment	Please refer the explanatory statement	Please refer the explanatory statement

Disclosures as required under Schedule V of the Act, 2013 for Mr. Sanjeev Arora and Mr. Roopkishore Fatehpuria are given hereunder:

**I. General information:**

**1. Nature of Industry**

Ritesh Properties and Industries Ltd (RPIL) is a public limited company with business interests in Real Estate & Fashion Industry. RPIL is based in Ludhiana under the leadership of Mr. Sanjeev Arora, Chairman cum Managing Director of the company. The Company was promoted by Mr. Pran Arora a leading industrialist of Punjab and father of Mr. Sanjeev Arora. The company is listed on BSE Limited.

**2. Date or expected date of commencement of commercial production:**

Commercial production already started in year, 1987.

**3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not Applicable.

**4. Financial performance (post merger) based on given indicators:**  
(Amount in Lakhs)

Particulars	2020-21	2019-20	2018-19
Revenue from operations	117362.62	10591.32	12074.66
Other Income	875.34	1356.56	272.31
Total Expenditure	9944.85	11770.72	12792.17
Profit Before Tax	2663.12	177.17	(445.19)
Profit After Tax	2230.37	165.92	(233.03)

**5. Foreign Collaboration:**

The Company does not have any foreign collaboration.

**II. Information about the appointee:**

**1. Background details:**

The details are already given in the foregoing paragraphs.

**2. Past remuneration:**

Mr. Sanjeev Arora	Mr. Roopkishore Fatehpuria
i. FY 2020-21 – Rs. 1,20,00,000/- plus perquisites	i. FY 2020-21 – Rs. 18,60,000/- plus perquisites
ii. FY 2019-20 – Rs. 1,20,00,000/- plus perquisites	ii. FY 2019-20 – Rs. 18,60,000/- plus perquisites
iii. FY 2018-19 – Rs. 1,20,00,000/- plus perquisites	iii. FY 2018-19 – Rs. 17,40,000/- plus perquisites

**3. Recognition or awards In recognition of vast experience,**

Mr. Sanjeev Arora	Mr. Roopkishore Fatehpuria
Mr. Sanjeev Arora, was elected as the President, Catalina Bay USA Inc. He was being awarded and recognised by the various institution as the leading industrialist in the sector.	Nil

**4. Job profile and his suitability**

Mr. Sanjeev Arora	Mr. Roopkishore Fatehpuria
Mr Sanjeev Arora is the promoter and Managing Director of the Company. He leads the overall strategy and planning, business development and marketing activities of the Company. Mr. Sanjeev Arora contribution to the real estate, apparel and textile products are commendable and many milestones in the sector have been achieved due to his initiatives and entrepreneurship.	Mr. Roop Kishore Fatehpuria has a rich experience in the area of business of the Company. He has been associated with the Company since 2006 and since then the Company has been taking the advantage of his guidance and supervision. Mr. Fatehpuria association and his continued support is required for further growth and development of the business of the Company.

**5. Remuneration proposed**

Already mentioned in the foregoing paragraphs.

**6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person**

Mr. Sanjeev Arora	Mr. Roopkishore Fatehpuria
Considering the responsibility shouldered by Mr. Sanjeev Arora, proposed remuneration is commensurate with industry standards in similar sized organizations and he has successfully proved his expertise in an effective manner and has driven the Company towards the growth over a long period of time. Mr. Sanjeev Arora's experience and expertise in the field of real estate, apparel and textile products has brought the Company at this stage. It is Mr. Sanjeev Arora sincere efforts that have drove the Company towards the growth path during these years.	For the responsibilities shouldered by Mr. Roopkishore Fatehpuria as Whole-Time Director of the Company is to execute the various day to day business affairs of the Company, the remuneration of Mr. Roopkishore Fatehpuria compares favorably with the remuneration paid to the Whole-Time Directors / business heads of companies in similar industry having like sized and similarly positioned businesses including business volume, profit etc.
Hence, the Board of Directors considers that the remuneration being proposed is justified when compared with other organizations of the similar type, size and nature in the financial services industry.	Hence, the Board of Directors considers that the remuneration being proposed is justified when compared with other organizations of the similar type, size and nature in the financial services industry.

(In lakhs)

**7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.**

Mr. Sanjeev Arora	Mr. Roopkishore Fatehpuria
Except for the proposed re-appointment and remuneration, Mr. Sanjeev Arora does not have any pecuniary relationship with the Company or with any other key managerial personnel.	Except for the proposed remuneration, Mr. Roopkishore Fatehpuria does not have any pecuniary relationship with the Company or with any other key managerial personnel.

Particulars	2020-21 (Post Merger)	2019-20 (Post Merger)	2018-19 (Post Merger)
Revenue from operations	11732.62	10591.32	12074.66
Profit Before Tax	2663.12	177.17	(445.19)
Profit After Tax	2230.37	165.92	(233.03)
Remuneration drawn by Mr. Sanjeev Arora	1200.00	1200.00	1200.00
Remuneration drawn by Mr. Roop kishore Fatehpuria	18.60	18.60	17.40

**III. Other information:**

**1. Reason of loss or inadequate profits**

Presently, the Company has inadequate profits to pay the proposed remuneration therefore, the Company has taken the approval of shareholders in their meeting by way of special resolution.

**2. Steps taken or proposed to be taken for improvement:**

As mentioned above, our thrust on turnkey contracts and services helped sustain our growth momentum, while also aiding growth of our real estate, apparel and textile industry.

**3. Expected increase in productivity and profits in measurable terms with the continued efforts of Government of India, the business and consumer confidence are expected to improve further in the coming financial years.**

The various policy decisions taken would act as growth channel for the Company which would contribute in increased revenue and profits.

**IV. Disclosures:**

The necessary disclosures on re-appointment and remuneration etc. have been made under Corporate Governance Report which forms the part of the Annual Report.

**Other parameters under Section 200 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

**1. Financial and operating performance of the Company during the three preceding financial years:**

Details provided in para (I)(4) above.

**2. Remuneration or commission drawn by individual concerned in any other capacity from the Company:**

Mr. Sanjeev Arora and Mr. Roop kishore Fatehpuria does not draw remuneration in any other capacity from the Company.

**3. Professional qualification and experience:**

Please refer Para II above.

**4. Relationship between remuneration and performance:**

The financial performance of the Company and remuneration drawn by Mr. Sanjeev Arora and Mr. Roop kishore Fatehpuria during last 3 years is given below:

**5. The principle of proportionality of remuneration within the company, ideally by a rating methodology which compares the remuneration of directors to that of other directors on the board who receives remuneration and employees or executives of the company:**

The Company has a strong performance management culture. Remuneration of Whole-time Directors, Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs) are governed by the Company's Board-approved Nomination and Remuneration Policy. Further, every employee undergoes evaluation of his/her performance against the goals and objectives for the year, and increase in compensation. Additionally, industry benchmarks are used to determine the appropriate level of remuneration, from time to time.

**6. Securities held by the director, including options and details of the shares pledged as at the end of the preceding financial year:**

As on date, Mr. Sanjeev Arora holds 15,25,498 shares in the Company and Mr. Roop kishore Fatehpuria does not hold any share in the Company.



### **Updation of KYC Details in the master data**

Dear Member,

#### **Sub: Updation of KYC Details in the Master Data**

In order to ensure that all communications and monetary benefits, if any are received promptly by all Shareholders holding shares in physical form, the Company, through periodic communiqués, advises such shareholders to notify to the Company, any change in their address/ bank details /email Id etc. by a written request under the signatures of sole/ first named joint holder along with relevant supporting documents.

SEBI vide its Circular dated 20th April, 2018 had also greatly emphasized on collection of the Bank Account details and the PAN details of the shareholders in order to enable Companies/ RTA to raise standards and provide improved services to the Shareholders.

In this background, we are attaching herewith a KYC Form for all the shareholders holding shares in physical form to get all their details updated in the Master Data.

Kindly note that this Form is only for the purpose of master data updation of shareholders holding Shares in Physical form.

In case of Dematerialised Shareholding, the Company takes note of the details furnished only by the Depositories, whenever such information is available. You are therefore requested to provide such information only to your Depository Participant (DP), in case the shares are held in demat form.

We recommend and request you to get your details updated in the master data and submit the attached KYC Form to the Company at its Corporate Office at Ritesh Properties and Industries Limited, Plot No. 312, Udyog Vihar, Phase IV, Gurugram, 122015, Haryana.

Assuring you of our best services.

Thanking you.

Yours faithfully,

**For Ritesh Properties and Industries Limited**

**(Tarandeep Kaur)**

**Company Secretary**

**Encl.: KYC Form with this annual report**

## KYC FORM

(Only for physical shareholding)

To,  
**The Secretarial Department**  
**Ritesh Properties and Industries Ltd.**  
**11/5B, First Floor, Pusa Road,**  
**New Delhi 110060**

Date \_\_/\_\_/\_\_\_\_  
**Folio No:** \_\_\_\_\_  
**No. of Share:** \_\_\_\_\_

**Dear Sir/ Madam,**

We wish to update the KYC and in this matter are forwarding herewith the required supporting documents by ticking in the appropriate checkbox below:

**A For registering PAN of the registered and/ or joint shareholder (as applicable)**

- a) Registered shareholder      b) Joint holder 1  
c) Joint holder 2                  d) Joint holder 3

Please attach self –attested legible copy card (exempted for Sikkim Shareholder)

**B For registering Bank details of the registered shareholder**

1. In cases where in the original cancelled cheque leaf has the shareholder's name printed:  
a) Aadhar/ Passport/ Utility Bill      b) Original cancelled cheque leaf
2. In cases where in the cancelled cheque leaf does NOT contain the shareholder's name printed on it:  
a) Aadhar/Passport/ Utility bill      b) Original cancelled cheque leaf  
c) bank passbook/ Bank Statement

Please note that bank passbook/Bank Statement should be duly attested by the officer of the same bank with his signature name employee code, designation bank seal & address stamp phone no and date of attestation.

**c. For updating the Specimen Signature of the registered and/ or joint shareholders**

1. In cases where in the original cancelled cheque leaf has the shareholder's name Printed:  
a) Affidavit  
b) Banker verification  
c) Original cancelled cheque leaf
2. In cases where in the cancelled cheque leaf does NOT contain the shareholder's name Printed on it:  
a) Affidavit  
b) Banker verification  
c) Original cancelled cheque leaf  
d) Bank Passbook/ Bank Statement
3. The format of Bank Verification is available on the website of the Company [www.riteshindustries.us](http://www.riteshindustries.us) under shareholder's corner in investor relation section.
4. Please note the Bank passbook / Bank Statement should be duly attested by the officer of the same bank with his signature name. Employee code designation bank seal & address stamp, phone no, and date of attestation.

**D. For updating the email id for the purpose or receiving all communications in electronic mode**

Email id: \_\_\_\_\_

**E. For updating the mobile no.**

Mobile No.: \_\_\_\_\_

I/ We hereby state that the above mentioned details care true and correct and we consent towards updating the particulars based on the self-attested copies of the documents enclosed with this letter by affixing my/ our signature(s) to it.

**Sign** \_\_\_\_\_  
**Registered holder**

**Sign** \_\_\_\_\_  
**Joint holder (1)**

**Sign** \_\_\_\_\_  
**Joint holder (2)**

**Sign** \_\_\_\_\_  
**Joint holder (3)**



## RITESH PROPERTIES AND INDUSTRIES LIMITED

Regd. Office: 11/5B, Pusa Road, New Delhi-110060  
Ph: 011-41537951, Email-ID: riteshlimited8@gmail.com  
Website: www.riteshindustries.us  
CIN: L74899DL1987PLC027050

### DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 34th Annual Report on the business and operations of the Company along with the Audited Financial Statements of the Company for the Financial year ended 31st March, 2021.

### FINANCIAL HIGHLIGHTS

Amount (Rs. in lakh)

Particulars	2020-21 (post-merger)	2019-20 (post-merger)
Revenue from operations	11,732.62	10,591.32
Other Income	875.34	1,356.56
Total Income	12,607.96	11,947.89
Depreciation and amortization	47.01	36.55
Total Expenses	9,944.84	11,770.72
Profit/(Loss) before exceptional, extraordinary items	2,663.12	177.17
Exceptional Item/ Extraordinary item	-	-
Profit & (loss) before tax	2,663.12	177.17
Tax Expense	35.11	11.24
Profit/ (Loss) after tax	2,628.00	165.92

### OPERATIONS AND STATE OF AFFAIRS

During the year under review, your Company's operating income was Rs. 11,732.62 lakh (post-merger) in comparison to Rs. 10,591.32 lakh (post-merger) in the previous year. The Company has earned a profit after tax of Rs. 2,628 lakh (post-merger) during the period under review in comparison to Rs. 165.92 lakh (post-merger) in the previous year. The management is hopeful of and trying their level best to expand the business and increase the profitability of the Company in near future.

### COVID-19 PANDEMIC

The Novel Coronavirus disease (COVID-19) was declared a global pandemic by the World Health Organization on March 11, 2020. The Government of India took various actions to contain the COVID-19 pandemic, such as closing of borders and lockdown restrictions, which resulted in significant disruption to people and businesses. In response to COVID-19 pandemic situation, the Company quickly instituted measures to trace all employees and be assured of their safety, health and well-being. Fortunately, no COVID-19 case has been found across our manpower. Keeping in view the safety of our employees and in line with the guidelines issued by the Government. The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business.

### INFORMATION ON STATE OF COMPANY'S AFFAIRS

The Company has started its journey in the year 1987 with manufacturing, cultivating, buying, selling, procuring or dealing in agricultural products as its main activity. The Company has diversified its business in due course of time and entered in the real

estate business. Subsequently, the Company also started trading of shares, Derivatives, Options, Forex, commodities and other Financial instruments. At present, the Company is engaged in development of approved integrated Industrial Park on the land situated at Ludhiana-Chandigarh Road, Ludhiana. In this regard, the Company had entered into a partnership ventures in which Company will be developing the affordable housing projects in Ludhiana and project is already under process as for which intimation is provided earlier.

The overall performance of the Company during financial year 2020-21, amid a challenging economic scenario, vindicates the effectiveness of the initiatives undertaken by the Company's Management so as to exploit better business opportunities in near future.

Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

### DIVIDEND

The Board has not recommended any dividend during the year under review in order to retain the same in the business for further growth, and future projects to be undertaken by the Company in the near future.

### SCHEME OF MERGER AND AMALGAMATION UPDATION

As part of the group restructuring, the Board of directors of the Company in their Board Meeting held on 18th September, 2018, approved the Scheme of Amalgamation for merger of 3 (three) Group Companies, viz. Ritesh Spinning Mills Limited, Ritesh Impex Private Limited, H B Fibres Limited with Ritesh Properties and Industries Limited.

The Appointed Date for the Scheme of Amalgamation is 1st April, 2018. As a result of the implementation of the aforesaid amalgamation, the four group companies as aforesaid will be dissolved without winding up.

Hon'ble National Company Law Tribunal ("NCLT") New Delhi Bench vide order dated August 25, 2021 had approved the Scheme of Amalgamation amongst Ritesh Spinning Mills Limited, Ritesh Impex Private Limited, H B Fibres Limited ("Transferor Companies") with and into Ritesh Properties and Industries Limited ("Transferee Company"/"Company") and their respective shareholders and creditors (hereinafter referred to as "Scheme"). The Appointed Date for the Scheme of Amalgamation is 1st April, 2018. As a result of the implementation of the aforesaid amalgamation, the Transferor Companies as aforesaid were dissolved without winding up and accordingly, the Board of Directors in its meeting held on 1st December, 2021 had allotted 1,16,29,812 (One Core Sixteen Lakhs Twenty Nine Thousand Eight Hundred Twelve) equity shares to the shareholders of the Transferor Companies in terms of the sanctioned Scheme.

### TRANSFER TO RESERVES

During the period under review, the Company had not transferred any amount to Reserves.

### CHANGES IN SHARE CAPITAL

During the period under review, the authorised share capital of the Company was increased from Rs. 15,00,00,000/- divided into 1,50,00,000 Equity Shares of Rs. 10/- each to Rs. 21,00,00,000/- divided into 2,10,00,000 Equity Shares of Rs. 10/- each at the 33rd Annual General Meeting held on 28th December 2020.

The paid up capital of the Company as on 31st March 2021 was Rs. 11,59,09,580/- (Rupees Eleven Crore Fifty Nine Lac Nine Thousand Five Hundred and Eighty Only) divided into 1,15,90,958 Equity Shares of Rs. 10/- each. During the period under review, there was no change in the paid up share capital of the Company.

#### **DIRECTORS OR KEY MANAGERIAL PERSONNEL**

During the period under review, Mr. Deva Pampathi Reddy (DIN: 01939650) was appointed as an Independent Director of the Company for a period of 5 consecutive years w.e.f 23rd October, 2019 in the 33rd AGM held on 28th December, 2020. Further, Mr. Surendar Kumar Sood (DIN: 01091404), Mr. Gurpreet Singh Brar (DIN: 06597336) and Mrs. Shweta Sehgal (DIN: 06970433) were also re-appointed in the 33rd AGM as the Independent Directors of the Company for the second term of 5 consecutive years with effect from 25th September, 2019. In the opinion of Board of Directors of the Company, all the Independent Directors are the persons of integrity and possess relevant expertise and experience.

During the period under review, Mr. Virinder Jit Singh Billing (DIN: 07736423) had resigned from the designation of Whole-time director of the Company on 28th November, 2020.

In accordance with the provisions of the Companies Act, 2013 ('Act') and the Articles of Association of the Company, Mr. Kavya Arora (DIN: 02794500), Whole-time Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Further, Mr. Sanjeev Arora (DIN: 00077748) has been re-appointed as the as the Chairman & Managing Director of the Company subject to the approval of the members in the ensuing Annual General Meeting for a period of 3 years with effect from September 25, 2022.

Further, Mr. Hemant Sood (DIN: 02446952) was appointed as the additional director in the capacity of Non-executive Non-independent Director of the Company with effect from 14th August 2021 and has been appointed as the Non-executive Non-independent Director subject to the approval of the members in the ensuing Annual General Meeting with effect from the same date.

Mr. Rohit Kumar Maggu (DIN: 07729856) had resigned from the designation of Independent Director of the Company on 8th June, 2021.

For the financial year 2020-21, the Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act, and Regulation 16 and 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

All the Independent Directors of the Company have complied with the requirement of inclusion of their names in the Data bank of Independent Directors maintained by Indian Institute of Corporate Affairs..

None of the Directors of your Company are disqualified under the provisions of Section 164(2)(a) & (b) of the Act, and a certificate dated 3rd December, 2021 received from Mr. Mohd Zafar, Company Secretary in Practice certifying that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies by SEBI/Ministry of Corporate Affairs or any such statutory authority is annexed to the Corporate Governance Report.

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

During the period under review, the Company did not have any Subsidiary, joint venture or associate company.

#### **DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE ACT**

For the financial year 2020-21 the Independent Directors of your

Company submitted declarations of their Independence as required under Section 149(7) of the Act and the Listing Regulations, confirming that they meet the criteria of independence as provided in Section 149(6) of the Act and Rules framed there under and Regulation 25(8) read with regulation 16(1)(b) of the Listing Regulations. There was no change in the circumstances affecting their status as Independent Directors of the Company. The Board reviewed the declarations and noted that all Independent Directors are independent of the Company's management.

#### **KEY MANAGERIAL PERSONNEL**

As on 31st March, 2021, the details of the Key Managerial Personnel of the Company are provided as under:

Sl.No.	Name	Designation
1.	Mr. Sanjeev Arora	Chairman Cum Managing Director
2.	Mr. Kavya Arora	Whole-time Director & Chief Financial Officer
3.	Mr. Roop Kishore Fatehpuria	Whole-time Director
4.	Ms. Tarandeep Kaur	Company Secretary

During the period under review, Mr. Virinder Jit Singh Billing (DIN: 07736423) had resigned from the designation of Whole-time director of the Company on 28th November, 2020.

#### **NUMBER OF MEETINGS**

During the period under review, 7 meetings of Board of Directors, 6 Meetings of Audit Committee, 6 meetings of Stakeholders Relationship Committee, 5 meetings of Nomination and Remuneration Committee and 5 meetings of Restructuring Committee. Detailed information about the meetings is given in corporate governance report which forms the part of Annual Report.

#### **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Act, and Regulation 25(3) & (4) of the Listing Regulations, the Independent Directors in their meeting held on 31st March, 2021 have evaluated the performance of Non-Independent Directors, Chairperson of the Company after considering the views of the Executive and Non-Executive Directors, Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board. The Nomination and Remuneration Committee has also carried out evaluation of performance of every Director of the Company. On the basis of evaluation made by the Independent Directors and the Nomination and Remuneration Committee and by way of individual and collective feedback from the Non-Independent Directors, the Board has carried out the Annual Performance Evaluation of the Directors individually as well as evaluation of the working of the Board as a whole and Committees of the Board.

The Listing Regulations mandate the Board of listed companies to monitor and review the Board Evaluation framework Section 134(3) of the Act, read with the Rule 8 of the Companies (Accounts) Rules, 2014 issued there under further provides that a formal annual evaluation needs to be made by the Board of its own performance and that of its Committees and individual Directors. The Schedule IV of the Act, read with the Rules issued there under and Regulation 17(10) of the Listing Regulations states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The Questionnaire for evaluation of the performance of each Director was based on level of participation in meetings, understanding the roles & responsibilities, understanding the strategic issues and challenges in the Company. The

Questionnaire for evaluation of the Performance of Board was based on board composition, experience & competencies, understanding of business and competitive environment, quality of discussion at the board meeting, time spent by the board on the Company's long term goals and strategies. The Questionnaire for evaluation of the Committee was based on understanding of the terms of reference, discharge of its duties, performance of the Committee, Composition of the Committee.

#### **AUDIT COMMITTEE**

Pursuant to Section 177 of the Act, and Regulation 18 of Listing Regulations, the Company has a duly constituted Audit Committee, whose primary objectives are to monitor, supervise and effective management of company's finance, to ensure effective internal financial controls and risk management systems with high level of transparency and accuracy.

As on March 31, 2021, the Audit Committee of the Company comprises of Two Independent Directors viz. Mr. Surendar Kumar Sood as Chairman and Mr. Gurpreet Singh Brar as Member, and Mr. Roop Kishore Fatehpuria, Whole-time Director as Member of the Company. The Committee inter alia reviews the Financial Statements before they are placed before the Board, internal control system and Reports of Internal Auditors and Compliance of various regulations. The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report.

#### **NOMINATION AND REMUNERATION COMMITTEE**

As on March 31, 2021, the Nomination and Remuneration Committee comprises of three Independent Directors with Mr. Surendar Kumar Sood as Chairman, Mr. Gurpreet Singh Brar and Mrs. Shweta Sehgal as Members. The Committee, inter alia identifies persons who are qualified to become directors and who may be appointed in senior management. The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report.

#### **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

As on March 31, 2021, the Stakeholders' Relationship Committee comprises of one Independent Director with Mr. Surendar Kumar Sood as Chairman, Mr. Roop Kishore Fatehpuria and Mr. Kavya Arora as a Member. The Committee, inter alia reviews the grievance of the security holders of the Company and redressal thereof. The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report.

#### **RESTRUCTURING COMMITTEE**

On August 09, 2018, a Committee was constituted with the name "Restructuring Committee" for the Proposed Merger & Amalgamation of Ritesh Spinning Mills Limited, H.B. Fibres Limited and Ritesh Impex Limited with and into Ritesh Properties and Industries Limited, and consisting of three directors, Mr. Surendar Kumar Sood (Chairman of the Committee), Mr. Kavya Arora (Member of the Committee), Mrs. Shweta Sehgal (Member of the Committee). The Committee meetings were organised regularly for the purpose of aforesaid merger. As on March 31, 2021, the constitution of the Committee remains the same.

#### **VIGIL MECHANISM**

Pursuant to the provisions of Section 177(9) & (10) of the Act, and the Listing Regulations, a 'Whistle Blower Policy' to establish Vigil Mechanism for directors and employees to report genuine concerns has been framed. The policy is revised from time to time to realign it with applicable regulations or organisations suitability. The latest policy is available on the website of the Company and the web link of the same is provided in the Corporate Governance Report. This policy provides a process to disclose information, confidentially and without fear of reprisal or victimization, where there is reason to believe that there has been serious malpractice,

fraud, impropriety, abuse or wrong doing within the Company. The Company ensures that no personnel have been denied access to the Audit Committee.

#### **POLICY ON NOMINATION AND REMUNERATION**

The summary of Remuneration Policy of the Company prepared in accordance with the provisions of Section 178 of the Act, read with Part D of Schedule II of the Listing Regulations are provided in the Corporate Governance Report. The Remuneration Policy is approved by the Board of Directors and is uploaded on the website of the Company. The web link to the Remuneration Policy is as under:

<https://www.riteshindustries.us/pdf/Nomination%20&%20Remuneration%20Policy.pdf>

#### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis Report, which forms part of this report.

#### **STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

#### **CORPORATE SOCIAL RESPONSIBILITY**

During the period under review, the provisions of Corporate Social Responsibility were not applicable to the Company.

#### **RELATED PARTY TRANSACTIONS**

During the financial year 2020-21, the Company has entered into transactions with related parties in the ordinary course of business and on arms' length basis and in accordance with the provisions of the Act, and rules made there under and Regulation 23 of the Listing Regulations.

During the financial year 2020-21, there were no transactions with related parties which qualify as material transactions under the provisions of the Act, and Listing Regulations.

The details of the related party transactions as required under IndAS- 24 are set out in the Notes to accounts of Auditor's Report forming part of this Annual Report. The Board of Directors has adopted Related Party Transaction Policy and the same is available on following link

<http://www.riteshindustries.us/Related-Party-Transaction-Policy.pdf>

The particulars of the related party transactions, as required under Section 134(3)(h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are provided in Form AOC-2 which is annexed herewith as "Annexure-III".

#### **DIRECTORS RESPONSIBILITY STATEMENT**

In terms of the provisions of Section 134(3)(c) read with Section 134(5) of the Act, the Directors state that:

- a) In preparation of the annual accounts for the financial year ended March 31, 2021, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) The Directors have selected such Accounting Policies as listed in the Financial Statements and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year as on March 31, 2021 and of the profits of the Company for that period;

- c) The Directors have taken proper and sufficient care for 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 fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis;
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### MAINTENANCE OF COST RECORDS

Pursuant to sub-section (1) of Section 148 of the Act, the maintenance of Cost Records as specified by the Central Government is not required by the Company and accordingly such accounts and records are not made and maintained by the Company.

#### MATERIAL CHANGES

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since March 31, 2021 and the date of this report except as follows:

1. During the year, the issuance of Optionally Fully Convertible Debentures ('OFCDs') by way of preferential issue on private placement basis in accordance with provisions prescribed in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2019 was approved in Board Meeting dated 15th February, 2021. The Board of Directors in their meeting held on 8th April, 2021 allotted 42,00,000 (Forty Two Lakh) OFCDs of the face value of 10/- (Rupees Ten Only) each on private placement basis at an issue price of 22/- (Rupees Twenty Two Only) each i.e. at a premium of 12/- (Rupees Twelve Only) per OFCDs.
2. After the period under review, an Open Offer for the Acquisition of Up to 41,05,650 Equity Shares of Face Value of Rs. 10/- each Constituting 26% of the expanded equity share capital of Ritesh Properties And Industries Limited from the public shareholders of the Company by Findoc Finvest Private Limited ("Acquirer") was made. The letter of offer was duly updated on the Stock Exchange on 03rd June, 2021 and on the website of the Company. The tendering period for the offer commenced from 10th June, 2021 ended dated 24th June, 2021. On 07th July, 2021, Post offer Advertisement under Regulation 18(12) of SEBI (SAST) Regulations, 2011 was given to Stock Exchange.
3. Hon'ble National Company Law Tribunal ("NCLT") New Delhi Bench vide order dated August 25, 2021 had approved the Scheme of Amalgamation amongst Ritesh Spinning Mills Limited, Ritesh Impex Private Limited, H B Fibres Limited ("Transferor Companies") with and into Ritesh Properties and Industries Limited ("Transferee Company"/"Company") and their respective shareholders and creditors (hereinafter referred to as "Scheme"). The Appointed Date for the Scheme of Amalgamation is 1st April, 2018. As a result of the implementation of the aforesaid amalgamation, the Transferor Companies as aforesaid were dissolved without winding up and accordingly, the Board of Directors in its meeting held on 1st December, 2021 had allotted 1,16,29,812 (One Core Sixteen Lakhs Twenty Nine Thousand Eight Hundred Twelve) equity shares to the shareholders of the

Transferor Companies in terms of the sanctioned Scheme.

#### PUBLIC DEPOSITS

During the period under review, the Company did not invite or accept any deposits from the public in terms of Chapter V of the Act.

#### TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The Company did not have any unclaimed dividend during the period under review. Therefore, no amount was required to be transferred to Investor Education and Protection Fund.

#### LISTING OF SHARES

The Equity Shares of the Company are listed on the BSE Limited (BSE) with scrip code No.526407 with scrip symbol RPIL. The Company confirms that the annual listing fees to the stock exchanges for the financial year 2020-21 and 2021-22 has been duly paid.

#### PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

Loans, Guarantees and Investments under section 186 of the Companies Act, 2013 form the part of the Notes to the financial statements provided in this annual report.

#### AUDITORS

##### i. Statutory Auditors

The Members at 33rd AGM of the Company had appointed M/s Khandelwal Jain & Co., Chartered Accountants (Registration No. ICAI FRN 105049W) as Statutory Auditors of the Company in place of M/s S.M. Mathur and Co. Chartered Accountants, for a period of 5 years from the conclusion of the 33rd AGM till the conclusion of the 38th AGM.

##### Statutory Auditors' Report:

The Statutory Auditors' Report issued by M/s Khandelwal Jain & Co., along with the Standalone Financial Statements of the Company for the financial year ended March 31, 2021 forms part of this Annual report. The Auditor's Report read together with the notes on Accounts is self-explanatory and therefore, in the opinion of the Directors, do not call for any further explanation. Further, no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditor in his report.

##### ii. Secretarial Auditors :

The Board of Directors of the Company at their meeting held on 13th February, 2021 appointed M/s MZ & Associates, Practising Company Secretaries, (Peer Review Firm No. 757/2020) as Secretarial Auditor of the Company for conducting the Secretarial Audit of the financial year 2020-21 as required under Section 204 of the Companies Act, 2013 and Rules thereunder and Regulation 24A of the Listing Regulations.

##### Secretarial Audit Report

In terms of section 204 of the Companies Act, 2013 and Regulation 24A of the Listing Regulations, the Secretarial Audit Report given by the Secretarial Auditors i.e. MZ & Associates, Practising Company Secretaries in Form No. MR-3 is annexed and forms part of this Report as **ANNEXURE –I**.

##### Annual Secretarial Compliance Report:

Pursuant to Regulation 24A of the Listing Regulations read with SEBI circular dated February 08, 2019, listed entities are required to submit the Annual Secretarial Compliance report with the stock exchanges within 60 days from the end of the financial year. Further, SEBI vide its circular dated April 29, 2021 extended the timeline for filing by one month upto June 30, 2021. The Company has received the Annual Secretarial Compliance report from M/s. MZ & Associates, Practising Company Secretaries, and the same has been submitted to the stock exchanges within the stipulated

time. A copy of the same is annexed to this report along with the Secretarial Audit Report.

#### **RESPONSE TO AUDITORS' REMARKS**

There is no qualification, reservation, adverse remark or disclaimer by the Statutory Auditors or by the Secretarial Auditor in their Statutory Audit Report and Secretarial Audit Report, respectively and hence, no explanation or comments of the Board is required in this matter.

#### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The information required under Section 197(12) of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as "ANNEXURE-II".

#### **ANNUAL RETURN**

The Annual return of the Company for the financial year ended 31st March 2021 will be uploaded on the website of the Company at [www.riteshindustries.us](http://www.riteshindustries.us) post filing of the same the ROC.

#### **INVESTOR SERVICES**

The Company is committed to provide the best services to the shareholders/ investors. **M/s Skyline Financial Services Private Limited**, New Delhi are the Registrars and Share Transfer Agents (RTA) of the Company for transfer, dematerialization of shares and other investor related services. No correspondence / enquiry from any shareholder/ investor are pending with the company for reply.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information pertaining to conservation of energy, technology absorption and Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is appended as "ANNEXURE-IV" to this Board Report.

#### **DISCLOSURE REGARDING COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS**

The Company has complied with all the mandatorily applicable secretarial standards issued by The Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

#### **RISK MANAGEMENT**

The Company follows a practice of identification of various risks pertaining to different businesses and functions of the Company. Major risks elements associated with the businesses and functions of the Company have been identified and are being addressed systematically through mitigating actions on a continuing basis.

The Audit Committee periodically reviews and monitors the steps taken by the Company to mitigate the identified risks elements.

#### **CORPORATE GOVERNANCE REPORT**

A detailed Report on Corporate Governance for the financial year 2020-21 pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with an Auditors' Certificate on compliance with the conditions of Corporate Governance is annexed to this report and Marked as "ANNEXURE – "VI".

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report as required under the Listing Regulations with the Stock Exchange is annexed and forms part of this Annual Report and Marked as "ANNEXURE – "V".

#### **CEO AND CFO CERTIFICATION**

Pursuant to Regulation 17(8) of the Listing Regulations, the CEO and CFO certification as specified in Part B of Schedule II thereof is

annexed to the Corporate Governance Report. The Managing Director & CEO and the Chief Financial Officer of the Company also provide quarterly certification on Financial Results while placing the Financial Results before the Board in terms of Regulation 33 of the Listing Regulations.

#### **CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

The Code of Conduct for Directors and Senior Management Personnel is posted on the Company's website. The Managing Director & CEO of the Company has given a declaration that all Directors and Senior Management Personnel concerned have affirmed compliance with the code of conduct with reference to the financial year ended on March 31, 2021. The declaration is annexed to the Corporate Governance Report.

#### **FRAUD REPORTING**

There was no fraud reported by the Auditors of the Company under Section 143(12) of the Act, to the Audit Committee or the Board of Directors during the year under review.

#### **CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE**

Pursuant to the requirement under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, an Internal Complaints Committee has been duly constituted by the Company.

#### **DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

No case was filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 during the year under review.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE.**

During the period under review, there were no significant and material orders passed by any regulator/court/tribunal impacting the going concern status and the Company's operations in future.

#### **ACKNOWLEDGEMENT**

Your Directors wish to express their grateful appreciation for the valuable support and co-operation received from sub-brokers, business associates, vendors, bankers, financial institutions, investors, stakeholders, registrar and share transfer agent, other business affiliates and media.

The Board places on record its sincere appreciation towards the Company's valued customers for the support and confidence reposed by them in the organization and the stakeholders for their continued co-operation and support to the company and look forward to the continuance of this supportive relationship in future.

Your Directors also place on record their deep sense of appreciation for the devoted services of the employees during the period under review.

**For and on behalf of the Board of Directors**  
sd/-

**(Sanjeev Arora)**

**Chairman-Cum-Managing Director**

**Din: 00077748**

**Hampton Court Business Park,**

**NH-05, Ldh-Chd Road,**

**Ludhiana-141123**

**Dated: 06/12/2021**

**Place: Gurugram**

**ANNEXURE - I  
Form No. MR-3****SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31.03.2021  
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
Ritesh Properties and Industries Limited  
Add: 11/5B, Pusa Road New Delhi- 110060

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Ritesh Properties and Industries Limited (hereinafter referred to as the "Company"). Secretarial Audit has been conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/ statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, 2021, complied with the statutory provisions listed here under 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, 2021 to ascertain the compliance of various provisions of:-

- (i) The Companies Act, 2013 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) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Financial Year 2020-21)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Financial Year 2020-21)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2006 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations 2015;
  - (h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- (vi) The Employees State Insurance Act, 1948
- (vii) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (viii) Employers Liability Act, 1938
- (ix) Environment Protection Act, 1986 and other environmental laws
- (x) Air (Prevention and Control of Pollution) Act, 1981
- (xi) Factories Act, 1948
- (xii) Industrial Dispute Act, 1947
- (xiii) Payment of Wages Act, 1936 and other applicable labour laws

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

We report that 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 of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.
- 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.
- Dissenting member's view were not required to be captured and recorded as part of the minutes as there was no such instance.
- 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 period under review, as part of the group restructuring, the Scheme of Amalgamation for merger of 3 (three) Group Companies, viz. Ritesh Spinning Mills Limited, Ritesh Impex Private Limited, H B Fibres Limited with Ritesh Properties and Industries Limited was filed with NCLT on 29th May, 2020 after receipt of observation letter from BSE Limited on 10th January, 2020 and thereon the Shareholders and Creditors of the Company in NCLT convened meeting dated 03rd April, 2021 duly passed the resolution with requisite majority for approval of the Scheme of Amalgamation. The Petition by way of Second motion has been duly admitted and fixed for hearing before the Hon'ble Tribunal on 28th July, 2021.

We further report that During the period under review, an Open Offer for the Acquisition of up to 41,05,650 Equity Shares of Face Value of ₹ 10/- each Constituting 26% of the expanded equity share capital of Ritesh Properties And Industries Limited from the public shareholders of the Target Company by Findoc Finvest Private Limited ("Acquirer") has been made, in compliance of which the letter of offer was duly updated on the Stock Exchange as on 03rd June, 2021. Further, the Company increased the Authorized Share capital of the Company to Rs. 21,00,00,000 (Rupees Twenty one Crores) divided into 2,10,00,000 (Two crores Ten Lakhs) Equity shares of the face value of Rs. 10/- (Rupees Ten only) each, in conformity with the provisions of the Companies Act 2013. The corresponding form for increase in authorized share capital has been duly filed.

We further report that M/s. Khandelwal Jain & Co., Chartered Accountants (Registration No. ICAI FRN 105049W) be and are hereby appointed as the Statutory Auditors of the Company in place of retiring auditors, M/s S.M Mathur & Co. Chartered Accountants (Firm Registration No. 00184N), for a period of 5 years, from the conclusion 33rd AGM till the conclusion of the 38th AGM in accordance with provisions ascribed in the Companies Act, 2013 along with ensuring that the conditions as mentioned in 6(A) and 6(B) of SEBI circular Number CIR/CFD/CMD1/114/2019 dated October 18, 2019 have been duly considered in the terms of appointment of the statutory auditor.

We further report that Preferential Allotment of 42,00,000 (Forty Two Lakh) Optionally Fully Convertible Debentures (OFCD) of the face value of 10/- (Rupees Ten Only) each have been made on private placement basis at an issue price of ₹ 22/- (Rupees Twenty Two Only) each i.e. at a premium of 12/- (Rupees Twelve Only) per OFCD. The issuance of OFCD by way of preferential issue on private placement basis in accordance with provisions ascribed in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2019 was approved in Board Meeting dated 15th February, 2021.

Furthermore, we report that there were no instances of:-

- i. Redemption / buy-back of securities;
- ii. Foreign technical collaborations.

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

**For MZ & Associates**

**Company Secretaries**

**Sd/-**

**CS Mohd Zafar**

**Partner**

**Membership No: FCS 9184**

**CP: 13875**

**UDIN :F009184C000553002**

**Date:** 30th June, 2021

**Place:** New Delhi



**ANNEXURE A**

To  
The Members,  
Ritesh Properties and Industries Limited  
Add: 11/5B, Pusa Road New Delhi- 110060

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company..

**Date: 30th June, 2021**  
**Place: New Delhi**

**For MZ & Associates**  
**Company Secretaries**  
**Sd/-**  
**CS Mohd Zafar**  
**Partner**  
**Membership No: FCS 9184**  
**CP: 13875**  
**UDIN : F009184C000553002**

## Secretarial Compliance Report of Ritesh Properties and Industries Limited For The Financial Year Ended 31st March, 2021

To,  
Ritesh Properties and Industries Limited  
Add: 11/5B, Pusa Road New Delhi 110060

We, **MZ & Associates**, a firm of Company Secretaries, having our office at 3/31, West Patel Nagar, New Delhi 110008 have examined:

- a) all the documents and records made available to us and explanation provided by Ritesh Properties and Industries Limited (hereinafter referred to as "the listed entity"),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) other document/ filing, as may be relevant, which has been relied upon to make this certification

For the year ended 31st March, 2021 ("Review Period") in respect of compliance with the provisions of

- a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

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

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations);
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Financial Year 2020-21)**
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Financial Year 2020-21)**
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Financial Year 2020-21)**
- g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not applicable to the Company during the Financial Year 2020-21)**
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (PIT Regulations);
- i) The Employees State Insurance Act, 1948, Employees Provident Fund and Miscellaneous Provisions Act, 1952, Employers Liability Act, 1938, Environment Protection Act, 1986 and other environmental laws, Air (Prevention and Control of pollution) Act, 1981, Factories Act, 1948, Industrial Dispute Act, 1947, Payment of Wages Act, 1936 and other applicable labour laws and based on the above examination.

We hereby report that, during the Review Period:

- j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- k) Securities and Exchange Board of India (Registrar to an issue and Share Transfer Agents) Regulations, 1993 to the extent applicable to the Company and circulars/guidelines issued thereunder

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

- a) The Company has ensured that the conditions as mentioned in 6(A) and 6(B) of SEBI circular Number CIR/CFD/CMD1/114/2019 dated October 18, 2019 has been included in the terms of appointment of the statutory auditor at the time of appointing the auditor. Since the auditor has already been appointed, the terms of appointment of the auditor have been modified to give effect to 6(A) and 6(B) of SEBI circular Number CIR/CFD/CMD1/114/2019 dated October 18, 2019.
- b) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr.No	Compliance Requirement (Regulations/Circulars/Guidelines including specific Clause)	Deviations	Observations Remarks of the Practicing Company Secretary
	NA	-	-

- c) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- d) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken	Observations/Remarks of the Practicing Company Secretary, if any
-	-	-	-	-

- e) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31st March, 2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
-	-	-	-	-

For MZ & Associates  
Company Secretaries

Sd/-

CS Mohd Zafar

Partner

Membership No: FCS 9184

CP: 13875

UDIN:F009184C000553167

Date: 30th June, 2021

Place: New Delhi

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER  
(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Board of Directors  
Ritesh Properties and industries Limited

We, Sanjeev Arora, Chairman Cum Managing Director & Kavya Arora, Chief Financial Officer of the Company hereby certify that :-

- a. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2021 and the best of our knowledge and belief;
  - i. Statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations;
- b. They are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct;
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have not found any significant deficiencies in the design or operation of such internal controls;
- d. We have indicated to the Auditors and the Audit Committee that there are:-
  - i. No significant changes in internal control over financial reporting during the year;
  - ii. No significant changes in accounting policies during the year; and
  - iii. No instances of significant fraud have come to our notice, which involve the management or an employee of the Company having significant role in the Company's internal control system.

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

**Sd/-  
(Kavya Arora)  
Chief Financial Officer  
DIN: 02794500  
Hampton Court Business Park,  
NH-05, Ldh-Chd Road,  
Ludhiana-141123**

**Sd/-  
(Sanjeev Arora)  
Chairman-Cum-Managing Director  
DIN: 00077748  
Hampton Court Business Park,  
NH-05, Ldh-chd Road,  
Ludhiana-141123**

**Place: Gurgaon  
Date: 06.12.2021**

## ANNEXURE-II

### Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(1) Ratio of the remuneration of each Director/KMP to the median remuneration of all the employees of the Company for the financial year:

The Percentage increase in the median remuneration of employees in the Financial Year	(19.16%)
Median remuneration of all employees of the Company for the Financial Year 2020-21	2,91,000
The number of permanent employees on the roll of the Company as on 31st March, 2021	12
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	There was no increase in the remuneration of the employees and managerial personnel during the financial year 2020-21.

Name of Director	Remuneration of Director/KMP for the financial year 2020-21	Ratio of Remuneration to median remuneration of all employees	% increase in remuneration in the Financial Year 2020-21
<b>Independent Directors</b>			
Mr. Surendar Kumar Sood	1,11,000	0.38	N. A.
Mr. Gurpreet Singh Brar	58,000	0.20	N. A.
Mr. D.P Reddy	30,000	0.10	N. A.
Ms. Shweta Sehgal	50,000	0.17	N. A.
Mr. Rohit Kumar Maggu*	10,000	0.03	N. A.
<b>Executive Directors /KMPs</b>			
Mr. Sanjeev Arora, Chairman-Cum-Managing Director	1,26,24,000	43.38	Nil
Mr. Roop Kishore Fatehpuria, Whole Time Director	18,60,000	6.39	Nil
Mr. Kavya Arora, Whole Time Director and CFO	72,00,000	24.74	Nil
Mr. Virinderjit Singh Billing*	4,80,000	1.65	Nil
Tarandeep Kaur, Company Secretary	3,60,000	1.24	Nil

- The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: Not Applicable, since no employee of the Company receives remuneration in excess of highest paid director.
- It is hereby affirmed that remuneration paid is as per the remuneration policy of the Company.
- The list of top 10 employees of the Company shall be made available upon request to the Company. Also, there was no employee in the Company falling under the ambit of rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For and on behalf of the Board of Directors

Sd/-

(Sanjeev Arora)

Chairman-Cum-Managing Director

DIN: 00077748

Hampton Court Business Park,

NH-05, Ldh-Chd Road,

Ludhiana-141123

Dated: 06.12.2021  
Place: Gurgaon

**ANNEXURE-III**  
**FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (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 in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

**1. Details of contracts or arrangements or transactions not at arm's length basis: Nil**

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

**2. Details of material contracts or arrangement or transactions at arm's length basis: Nil**

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

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

**Sd/-**

**(Sanjeev Arora)**

**Chairman-Cum-Managing Director**

**DIN: 00077748**

**Hampton Court Business Park,**

**NH-05, Ldh-Chd Road,**

**Ludhiana-141123**

**Dated: 06.12.2021**

**Place: Gurgaon**

## ANNEXURE IV

**(INFORMATION AS PER SECTION 134 (3) (m) READ WITH RULE 8 OF COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2021)**

### **I. CONSERVATION OF ENERGY**

The Company is implementing the project of Hampton Court Business Park at Chandigarh Road, Ludhiana. Therefore, the information regarding energy conservation is not applicable as the Company has already closed its manufacturing units and now is into Real Estate Sector.

### **II. TECHNOLOGY ABSORPTION**

Since the Company is not carrying out any manufacturing activities, therefore, this clause is not applicable on the Company.

### **III. FOREIGN EXCHANGE EARNINGS AND OUTGO**

- a) Activities relating to exports, initiatives taken to increase export markets for products and services and export plans. The Company is carrying on real estate activities; hence this clause is not applicable.
- b) Total Foreign Exchange used and earned:

(Amount in Rs)

Particulars	2020-2021	2019-2020
Used	---	---
Earned	---	---

**By Order of the Board**  
**For Ritesh Properties and Industries Limited**  
**sd/-**  
**(Sanjeev Arora)**  
**Chairman-Cum-Managing Director**  
**Din: 00077748**  
**Hampton Court Business Park,**  
**NH-05, Ldh-Chd Road,**  
**Ludhiana-141123**

**Place: Gurgaon**

**Date: 06.12.2021**



## ANNEXURE V

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### Economic Overview:

Despite the resurgence of the pandemic and expectations around its consequent impact, the Indian Economy has exhibited resiliency during these uncertain times and remains on the recovery path led by the efforts of the Government and policy support from the Central Bank. As per provisional estimates released by the National Statistical Office, India's real GDP contraction was estimated at 7.3% for the fiscal. The Central Bank, in its recent policy, has revised the economic growth estimates. The real GDP growth for Fiscal 2022 is now pegged at 9.5%. The inflation trajectory and rise in international commodity prices pose risks. However, a good monsoon backed by Government support should spur recovery. The Government is scaling up the vaccination rollout programme to support broad-based economic recovery.

#### Industry Structure and developments

The year gone by has been a period of unprecedented challenges and uncertainties caused by the pandemic. This was compounded by its cascading effect in every facet of the economy and the industry. The real estate industry too, witnessed changes. This was as a result of systemic structural reforms and policy changes. The residential segment in particular has exhibited a surge with the fundamental growth drivers falling into place. The industry remains cognizant of the evolving market conditions with developers exhibiting adaptability along with agility to respond to the current situation. The Central and some State Governments have been proactive in taking steps to boost the housing industry. Various fiscal incentives announced by certain states, including stamp duty waiver and reduced charges, have aided growth. The establishment of a Special Window for Affordable and Mid-Income Housing (SWAMIH), to provide last mile financing for completion of stalled housing projects, is also aiding in completion of projects which had been held up and instilling further confidence in the consumers. 'Housing for All' under the Pradhan Mantri Awas Yojana and continued tax incentives for affordable segment provided by the Government will further boost sector dynamics. Consolidation in favour of the large, credible and organised players is clearly evident in the residential segment. As per ICRA's estimates, the demand consolidation in respect of large developers has doubled to approximately 22% in the FY2021 period.

#### Opportunities and challenges

##### i. Opportunities

As India awaits policy reforms to pick up speed, your Company firmly believes that the demand for Real Estate in a country like India should remain strong in the medium to long term. Your Company's well accepted brand, contemporary architecture, well designed projects in strategic locations, strong balance sheet and stable financial performance even in testing times make it a preferred choice for customers and shareholders. Your Company is ideally placed to further strengthen its development potential by acquiring new land parcels.

##### ii. challenges

While the management of your Company is confident of creating and exploiting the opportunities, it also finds the following challenges such as unanticipated delays in project approvals; availability of accomplished and trained labour force; concern due to ongoing pandemic situation; increased cost of manpower; rising cost of construction; growth in auxiliary infrastructure facilities; and over regulated environment.

#### Material developments in Human Resources / Industrial Relations front, including number of people employed

The Company leverages diversity of knowledge, qualification, skill, professional experience, culture, geography and sectoral understanding to enhance its competitiveness. The Company believes in creating an inclusive environment, where diverse perspectives can enrich strategic perspectives. To enhance inclusiveness at work, our 'gender sensitivity' workshops sensitise the environment in strengthening our conduct towards women colleagues. The Company's holistic wellness programme sensitised employees around work-life balance and importance of a healthy lifestyle, emotional, physical well-being and prevention of diseases. The Company also rolled out a structured program to vaccinate all its employees and their families along with contractors'/ partners' staff & their families.

#### Financial Performance of the Company

During the year under review, your Company's operating income was Rs. 11,732.62 lakh (post-merger). The Company has earned a profit after tax of Rs. 2,628 lakh (post-merger) during the period under review. The revenue of the Company is generated from three segments namely Development of Real Estate, Textile Division and Investment Division.

#### Key financial ratios analysis

A comparative table showing synopsis of FY 2020-21 versus FY 2019-20 of Key Financial Ratio is provided below:

Ratio	Calculation	2021	2020
Debtors Turnover (days)	Net Sales Average Debtors	46.27	140
Inventory Turnover (days)	Sales/COGS Inventory/Avg. Inventory	57.67	52
Interest Coverage Ratio	EBIT Interest Expense	89.29	7.01
Current Ratio	Current Assets Current Liabilities	2.17	2.26
Debt Equity Ratio	Total Debt Total Shareholder's Equity	0.32	0.75
Operating Profit Margin (%)	EBITDA* Total Revenue	15.62%	(6.67)%
Net Profit Margin (%)	Profit After Tax Total Revenue	17.52%	0.53%
Return on Net Worth	Net Income (PAT) Average Shareholder's Equity	26.85%	1.72%

#### Outlook

As we enter 2021, the momentum of historic sales could slow a bit but will remain strong to narrate a positive story. Unlike the past year, the real estate sector is now picking up with home buyers willing to make the move. With most workers displaced during the lockdown now back, construction activity has resumed and work is moving at a faster pace to fulfil commitments. The demand for residential property has in fact also been guided by the concept of work from home as families are now looking out for an upgrade as individual space becomes a crucial factor.

**Risks and Concerns**

The Company is exposed to a number of risks such as economic, regulatory, taxation and environmental risks as well as sectoral investment outlook. Some risks that may arise in the normal course of business and could impact its ability to address future developments comprise credit risk, liquidity risk, counterparty risk, regulatory risk, commodity inflation risk and market risk. A new challenge emanating from the COVID-19 pandemic has also emerged which could affect business. The Company's strategy of focusing on key products and geographical segments is exposed to economic and market conditions. The Company has implemented robust risk management policies that set-out the tolerance for risk and your Company's general risk management.

**Internal control systems and their adequacy**

RPIL has implemented an internal control framework to ensure all assets are safeguarded and protected against loss from unauthorized use or disposition, and transactions are authorized, recorded and reported correctly. The framework includes internal controls over financial reporting, which ensures the integrity of Financial statements of the Company and reduces the possibility of frauds. The Corporate Audit & Assurance department issues well documented operating procedures and authorities with adequate built in controls. The internal controls are tested for effectiveness, across all our project sites and functions by the Corporate Audit team, which is reviewed by the management from time to time, for corrective action.

**Cautionary statement**

Statement in the management discussion and analysis describing the company's objectives, estimates, projections and expectation may be forward looking statements within the meaning of applicable laws and regulations. Actual results could differ materially due to economic conditions effecting demand, supply, prices, change in government policies, tax laws and other incidental factors.

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

**Sd/-**

**(Sanjeev Arora)**

**Chairman-Cum-Managing Director**

**DIN: 00077748**

**Hampton Court Business Park,**

**NH-05, Ldh-Chd Road,**

**Ludhiana-141123**

**Dated: 06.12.2021**

**Place: Gurgaon**

## ANNEXURE VI

### CORPORATE GOVERNANCE REPORT

As required under Regulation 34(3) read with Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') the details of compliance by the Company with the norms on Corporate Governance are as under:

#### **1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance is a by which corporate entities are directed and controlled, encompassing the entire mechanics of the functioning of a Company. Good Corporate Governance practices are essential for sustainable business that aims at generating long term value to all its shareholders and other stakeholders.

The Company believes that strong governance standards, focusing on fairness, transparency, accountability and responsibility are vital not only for the healthy and vibrant corporate sector growth, but also for inclusive growth of the economy. The Company has always focused on good Corporate Governance Practices, which is a key driver of sustainable corporate growth and long term value creation for its stakeholders. The Company has measures to periodically review and revise the Corporate Governance practices by subjecting business processes to audits and checks that measures up to the required standards. The Company believes that Corporate Governance is not just limited to creating checks and balances; it is more about creating organizational excellence leading to shareholder value. The Company always endeavours to create awareness of Corporate vision and spark dynamism and entrepreneurship at all levels.

The Company has complied with the principles and practices of good Corporate Governance. The Company's philosophy is to attain transparency and accountability in its relationship with employees, shareholders, creditors, consumers, dealers and lenders, ensuring a high degree of regulatory compliance. Your Company firmly believes that a good governance process represents the foundation of corporate excellence.

#### **Listing Regulations**

The Company has complied with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended, as applicable to the Company.

#### **2. BOARD OF DIRECTORS**

The Board of Directors ('Board') of the Company provides leadership, strategic guidance and independent view to the Company's management while discharging its responsibilities. The Board consists of distinguished persons having requisite knowledge and expertise in business & industry, corporate governance, corporate finance, taxation, legal matters, strategic & risk management etc.

#### **i. Composition of the Board**

The Board of the Company has an optimum combination of Executive Directors and Non-Executive Directors, including Independent Directors and Women Director, meeting with requirement of Regulation 17(1) of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013 ('Act') read with the allied Rules. On March 31, 2021, the Board consisted of 8 (Eight) Directors, 5 (Five) of whom were Independent Non-executive Directors constituting more than 50% of the Board's strength and other 3 (Three) were Executive Directors, 2 (Two) of them belonging to the Promoter Group of the Company. The Chairman is an Executive Director.

During the financial year 2020-21, Mr. Deva Pampathi Reddy was appointed as Independent Director with effect from 23rd October, 2019 by the shareholders in the 33rd Annual General Meeting of the Company held on 28th December, 2020.

The Company has also complied with the requirements of having a woman independent director on its Board under Section 149(1) of the Companies Act, 2013 ('the Act') and Regulation 17(1)(a) of the Listing Regulations. The Company has one woman director on its Board as of March 31, 2021.

The composition of the Board is in accordance with Regulation 17(1) of the Listing Regulations and Section 149 of the Act.

The Independent Directors do not have nor had any material pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year apart from receiving the sitting fees, reimbursement of expenses incurred for attending the Board meeting, Committee meetings, Independent Directors' meeting and annual commission. All the Independent Directors have satisfied the criteria's of independence as laid down in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act.

#### **ii. Attendance of each Director at the meeting of the Board of Directors and at the 33rd Annual General Meeting and also the number of other Board of Directors or Committees in which a Director is a member or chairperson:**

During the financial year 2020-21, 7 (seven) meetings of Board of Directors were held on July 31, 2020, September 15, 2020, November 11, 2020, November 28, 2020, February 13, 2021, February 15, 2021, and February 26, 2021.

The composition of the Board of the Company and the attendance of each Director at the Board Meetings held during the financial year 2020-21 and at the previous Annual General Meeting ("AGM") i.e. at the 33rd AGM held on 28th December, 2020 and also the number of other Boards or Board Committees in which the Directors are member/chairperson as on March 31, 2021 are as follows:

Name of the Director	Category of Directors	Disclosure of relationships between directors inter-se;	Number of Directorship in Companies#	Number of Membership / Chairmanship in Company's Committee (s)*	Number of Board Meetings attended during the year	Attendance at the last AGM held on December 28, 2020
Mr. Sanjeev Arora	Chairman- cum- Managing Director and Promoter	Mr. Sanjeev Arora is father of Mr. Kavya Arora	12	Nil	7	Yes
Mr. Kavya Arora	Executive Director, CFO and Promoter	Mr. Kavya Arora is son of Mr. Sanjeev Arora	10	Chairman- Nil Member-1	7	Yes
Mr. Roop Kishore Fatehpuria	Executive Director	No relationship	2	Chairman- Nil Member-2	7	Yes
Mr. Virinder Jit Singh Billing##	Executive Director	No relationship	1	Nil	0	No
Mr. Surendar K. Sood	Independent, Director	No relationship	3	Chairman- 4 Member-0	7	Yes
Mr. Gurpreet Singh Brar	Independent, Director	No relationship	1	Chairman- Nil Member-1	5	No
Mrs. Shweta Sehgal	Independent, Director	No relationship	1	Nil	4	No
Mr. Rohit Kumar Maggu	Independent, Director	No relationship	1	Nil	2	No
Mr. D.P Reddy	Independent, Director	No relationship	2	Nil	6	Yes

**Note:** \* Committee for this purpose includes Audit Committee, and Stakeholders Relationship Committee.

# The directorship/chairmanship/membership as mentioned above includes the directorship/chairmanship/ membership held in the Company i.e. Ritesh Properties and Industries Limited.

## Mr. Virinder Jit Singh Billing ceased to be director of the Company w.e.f 28th November 2020.

\*\* Mr. Surendar Kumar Sood is a Director in M/s. Cremica Agro Foods Limited, is a listed Company having CIN: L15146PB1989PLC009676 and Mr. D.P Reddy is a Director in Sab Industries Limited, is a listed Company having CIN: L00000CH1983PLC031318, in addition to the directorship in the Company.

None of the Directors on the Board is a member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees as specified in Regulation 26(1) of the Listing Regulations, across all the companies in which he/she is a Director. For assessment of these criteria, the limit under Regulation 26(1), the membership/ chairmanship of the Audit Committee and the Stakeholders' Relationship Committee have only been considered.

On August 09, 2018, a Committee was constituted with the name "Restructuring Committee" for the Proposed Merger & Amalgamation of Ritesh Spinning Mills Limited, H.B. Fibres Limited and Ritesh Impex Limited with and into Ritesh Properties and Industries Limited, and consequently the Committee was constituted with the three directors, Mr. Surendar Kumar Sood (Chairman of the Committee), Mr. Kavya Arora (Member of the Committee), Mrs. Shweta Sehgal (Member of the Committee). The Committee meetings are organised regularly for the purpose of aforesaid merger.

The number of Directorships, Committee Membership(s)/ Chairmanship (s) of all Directors is within the limits as prescribed under the Act and the

Listing Regulations. Further, in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act and the listing Regulations and are Independent of the management.

During the financial year 2020-21, all necessary information, as required under the applicable provisions of the Act, Part A of Schedule II of the Listing Regulations and SS-1 ("Secretarial Standard on Meetings of the Board of Directors") and other applicable laws, rules and regulations were placed and discussed at the Meetings of the Board of Directors.

### iii. Separate Meeting of Independent Directors:

During the financial year 2020-21, as per the requirement of Schedule IV of the Act, and the Regulation 25(3) of the Listing Regulations, 1 (One) separate meeting of Independent Directors was held on 31st March, 2021 whereby all the Independent Directors were present and without the presence of the Non-Independent Directors and the members of the management of the Company. This meeting was conducted in a manner so as to enable the Independent Directors to discuss and review the performance of Non-Independent Directors and the Board as a whole, performance of the Chairman of the Company after taking into account the views of Executive Directors and Non-Executive Directors and for assessing the quality, quantity and timeliness of flow of information between the Company management and the Board. The outcome of the meeting was apprised to the Chairman of the Company.

The independent Directors provide an effective monitoring role and play an important role in deliberations at the Board and Committee Meetings and bring to the Company their expertise in the fields of business, corporate governance, management and law. The Company, from time to time, familiarizes its independent Director with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which Company operates, business model of the Company. The details of familiarization programme is

available on the website of the Company. The same is available on the website of the Company at <https://riteshindustries.us/pdf/FAMILARIZATION%20PROG%20OF%20INDEPENDENT%20DIRECTORS.pdf>.

The Board periodically evaluates the need for change in its size and composition to ensure that it remains aligned with statutory and business requirements. Also, in the event of any cessation, the Company ensures that the composition is fulfilled within stipulated time.

**iv. Shareholding of Non-Executive Director(s):**

As on March 31, 2021, none of the Non-Executive Directors was holding any shares or convertible instruments in the Company.

**v. Skills/Expertise/Competence of the Board of Directors**

Details of core skills/expertise/competencies required by the Board for efficient functioning of the Company, in the context of business of the Company and sector to which the Company belongs and status of those skills/expertise/competence available with the Board, are as follows:-

Skills/Expertise/Competencies required by the Board of Directors	Name of the directors who have such skills / expertise / competence	Status of availability
Understanding of Business/ Industry - Experience and knowledge of textile business and real Estate Business.	Mr. Sanjeev Arora, Mr. Roop Kishore Fatehpuria, Mr. V. S. Billing, Mr. Kavya Arora, Mr. S. K. Sood, Mr. D.P Reddy	Yes
Strategy and strategic Planning - Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's policies and priorities.	Mr. Sanjeev Arora, Mr. Roop Kishore Fatehpuria, Mr. V. S. Billing, Mr. Kavya Arora, Surendar Kumar Sood, Mr. Gurpreet Singh Brar, Mrs. Shweta Sehgal, Mr. Rohit Kumar Maggu, Mr. D.P Reddy	Yes
Critical and innovative thoughts – The ability to critically analyse the information and develop innovative approaches and solutions to the problems.	Mr. Sanjeev Arora, Mr. Roop Kishore Fatehpuria, Mr. V. S. Billing, Mr. Kavya Arora, Mr. S.K. Sood, Mr. Gurpreet Singh Brar, Mrs. Shweta Sehgal, Mr. Rohit Kumar Maggu, Mr. D.P Reddy	Yes
Financial Understanding – Ability to analyse and understand the key financial statements, assess financial viability of the business and efficient use of resources.	Mr. Sanjeev Arora, Mr. Roop Kishore Fatehpuria, Mr. V. S. Billing, Mr. Kavya Arora, Mr. S.K. Sood, Mr. Gurpreet Singh Brar, Mr. D.P Reddy	Yes

Corporate Governance – Understanding of the corporate governance norms and practises for sustainable growth and for generation of long term value to all its stakeholders.	Mr. Sanjeev Arora, Mr. Roop Kishore Fatehpuria, Mr. V. S. Billing, Mr. Kavya Arora, Mr. S.K. Sood Mr. Gurpreet Singh Brar Mrs. Shweta Sehgal, Mr. Rohit Kumar Maggu Mr. D.P Reddy	Yes
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**vi. Confirmation that in the opinion of the Board of Directors the Independent Directors of the Company fulfils the conditions specified in the SEBI Listing Regulations and are independent of the management of the Company:**

Based on the declaration of independence pursuant to Section 149(6) of the Act, and Listing Regulations, received from each of the Independent Directors of the Company's, it is confirmed by the Board of directors that the Independent Directors of the Company fulfils the conditions specified in the SEBI Listing Regulations and are independent of the management.

**vii. Board Meetings**

The Board meets at least once in quarter to review the quarterly business and the financial performance of the Company, apart from other Board business. However, the Board's function is not limited, to the matters, requiring approval of the Board statutorily. The Board is involved in all the important decisions relating to the Company and policy matters, strategic business plans, compliance with statutory/regulatory requirements, major accounting provisions, etc.

The Meeting of the Board are generally convened at the Company's Registered Office in New Delhi or Corporate office in Gurgaon. In case of urgency or when the Board of Meeting is not practicable to be held, the matters are resolved via circular resolution, as permitted by law, which is noted and confirmed in the subsequent Board Meeting.

The Board Meetings are generally scheduled well in advance and the notice of the same is given in writing to each Director. The Board papers, comprising the agenda backed by comprehensive background information, are circulated to the Directors in advance as prescribed by law, to enable the Directors to take the informed decision, the same is tabled before the Board Meeting. The Board is also free to take up any matter, not included in the Agenda, for consideration with the permission of the Chairman and with the consent of majority of the Directors present in the Meeting.

To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at the Board Meeting on the overall performance of the Company. The information as specified in Regulation 17(7) of the SEBI Listing Regulations and Secretarial Standard-1, as amended, is made available to the Board, wherever applicable.

The Minutes of the Board Meetings are circulated to all the Directors and confirmed at the subsequent Meeting. The Minutes of the Meetings of the Committee of the Board are placed before the Board Meeting of the Company for its review.

The Board of Directors of the Company met 7 (Seven) times during the Financial year 2020-21. At least 1 (one) Board Meeting was held in every quarter and the time gap between any two Board Meetings did not exceed 120 days, except the meetings held on 14th February 2020 and 31st July, 2020 between which there was a gap of 167 days due to the Pandemic and for which the necessary relaxations were already provided by the MCA and SEBI Circulars dated 24th March 2020 and 26th June 2020 respectively.

The details of Board Meetings held are as follows:

**a) Number of Board Meetings**

During the year under review, 7 (Seven) Board Meetings were held on the following dates:

Date of Board Meeting	Board Strength	Number of Directors present
July 31, 2020	9	6
September 15, 2020	9	6
November 11, 2020	9	6
November 28, 2020	8	7
February 13, 2021	8	6
February 15, 2021	8	8
February 26, 2021	8	8

**b) Directors' Attendance Record and directorships held**

The following table gives details of the Directors' Attendance Record at the Board Meetings

Name of the Director	Number of Board Meetings	
	Held	Attended
Mr. Sanjeev Arora	7	7
Mr. Surendar Kumar Sood	7	7
Mr. Roop Kishore Fatehpuria	7	7
Mr. Kavya Arora	7	7
Mr. Gurpreet Singh Brar	7	5
Smt. Shweta Sehgal	7	4
Mr. Rohit Kumar Maggu	7	2
Mr. Virinder Jit Singh Billing#	7	0
Mr. Deva Pampathi Reddy	7	6

# Mr. Virinder Jit Singh Billing ceased to be director of the Company w.e.f 28th November 2020.

**3. Board Committees**

The Board of Directors of the Company being at the fiduciary position have crucial role in the governance structure of the Company and the Board has constituted various Committees to deal with specific areas/ activities which need a closer review or which are operational or routine matters. In order to perform the duties in true spirit and in the interest of the Company and its stakeholders in efficient and timely manner, the Board has delegated its powers to various committees.

The Committees of the Board of Directors are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The minutes of the meetings of all committees are placed before the Board for review. Your Company has Four Board level committees:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee
- Restructuring Committee

**i. Audit Committee**

**Composition**

As on March 31, 2020, Audit Committee comprised of 3(three) members, of which majority were independent Directors. All the members of the Audit Committee are financially literate and bring in expertise in the fields of accounting or related finance management. The composition of the Audit Committee is in accordance with the provisions of the Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act.

The Audit Committee consists as follows:

Sl. No.	Name of the Committee Members	Category	Designation
1.	Mr. Surendar Kumar Sood	Non-Executive-Independent Director	Chairman
2.	Mr. Gurpreet Singh Brar	Non-Executive-Independent Director	Member
3.	Mr. Roop Kishore Fatehpuria	Executive Director	Member

**Meeting and Attendance**

The committee met Six (6) times during the year on July 31, 2020, September 15, 2020, November 11, 2020, November 28, 2020, February 13, 2021, and February 15, 2021.

Director	No of Meetings	
	Held	Attended
Mr. Surendar K. Sood	6	6
Mr. Gurpreet Singh Brar	6	6
Mr. Roop Kishore Fatehpuria	6	6

Ms. Tarandeep Kaur, Company Secretary of the Company, acts as the Secretary to the Committee.

The composition and terms of reference of the Audit Committee conforms to the requirements of Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Act, 2013.

**Terms of Reference of the Audit Committee are as follows:**

**Powers of the Audit Committee:**

- To investigate any activity within its terms of reference.
- To seek information required from any employee.
- To obtain external, legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it is considered necessary.

**Role of Audit Committee:**

The role of the Audit Committee shall include the following:

- 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;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors except those which are specifically prohibited;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - i. 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;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions;
  - vii. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. 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;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. 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;
16. 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;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as may be referred to by the Board or mandated by regulatory provisions from time to time;
21. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments.

#### Review of information by Audit Committee:

The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- c. Management letters/letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses;
- e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee; and
- f. Statement of deviations:
  - i) 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 Listing Regulations.
  - ii) 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 Listing Regulations.

#### ii. Nomination and Remuneration Committee

##### Composition:

As on March 31, 2021, the Nomination and Remuneration Committee of the Company comprises of 3 (three) directors.

Sl. No.	Name of the Committee Members	Category	Designation
1.	Mr. Surendar Kumar Sood	Non-Executive-Independent Director	Chairman
2.	Mr. Gurpreet Singh Brar	Non-Executive-Independent Director	Member
3.	Mrs. Shweta Sehgal	Non-Executive-Independent Director	Member

The committee met Five (5) times during the year on September 15, 2020, November 11, 2020, November 28, 2020, February 13, 2021, and February 15, 2021.

Director	No of Meetings	
	Held	Attended
Mr. Surindar K. Sood	5	5
Mr. Gurpreet Singh Brar	5	5
Ms. Shweta Sehgal	5	5

**Terms of Reference of the Nomination and Remuneration Committee are as under:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
3. devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommended to the Board of Directors their appointment and removal;
5. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

**iii. Stakeholders Relationship Committee:**

**Composition:**

As on March 31, 2021 the Stakeholders' Relationship Committee of the Company comprises of 3(three) members, Mr. Surendar Kumar Sood (Chairman), Mr. Roop Kishore Fatehpuria and Mr. Kavya Arora.

Sl. No.	Name of the Committee Members	Category	Designation
1.	Mr. Surendar Kumar Sood	Non-Executive-Independent Director	Chairman
2.	Mr. Roop Kishore Fatehpuria	Executive Director	Member
3.	Mr. Kavya Arora	Executive Director	Member

**Meetings and Attendance:**

The committee met Six (6) times during the year on July 31, 2020, September 15, 2020, November 11, 2020, November 28, 2020, February 13, 2021, and February 15, 2021.

Director	No of Meetings	
	Held	Attended
Mr. Surinder Kumar Sood	6	6
Mr. Roop Kishore Fatehpuria	6	6
Mr. Kavya Arora	6	6

**Terms of Reference of the Stakeholder's Relationship Committee are as below:**

- i. To ensure proper and timely attendance and Redressal of grievances of security holders of the Company in relation to:
  - a. Transfer/transmission of shares,
  - b. Non-receipt of annual reports,
  - c. Non-receipt of declared dividend,
  - d. Issue of new/duplicate certificates,
  - e. General Meetings,
  - f. All such complaints directly concerning the shareholders/investors as stakeholders of the Company; and
  - g. Any such matters that may be considered necessary in

relation to shareholders and investors of the Company.

- ii. Reviewing the measures taken for effective exercise of voting rights by shareholders.
- iii. Reviewing the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- iv. Reviewing the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- v. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from the shareholders from time to time;
- vi. To review and approve applications for transfer, transmission, transposition and mutation of share certificates including issue of duplicate certificates and new certificates on split/sub-division/consolidation/renewal and to deal with all related matters;
- vii. To review and approve requests of dematerialization and re-materialisation of securities of the Company and such other related matters;
- viii. Appointment and fixing of remuneration of RTA and overseeing their performance;
- ix. Review the status of the litigation(s) filed by/against the security holders of the Company;
- x. Review the status of claims received for unclaimed shares;
- xi. Recommending measures for overall improvement in the quality of investor services;
- xii. Monitoring implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of the SEBI (Prohibition of Insider Trading) Regulations, 2015;
- xiii. Review the impact of enactments/amendments issued by the MCA/SEBI and other regulatory authorities on matters concerning the investors in general;
- xiv. Such other matters as per the directions of the Board of Directors of the Company and/or as required under Regulation 20 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, from time to time.

The table below gives the number of complaints received, resolved and pending during the financial year 2019-20.

**Number of complaints:**

Received	Resolved	Pending
Nil	Nil	Nil

All the complaints of the shareholders received by the company during the financial year 2020-21 has been resolved with the time limit as prescribed by the SEBI and none is pending at the closure of the Financial year 2020-21. Also, no investor grievance was pending on March 31, 2021.

**Compliance Officer**

Ms. Tarandeep Kaur is the Compliance Officer of the Company. She can be contacted for any investors' related matter relating to the Company. Her contact no. is 011-41537951 and e-mail ID is [riteshlimited8@gmail.com](mailto:riteshlimited8@gmail.com).

**4. Remuneration Of Directors:**

**i. Executive Directors**

The details of remuneration including commission to all Executive Directors for the financial year ended March 31, 2021 is as follows and the same is within the ceiling prescribed under applicable provisions of the Act, 2013.



Name	Salary	Comm- ission	Provident Fund	Perquisites and other allowances
Mr. Sanjeev Arora, MD	1,20,00,000	Nil	Nil	52,000
Mr. Kavya Arora, WTD	72,00,000	Nil	Nil	Nil
Mr. Roop Kishore Fatehpuria, WTD	18,60,000	Nil	Nil	Nil
Mr. Virinder Jit Singh Billing, WTD	4,80,000	Nil	Nil	Nil

# Mr. Virinderjit Singh Billing ceased to be director of the Company w.e.f 28th November 2020.

The salary, contribution to provident fund and perquisites, if any, are fixed components. None of the remuneration component is linked to performance of the individual director. For the purpose of severance fees 'Salary' means basic salary of Directors.

## ii. Non- Executive Directors

The details of sitting fees and annual commission to Non-Executive Directors for the financial year 2020-21 are as follows:

Name and Designation	Sitting Fees	Commission
Mr. Surendar Kumar Sood, ID	1,11,000	Nil
Mr. Gurpreet Singh Brar, ID	58,000	Nil
Mr. Deva Pampathi Reddy, ID	30,000	Nil
Mrs. Shweta Sehgal, ID	50,000	Nil
Mr. Rohit Kumar Maggu, ID*	10,000	Nil

No sitting fee is paid to the Executive Directors for attending the Board Meetings or Committee Meetings thereof. There was no pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company. The Company has not granted any stock option to its Directors. The criteria for making payment to Non-Executive Directors is disclosed on the website of the Company at <https://riteshindustries.us>.

## 5. Code of Conduct

Details of the Code of Conduct for Board members and senior management of the Company is available on the Company's website at

<https://riteshindustries.us/pdf/Code%20of%20Conduct%20-%20RPIL.pdf>.

Annual declaration signed by the Managing Director & CEO of the Company pursuant to Regulation 26(3) read with Schedule V (Part D) of the Listing Regulations is annexed to the report as "Annexure A".

## 6. Materially significant related party transactions

Related Parties and transactions with them as required under IND-AS 24 are furnished under the Notes to the Accounts attached with the financial statements for the year ended March 31st, 2021. The transactions with the related parties are neither materially significant nor they have any potential conflict with the interests of the Company at large. Also there has not been any non-compliance by the Company in respect of which penalties or structures were imposed by Stock Exchange, SEBI or by any other statutory authority during the period under review.

## 7. Management Discussion and Analysis Report

The Management Discussion and Analysis Report have been included in this Annual Report and include discussion on the matters specified in the Regulation 34 of the Listing Regulations..

## 8. General Body Meetings

### i. Details of last three Annual General Meetings (AGM)

The details of last three AGM were held as per the details given below:

Year	Venue	Date & Time	Special resolutions passed in the meeting
2019-20	Through Video conferencing	28 <sup>th</sup> December, 2020 at 12:00 noon.	1. Re-appointment of Mr. Roop Kishore Fatehpuria as the Whole Time Director; 2. Re-appointment of Mr. Kavya Arora as the Whole Time Director; 3. Alteration in the clause III (B) and III (C) of the memorandum of association (MOA); 4. Alteration in the clause iv of the MOA; 5. Adoption of new set of Articles of Association of the Company.
2018-19	NCUI Auditorium & Convention Center, 3, August Kranti Marg, New Delhi 110016	30 <sup>th</sup> September, 2019 at 12:00 noon.	1. Increase in remuneration of Mr. Roop Kishore Fatehpuria, Whole Time Director; 2. Re-appointment of Mr. Surendar Kumar Sood as an Independent Director; 3. Re-appointment of Mr. Gurpreet Singh Brar as an Independent Director; 4. Re-appointment of Ms. Shweta Sehgal as an Independent Director; 5. Re-appointment of Mr. Sanjeev Arora as Chairman & Managing Director of the Company.
2017-18	National YMCA, Jai Singh Road (Gate No. 5), New Delhi 110001	28 <sup>th</sup> September, 2018 at 11:00 a.m.	Nil

## ii. Postal Ballot:

### a) The Details of Special Resolutions passed through postal ballot during the financial year 2020-21:

During the financial year 2020-21, in pursuant to the Order of Hon'ble National Company Law Tribunal, New Delhi dated 24th February, 2021, the Company had passed the resolution for approval of Scheme of Amalgamation amongst Ritesh Spinning Mills Limited, Ritesh Impex Private Limited, H B Fibres Limited and Ritesh Properties and Industries Limited ('Transferee Company') and their respective shareholders and creditors by way of postal ballot.

### b) Person who conducted the Postal Ballot exercise

The Hon'ble NCLT has appointed Mr. SP Singh Chawla, Advocate as Chairman and Mr. Nitin Mishra, Advocate as an Alternate Chairperson and Ms. Avinash Kaur, Practicing Company Secretary as Scrutinizer for the said meeting of equity shareholders of the Transferee Company.

### c) whether any special resolution is proposed to be conducted through postal ballot

Kindly refer clause (a) above.

### d) Procedure for Postal ballot

In compliance with the provisions of section 230(4) read with sections 108 and 110 of the Companies Act, 2013 read with rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, rule 22 read with rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014, and regulation 44 and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020 issued by the Securities and Exchange Board of India, the Transferee Company has provided the facility of voting by postal ballot and e-voting so as to enable the equity shareholders, which includes the Public Shareholders to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by equity shareholders of the Transferee Company to the Scheme shall be carried out through (i) postal ballot or e-voting (commenced at 9.00 a.m. on 4th March, 2021 and closed at 5.00 p.m. on 2nd April, 2021) and (ii) polling paper at the venue of the meeting to be held on Saturday, the 3rd day of April, 2021.

## 9. Means of Communication

Timely disclosure of consistent, comparable, relevant & reliable information on corporate financial performance is at the core of good governance. Towards this end:

### a) Quarterly/Half Yearly/Annual Results:

Quarterly, half yearly and annual results of the company are sent to the stock exchanges immediately after they are approved by the Board.

### b) Publication of Quarterly/Half Yearly/Annual Results:

Quarterly, half yearly and annual results of the company are published in the prescribed format within 48 hours of the conclusion of the meeting of the Board, at least in one English national newspaper and in one vernacular newspaper of New Delhi, where the registered office of the company is situated.

Quarterly financial results during the financial year 2019-20 were published as detailed below:

Quarter Ended	Date of Board Meeting	Date of Publication	Name of Newspapers
30.06.2020	15.09.2020	17.09.2020	The Business Standard (English & Hindi)
30.09.2020	11.11.2020	12.11.2020	The Business Standard (English & Hindi)
31.12.2020	13.02.2021	14.02.2021	The Business Standard (English & Hindi)
31.03.2021	30.06.2021	01.07.2021	The Business Standard (English & Hindi)

### c) Website:

Quarterly, half yearly and annual results of the company are sent to the stock exchanges as well as displayed on Company's website [www.riteshindustries.us](http://www.riteshindustries.us) at the time of its release to the media.

## 10. General Shareholders Information

The following information would be useful to our shareholders:

### a) Annual General Meeting

The 34th Annual General Meeting ("AGM") of the Members of Ritesh Properties and Industries Limited ("the Company") for the financial year ended March 31, 2021 will be held on Friday, 31st day of December, 2021 at 12:00 noon (IST) through Video Conferencing ('VC')/Other Audio Visual Means ("OAVM") in accordance with the applicable provisions of the Act, read with Ministry of Corporate Affairs circular dated 13th January, 2021 read with circulars dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 (collectively referred to as "MCA Circulars") and SEBI Circular dated 15th January, 2021 read with SEBI Circular dated 12th May, 2020.

### b) Dividend payment date

The Company has not declared any dividend during the financial year 2020-21.

### c) The shares of the Company are listed on the following stock exchange:

Name and Address of Stock Exchanges	Stock Code
BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	526407

There are no pending dues with Bombay Stock Exchange.

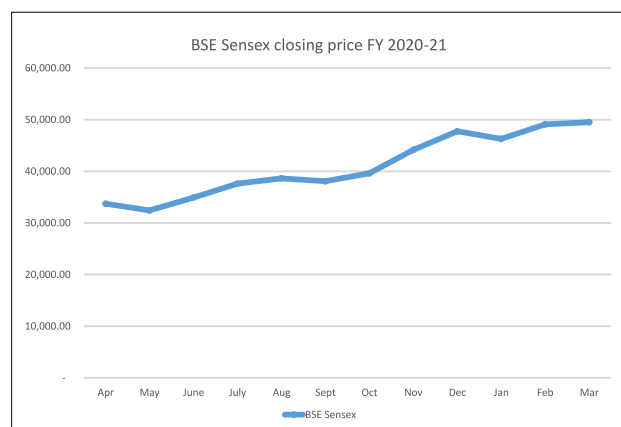
### d) Market price data

Monthly high and low prices of equity shares of Ritesh Properties and Industries Limited at the BSE Limited (BSE) in comparison to Sensex are given hereunder:

Source: [www.bseindia.com](http://www.bseindia.com)

Month	BSE		
	Share Prices		Volume
	High	Low	
April, 2020	8.79	7.60	4630
May, 2020	8.86	7.75	3900
June, 2020	11.80	8.65	28103
July, 2020	14.05	10.61	93556
August, 2020	14.85	10.98	691518
September, 2020	19.59	11.60	257569
October, 2020	21.60	17.95	189290
November, 2020	21.95	19.15	101868
December, 2020	22.40	19.80	114661
January, 2021	23.45	20.30	96253
February, 2021	34.2	21.00	315142
March, 2021	40.00	25.50	359221

**e) performance in comparison to broad-based indices such as BSE sensx, CRISIL Index etc;**



**f) Suspension of Securities during the financial year 2020-21**

During the financial year 2020-21, the securities of the Company were not suspended from trading.

**g) Financial Calendar:**

Last financial year of the Company was of twelve months from 01st April, 2020 to 31st March, 2021.

**h) Registrar & Transfer Agent**

Skyline Financial Services Private Limited

D-153-A, First Floor

Okhla Industrial Area, Phase-I

New Delhi- 110020

Phones: 011-40450193(4 lines)

Fax: 011-30857562

E-mail: [grievances@skylinerta.com](mailto:grievances@skylinerta.com)

**i) Share transfers**

Share transfers are done by the Company's Registrar and Share Transfer agents Skyline Financial Services Private limited, New Delhi. Share transfers are registered and returned within a period of 30 days from the date of receipt.

**j) Dematerialization of Shares**

84.05% of Equity Shares of the Company are in dematerialized form as on 31st March, 2021. The shares of the Company are available for dematerialization with both the depositories i.e. NSDL and CDSL vide ISIN No. INE 299D01014..

**k) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity;**

The Company has no outstanding global depository receipts/american depository receipts/warrants/any convertible instruments.

**l) Shareholding Pattern:**

Shareholding pattern in Ritesh Properties and Industries Limited as on March 31st, 2020 and March 31st, 2021 for the purpose of reporting in the Annual Report of the Company for the year 2020-21 is given as under:

Category	As On 31.03.2021		As On 31.03.2020	
	No. of Equity Shares	%	No. of Equity Shares	%
Promoter & Promoter Group	60,82,490	52.48	60,82,490	52.48
Mutual Funds/ UTI	200	0.00	10,678	0.09
Body Corporate	14,65,046	12.64	9,36,851	8.08
NRIs & others	5,615	0.05	13,254	0.11
Individual Share Capital upto 2 lacs	33,68,828	29.06	33,15,940	28.61
Individual Share Capital in excess of 2 lacs	5,15,031	4.44	7,74,825	6.68
HUF & Clearing Members	1,19,465	1.03	4,56,920	3.94
Foreign Institutional Investors	34,283	0.30	-	-

#### m) Distribution of Shareholding

As on March 31st, 2021 the distribution of shareholding was as follows:

Range No of Shares	Shareholders		No. of Shares	
	Number	% of Total No.	Number	% of Total No.
Up to 5000	15,150	95.49	2,22,12,170	19.16
5001 to 10,000	383	2.41	3,15,98,200	27.26
10,001 to 20,000	167	1.05	25,12,410	2.17
20,001 to 30,000	44	0.28	11,09,910	0.96
30,001 to 40,000	20	0.13	7,01,650	0.61
40,001 to 50,000	20	0.13	9,37,940	0.81
50,001 to 1,00,000	34	0.21	23,40,820	2.02
1,00,000 And Above	48	0.30	8,29,34,860	71.55
<b>Total</b>	<b>15866</b>	<b>100</b>	<b>115909580</b>	<b>100</b>

#### n) commodity price risk or foreign exchange risk and hedging activities;

Not applicable

#### o) Plant locations

**Corporate Identity Number :** L74899DL1987PLC027050

**Address for Correspondence:** Ritesh Properties and Industries Limited, Secretarial Department, 11/5B, 1st Floor, Pusa Road, New Delhi, Phone Nos. 011-41537951, Mob. No. +91-9212359076

**Plant location:** Hampton Court Business Park, NH-05, Ludhiana – Chandigarh Road, Ludhiana, Punjab, 141123

#### p) list of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.

The Company is not required to obtain any credit rating.

#### 11. Other Disclosures

- The Company does not have any materially significant related party transactions, which may have potential conflict with the interest of the Company at large. Further, the statutory disclosure requirements relating to related party transactions have been complied in the Financial Statements.
- The Financial Statements have been made in accordance with the Accounting Standards so as to represent a true and fair view of the state of the affairs of the Company.
- There is no case of non-compliance of any statutory compliance for the Company and no penalties or strictures have been imposed on the Company by the Stock Exchanges i.e. BSE or Securities and Exchange Board of India or any statutory authority on any matter related to the capital market, during the last 3 Financial years.
- The Company has in place Vigil Mechanism/Whistle Blower Policy as required and it is affirmed that no personnel has been denied access to the Audit Committee.
- The Company has complied with all the mandatory requirements as prescribed in the Listing Regulations and the

Act.

#### f) Discretionary requirements as specified in Part E of Schedule II of the Listing Regulations:

The Company has complied with the discretionary requirements with regard to reporting of Internal Auditor directly to Audit Committee, moving towards a regime of unqualified Financial Statements and unmodified audit opinion and separating the post of Chairman and Managing Director/Chief Executive Officer.

#### g) In addition to Directors' Report, a Management Discussion and Analysis Report form part of the Annual Report to the shareholders. All key managerial personnel and senior management have confirmed that they do not have any material, financial and commercial interest in transactions with the Company that may have a potential conflict with the interest of the Company at large.

#### h) All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

#### i) In order to prevent misuse of any unpublished price sensitive information (UPSI), maintain confidentiality of all UPSI and prohibit any insider trading activity and abusive self-dealing of securities, in the interest of the shareholders at large, the Company has framed a Code of Conduct for Prohibition of Insider Trading. The said Code prohibits the Designated Persons of the Company from dealing in the securities of the Company on the basis of any unpublished price sensitive information, available to them by virtue of their position in the Company.

The details of dealing in Company's shares by Designated Employees/Designated Persons are quarterly placed before the Audit Committee. The Code also prescribes sanction framework and any instance of breach of code is dealt in accordance with the same. A copy of the said Code is made available to all employees of the Company and compliance of the same is ensured.

Further the Company has framed a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the same is available on the website of the Company at [www.riteshindustries.us](http://www.riteshindustries.us).

#### j) The policy of for determining 'material' subsidiaries can be accessed at <https://riteshindustries.us/pdf/Policy%20on%20Material%20Subsidiary.pdf> and the policy on dealing with related party transactions can be accessed at <https://riteshindustries.us/Related-Party-Transaction-Policy.pdf>

#### k) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) are not applicable during the financial year 2020-21.

#### l) Certificate from a Company Secretary in Practice 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 is annexed to this report as "Annexure B".

#### m) During the financial year 2020-21, there was no recommendation of any committee of the Board of the Company which is mandatorily required and is not accepted by the Board of the Company.

#### n) Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is Rs. 3,45,000/-.

#### o) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company is committed to provide an attractive working environment for its employees and to provide safe and healthy

working conditions. The Company has also adopted a 'Anti- Sexual Harassment Policy' to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment, thereby providing a safe and healthy work environment, in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the rules made thereunder. Details of Complaints received and redressed during the Financial Year 2020-21:

- a. number of complaints filed during the financial year: None
- b. number of complaints disposed of during the financial year: None
- c. number of complaints pending as on end of the financial year: None
12. The Company has complied with the applicable requirement specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
13. A Practicing Company Secretary has certified that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations and the same is annexed to this report as "Annexure C".
14. **Disclosures with respect to demat suspense account/ unclaimed suspense account**  
 There are no shares in the demat suspense account/ unclaimed suspense account, therefore this clause is not applicable.

**For and on behalf of the Board of Directors**  
**Sd/-**  
**(Sanjeev Arora)**  
**Chairman-Cum-Managing Director**  
**DIN: 00077748**  
**Hampton Court Business Park,**  
**NH-05, Ldh-Chd Road,**  
**Ludhiana-141123**

**Dated: 06.12.2021**  
**Place: Gurgaon**

**Annexure-A**  
**Declaration under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

I, Sanjeev Arora, Chairman-Cum-Managing Director of the Company hereby declare that members of Board of Directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.

**For Ritesh Properties and Industries Limited**  
**Sd/-**  
**(Sanjeev Arora)**  
**Chairman-Cum Managing Director**  
**DIN:00077748**  
**Hampton Court Business Park,**  
**Ludhiana-141123, Punjab**

**Place: Gurgaon**  
**Dated: 06.12.2021**

**Annexure-B**  
**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members of  
Ritesh Properties And Industries Limited  
11/5B, Pusa Road,  
New Delhi, 110060 IN

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of RITESH PROPERTIES AND INDUSTRIES LIMITED having CIN L74899DL1987PLC027050 and having registered office at 11/5b, Pusa Road, New Delhi 110060, (hereinafter referred to as 'the Company'), produced before me/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 me / 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 2021 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/ies.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Sanjeev Arora	00077748	25/10/2004
2.	Mr. Roop Kishore Fatehpuria	00887774	04/09/2006
3.	Mr. Surendar Kumar Sood	01091404	14/07/2005
4.	Mr. Kavya Arora	02794500	31/10/2011
5.	Mr. Gurpreet Singh Brar	06597336	15/05/2013
6.	Ms. Shweta Sehgal	06970433	25/09/2014
7.	Mr. Rohit Kumar Maggu	07729856	14/02/2017
8.	Mr. Deva Pampapathi Reddy	01939650	23/10/2019

Ensuring the eligibility of for the 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.

**For MZ & Associates**  
**Company Secretaries**  
**Sd/-**

**CS Mohd Zafar**  
**Partner**  
**FCS 9184**  
**CP: 13875**

**UDIN: F009184C001638581**

**Date: 03rd December, 2021**  
**Place: New Delhi**

**Annexure-C****COMPLIANCE CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE****To****The Members****RITESH INDUSTRIES AND PROPERTIES LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by Ritesh Properties and Industries Limited ("the Company"), for the year ended on 31st March, 2021, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the financial year ended 31st March, 2021.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and based on our review and to the best of our information and according to the explanations given to us, we certify that the conditions of the Corporate Governance as stipulated in Regulation 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 31st, 2021.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For MZ & Associates****Company Secretaries****Sd/-****CS Mohd Zafar****Partner****Membership No: FCS 9184****CP No 13875****UDIN: F009184C001638647****Place: New Delhi****Date: 03rd December, 2021**

## INDEPENDENT AUDITOR'S REPORT

**To the Members of**  
**Ritesh Properties and Industries Limited**

### **Report on the Audit of the Financial Statements**

#### **1. Opinion**

We have audited the accompanying financial statements of **Ritesh Properties and Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### **2. Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SA's") specified under Section 143(10) of the Companies Act, 2013, as amended ("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 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **3. Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	Evaluation of Provision and Contingent Liabilities:	Our Audit procedure included:
	<p>As at the Balance Sheet date, the Company has significant open litigation and other contingent liabilities as disclosed in note no. 37. The assessment of the existence of the present legal or constructive obligation, analysis of the probability or possibility of the related payment require the management to make judgement and estimates in relation to the issues of each matter.</p> <p>The management with the help of opinion and advise of its experts have made such judgements and estimates relating to the likelihood of an obligation arising and whether there is a need to recognize a provision or disclose a contingent liability.</p> <p>Due to the inherent complexity and level of judgement relating to recognition, valuation and presentation of provision and contingent liabilities, this is considered a key audit matter.</p>	<ul style="list-style-type: none"> <li>We have reviewed and held discussions with the management to understand their processes to identify new possible obligations and changes in existing obligations for compliance with the requirements of Ind AS 37 on Provisions, Contingent Liabilities and Contingent Assets.</li> <li>We have also discussed with the management significant changes from prior periods and obtained a detailed understanding of these items and assumptions applied.</li> </ul> <p>In addition, we have reviewed:</p> <ul style="list-style-type: none"> <li>the details of the proceedings before the relevant authorities including communication from the advocates / experts;</li> <li>legal advises / opinions obtained by the management, if any, from experts in the field of law on the legal cases; status of each of the material matters as on the date of the balance sheet.</li> <li>We have assessed the appropriateness of provisioning based on assumptions made by the management and presentation of the significant contingent liabilities in the financial statements.</li> </ul>



#### 4. Other Matters

- a) The Financial information of the amalgamating companies for the year ended 31st March 2021 included in the statement have been audited by the respective companies auditors. The report of those auditors on respective financial information for the year ended March 31, 2021 expressed an unqualified opinion. Our opinion is not modified in respect of this matter.
- b) The Comparative Financial information of the Company for the year ended 31st March 2020 prepared in accordance with the Indian Accounting Standards ('Ind AS') included in the statement have been audited by the predecessor auditor. The report of the predecessor auditor on comparative financial information for the year ended March 31, 2020 expressed an unqualified opinion. Our opinion is not modified in respect of this matter.

#### 5. Information other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report, Management Discussion and Analysis, Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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.

#### 6. Responsibilities of Management's 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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, management and Board of Directors are 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 management 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.

#### 7. 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 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 control 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.
- 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 standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of

a reasonably knowledgeable user of the standalone 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 standalone 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 our audit.

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

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

#### 8. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanation given to us, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the

- h) provisions of section 197 read with Schedule V of the Act;
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses– Refer Note 35 to the financial statements;
  - iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Khandelwal Jain & Co.,**  
**Firm Registration No. 105049W**  
**Chartered Accountants**

**sd/-**  
**Manish Kumar Singhal**  
**Partner**  
**Membership No. 502570**  
**UDIN: 21502570AAAABV5386**

**Place: New Delhi**  
**Dated: 06/12/2021**

#### **Annexure - A to the Independent Auditors' Report on the Financial Statements**

Annexure referred to in paragraph 8 (1) of the Independent Auditors' Report of even date to the members of Ritesh Properties and Industries Limited on the financial statements for the year ended 31st March 2021, we report that:

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situations of its Fixed Assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular program of verification which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and as informed, no material discrepancies were noticed on such verification.
- (c) According to information and explanations given to us and on the basis of our examination of the financial statements/registered deed/transfer deed/ conveyance deed/ court approved scheme of arrangements or amalgamations, the title deeds of all freehold land, leasehold land and buildings disclosed as property, plant and equipment are held in the name of the Company.
- II. As per the information furnished, the management at reasonable intervals during the period has physically verified the Inventories. In our opinion, having regard to the nature and location of stocks, the frequency of physical verification is reasonable and the discrepancies noticed on physical

verification of stocks were not material in relation to the operation of the Company and the same have been properly dealt with in the books of account.

- III. According to information and explanations given to us, the Company has granted unsecured loan to four parties covered in the register maintained under section 189 of the Companies Act, 2013.
- a) In our opinion, the rate of interest and other terms and conditions on which the unsecured loan had been granted to the parties covered in the register maintained under section 189 of the Act were not, prime facie, prejudicial to the interest of the Company.
- b) According to information and explanations given to us and on the basis of audit procedures conducted by us, the unsecured loans granted to the parties are repayable on demand. The borrowers have been regular in repayment of loan demand.
- c) There is no overdue amounts in respect of the register maintained under section 189 of the Act.
- IV. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- V. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits within the meaning of the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- VI. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the products of the company.
- VII. (a) According to the information and explanations given to us and records examined by us, in our opinion the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, and other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the dues which has not been deposited on account of disputes and the forum where the dispute is pending as under.

Sl. No.	Name of the Statute	Nature of Dues	Year	Amount	Forum where Dispute is pending
1	Income tax Act, 1961	Income Tax	2012-13, 2014-15 and 2017-18	8,79,94,788	CIT(A), New Delhi
2	Income tax Act, 1961	Income Tax	2009-10 and 2011-12	12,71,038	AO, New Delhi

- VIII. According to the information and explanations given to us and records examined by us, the Company has not defaulted in repayment of dues to financial institution or banks or government or debenture holders as to the Balance Sheet date.
- IX. As per information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and no term loans has been taken during the year by the Company.
- X. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- XI. In our opinion and according to the information and explanation given to us and the books of accounts verified by us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with the Schedule V to the Act.
- XII. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
- XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act 2013 where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- XIV. According to information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- XV. In our opinion and according to the information and explanation given to us and certified by the management the company has not entered into any non-cash transaction with directors or persons connected to its directors as referred to in section 192 of Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- XVI. According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Khandelwal Jain & Co.**  
**Firm Registration No. 105049W**  
**Chartered Accountants**

sd/-  
**Manish Kumar Singhal**  
**Partner**  
**Membership No. 502570**  
**UDIN: 21502570AAAABV5386**

**Place: New Delhi**  
**Dated: 06/12/2021**

## **Annexure – B to the Independent Auditors' Report on the Financial Statements**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

To the Members of

#### **Ritesh Properties and Industries Limited**

We have audited the internal financial controls over financial reporting of Ritesh Properties and Industries Limited ("the Company") as of 31st March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management 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 ('ICAI'). 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 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 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 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, 2021, 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 Khandelwal Jain & Co.**  
**Firm Registration No. 105049W**  
**Chartered Accountants**

**sd/-**  
**Manish Kumar Singhal**  
**Partner**  
**Membership No. 502570**  
**UDIN: 21502570AAAABV5386**

**Place: New Delhi**

**Dated: 06/12/2021**

## Balance Sheet as at 31st March' 2021

(In Rupees)

Particulars	Note No.	31st March, 2021	31st March, 2020
<b>ASSETS</b>			
<b>Non-current Assets</b>			
(a) Property, Plant and Equipment	4	47,894,794	52,660,880
(b) Financial Assets			
(i) Investments	5	502,681,885	116,778,314
(ii) Others	6	2,197,607	2,151,137
(c) Deferred Tax Assets (Net)	7	775,656	20,091,522
<b>Total Non-Current Assets</b>		<b>553,549,942</b>	<b>191,681,853</b>
<b>Current Assets</b>			
(a) Inventories	8	84,441,055	202,511,571
(b) Financial Assets			
(i) Investments	9	160,527	103,310
(ii) Trade Receivables	10	119,587,755	177,867,544
(iii) Cash and Cash Equivalents	11	29,471,330	1,622,748
(iv) Loans	12	283,265,073	203,188,073
(c) Current Tax Assets (Net)	13	4,062,117	3,221,577
(d) Other Current Assets	14	9,490,148	6,853,306
<b>Total Current Assets</b>		<b>530,478,005</b>	<b>595,368,129</b>
<b>Total Assets</b>		<b>1,084,027,947</b>	<b>787,049,983</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	15	223,563,690	223,563,690
(b) Other Equity	16	599,105,845	378,185,730
<b>Total Equity</b>		<b>822,669,535</b>	<b>601,749,420</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	7,742,136	10,587,324
(ii) Others	18	8,171,578	7,755,718
(b) Provisions	19	1,081,966	2,405,037
<b>Total Non-Current Liabilities</b>		<b>16,995,680</b>	<b>20,748,079</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	36,140,162	60,759,846
(ii) Trade Payables	21	-	-
(A) total outstanding dues of micro enterprises and small enterprises ; and		138,419,081	34,852,963
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		-	-
(iii) Others	22	14,465,227	9,632,735
(b) Current Tax Liability (Net)	23	22,972,088	-
(c) Other Current Liabilities	24	28,483,107	59,306,941
(d) Provisions	25	3,883,067	-
<b>Total Current Liabilities</b>		<b>244,362,732</b>	<b>164,552,485</b>
<b>Total Equity and Liabilities</b>		<b>1,084,027,947</b>	<b>787,049,983</b>

Summary of Significant accounting policies and other notes to Financial Statements 1 to 49

The accompanying explanatory notes form an integral part of these financial statements

As per our report of even date

**For Khandelwal Jain & Co.**  
Chartered Accountants  
Firm Registration No. 105049W

sd/-  
(Manish Kumar Singhal)  
Partner  
Membership No.502570

Place: New Delhi  
Dated : 06.12.2021

**For and behalf of Board of Directors of**  
**Ritesh Properties & Industries Limited**

sd/-  
(Sanjeev Arora)  
Chairman cum  
Managing Director  
DIN:00077748

sd/-  
(Kavya Arora)  
Executive Director  
& CFO  
DIN:02794500

sd/-  
(Tarandeep Kaur)  
Company Secretary  
(ACS42144)  
Place: Gurgaon  
Dated : 06.12.2021

**RITESH PROPERTIES AND INDUSTRIES LIMITED**

## Statement of Profit and Loss for the year ended 31st March'2021

(Amount in Rs.)

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>I</b>	<b>INCOME</b>			
II	Revenue from operations	26	1,173,262,380	1,059,132,532
III	Other Income	27	87,534,390	135,656,563
	<b>Total Income (I+II)</b>		<b>1,260,796,771</b>	<b>1,194,789,095</b>
<b>IV</b>	<b>EXPENSE</b>			
	Purchase of Stock-in-Trade	28	832,877,986	1,044,629,796
	Changes In Inventories of Stock-In-Trade	29	75,125,879	65,962,868
	Employee Benefits Expense	30	23,928,456	25,835,030
	Finance Costs	31	4,485,302	3,087,846
	Depreciation and amortization expenses	4	4,701,406	3,655,625
	Other Expenses	32	53,365,535	33,900,909
	<b>Total Expenses (IV)</b>		<b>994,484,563</b>	<b>1,177,072,075</b>
<b>V</b>	<b>Profit / (Loss) before exceptional items and tax (III-IV)</b>		<b>266,312,208</b>	<b>17,717,021</b>
<b>VI</b>	<b>Exceptional Items</b>		-	-
<b>VII</b>	<b>Profit / (loss) before tax (V-VI)</b>		<b>266,312,208</b>	<b>17,717,021</b>
<b>VIII</b>	<b>Tax expense</b>			
	(1) Current Tax		23,131,815	-
	(2) Deferred Tax & MAT Credit		19,882,164	1,124,795
	(3) Income Tax Paid (Earlier Year)		261,700	-
<b>IX</b>	<b>Profit / (Loss) for the year (VII-VIII)</b>		<b>223,036,528</b>	<b>16,592,227</b>
<b>X</b>	Profit / (Loss) from discontinued operations		-	-
<b>XI</b>	Tax Expenses of discontinued operations		-	-
<b>XII</b>	<b>Profit / (Loss) from discontinued operations (After Tax) (X-XI)</b>		-	-
<b>XIII</b>	<b>Profit / (Loss) for the year (IX+XII)</b>		<b>223,036,528</b>	<b>16,592,227</b>
<b>X</b>	<b>Other Comprehensive Income ('OCI')</b>			
	(A) Items that will not be reclassified to profit or loss			
	Re-measurement gains/(loss) on defined benefits plans		(2,250,072)	-
	Tax Impact on above Item		566,298	-
	Gain/(Loss) as Equity Instruments through OCI		(578,147)	-
	Tax Impact on above Item		145,508	-
	<b>Other Comprehensive Income (OCI) (After Tax)</b>		<b>(2,116,413)</b>	<b>-</b>
<b>XI</b>	<b>Total Comprehensive Income for the year (IX+X)</b>		<b>220,920,115</b>	<b>16,592,227</b>
	<b>Earnings per equity share</b>			
	Basic EPS	33	19.24	1.43
	Basic & Diluted		19.24	1.43

Statement of Profit and Loss for the year ended 31st March'2021

1 to 49

The accompanying explanatory notes form an integral part of these financial statements

As per our report of even date

For Khandelwal Jain & Co.  
Chartered Accountants  
Firm Registration No. 105049W

sd/-  
Manish Kumar Singhal  
Partner  
Membership - 502570

Place: New Delhi  
Dated : 06.12.2021

For and behalf of Board of Directors of  
Ritesh Properties & Industries Limited

sd/-  
(Sanjeev Arora)  
Chairman cum  
Managing Director  
DIN:00077748

sd/-  
(Kavya Arora)  
Executive Director  
& CFO  
DIN:02794500

sd/-  
(Tarandeep Kaur)  
Company Secretary  
(ACS42144)

Place: Gurgaon  
Dated : 06.12.2021

**Statement of Cash Flow for the year ended 31st March'2021**
**(Amount in Rs.)**

Particulars		For the year ended 31st March, 2021		For the year ended 31st March, 2020
<b>Cash Flow from Operating Activities</b>				
Net profit / (loss) before tax		264,195,795		17,717,021
<b>Adjustment for :</b>				
Depreciation and Amortisation	4,701,406		3,655,625	
Finance Cost	4,491,442		3,087,846	
Interest Income	(3,828,417)		(3,983,981)	
Loss / (Profit) on Sale of PPE	(155,116)	5,209,314	(231,224)	2,528,266
<b>Operating cash flow before changes in working capital</b>		<b>269,405,109</b>		<b>20,245,287</b>
Changes in Working Capital:				
Trade & Other Receivables	(25,331,809)		520,349,915	
Inventories	118,070,515		23,018,231	
Trade Payables & Other Current Liabilities	79,810,247	172,548,954	(578,693,473)	(35,325,326)
<b>Net cash generated from operations before tax</b>		<b>441,954,063</b>		<b>(15,080,039)</b>
Taxation		23,959,813		-
<b>Net Cash from/(used) in Operating Activities (A)</b>		<b>417,994,249</b>		<b>(15,080,039)</b>
<b>Cash Flow from Investing Activities</b>				
Purchase of Property, Plant and equipment	(102,566)		(34,530,202)	
Purchase of Investments	(385,903,571)		43,664,934	
(Increase)/Decrease in Fixed Deposits (having original maturity of more than 3 months)	(46,470)		53,709	
Investment in shares	-		-	
Investment in group company	-		-	
Sale of Property, Plant and equipment	322,362		2,095,000	
Interest Received (net)	3,828,417	(381,901,828)	3,983,981	15,267,422
<b>Net Cash used in Investing Activities (B)</b>		<b>(381,901,828)</b>		<b>15,267,422</b>
Share Issued				
Proceeds/(Repayment) of Term Loan	(3,752,399)		(1,321,271)	
Gain on bargain purchase(GBP)	-		-	
Finance Cost	(4,491,442)		(3,087,846)	
		(8,243,841)		(4,409,117)
<b>Net Cash generated from Financing Activities (C)</b>		<b>(8,243,841)</b>		<b>(4,409,117)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents during the Year (A+B+C)</b>		<b>27,848,581</b>		<b>(4,221,734)</b>
Add: Cash & Cash Equivalents as at beginning of the Year		1,622,748		5,844,483
<b>Cash &amp; Cash Equivalents as at the end of the Year (note no.11)</b>		<b>29,471,330</b>		<b>1,622,748</b>

**Notes:**

1. The above Statement of Cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
2. Figures in brackets represents cash outflows.
3. Components of cash and cash equivalents :-

(Amount in Rs.)

Particulars		As at 31st March, 2021		As at 31st March, 2020
Cash on hand		1,529,881		1,134,305
Balances with scheduled Banks				
- In Current Accounts		27,941,450		488,442
- In Fixed Deposits 0-3 months		-		-
<b>Cash &amp; Cash Equivalents</b>		<b>29,471,330</b>		<b>1,622,748</b>

Summary of Significant accounting policies and other notes to Financial Statements 1 to 49

The accompanying explanatory notes form an integral part of these financial statements

As per our report of even date

**For Khandelwal Jain & Co.**  
**Chartered Accountants**  
**Firm Registration No. 105049W**

sd/-  
**Manish Kumar Singhal**  
**Partner**  
**Membership - 502570**

**Place: New Delhi**  
**Dated : 06.12.2021**

**For and behalf of Board of Directors of**  
**Ritesh Properties & Industries Limited**

sd/-  
**(Sanjeev Arora)**  
**Chairman cum**  
**Managing Director**  
**DIN:00077748**

**Place: Gurgaon**  
**Dated : 06.12.2021**

sd/-  
**(Kavya Arora)**  
**Executive Director**  
**& CFO**  
**DIN:02794500**

sd/-  
**(Tarandeep Kaur)**  
**Company Secretary**  
**(ACS42144)**



## SEGMENT REVENUE RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND YEAR ENDED 31.03.2021

(Rs. in Lakhs)

S.No	PARTICULARS	Year Ended 31.03.2021 Audited
1	<b>Segment Revenue</b> (net sale/income from each segment should be disclosed under this head)	
	(a.) Segment- A	3,419.00
	(b.) Segment- B	17.02
	(c.) Segment- C	8,296.61
	<b>Total</b>	<b>11,732.62</b>
	Less: Inter Segment Revenue	-
	<b>Net sales/Income from Operations</b>	<b>11,732.62</b>
2	<b>Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)</b>	
	(a.) Segment- A	2,000.47
	(b.) Segment- B	0.80
	(c.) Segment- C	651.32
	<b>Total</b>	<b>2,652.59</b>
	Less: i) Finance Cost	44.85
	ii) Other Un-allocable Expenditure net off	819.95
	(iii) Un-allocable income	875.34
	<b>Total profit before tax</b>	<b>2,663.12</b>
3	<b>Capital Employed</b> (Segment assets – Segment Liabilities)	
	<b>Segment Assests</b>	
	(a.) Segment- A	8,510.06
	(b.) Segment- B	152.21
	(c.) Segment- C	2,178.01
	<b>Total Segment Assests</b>	<b>10,840.28</b>
	<b>Unallocable Assests</b>	-
	<b>Net Segment Assests</b>	<b>10,840.28</b>
	<b>Segment Liabilities</b>	
	(a.) Segment- A	2,577.63
	(b.) Segment- B	35.96
	(c.) Segment- C	-
	<b>Total Segment Liabilities</b>	<b>2,613.58</b>
	<b>Unallocable Liabilities</b>	-
	<b>Net Segment Liabilities</b>	<b>2,613.58</b>
	<b>Notes :</b>	
i	The company deals in three segments i.e. Real Estate Business and Textile Division and Investment Division	1.00
ii	Above audited results have been reviewed by the Audit Committee and were considered and approved by the Board of Directors at their meeting held on 06.12.2021	

Segment A- Real Estate Division  
Segment B- Textile Division  
Segment C- Investment Division

## Statement of Changes in Equity for the year ended 31st March'2021

### (A) Equity Share Capital

(Amount in Rs., Except no. of Shares)

Particulars	No. of Shares	Amount
As at April 1, 2019	22,356,369	223,563,690
Changes in equity share capital	-	-
As at March 31, 2020	22,356,369	223,563,690
Changes in equity share capital	-	-
As at March 31, 2021	22,356,369	223,563,690

### B. Other Equity

Particulars	Reserves and Surplus			Revaluation Reserve	Other Comprehensive Income	Total
	Securities Premium Reserve	Retained Earnings	Capital Reserve		Change in Fair Value of Equity Instruments through OCI	
As at April 1, 2019	156,057,942	(90,194,607)	284,663,147	11,067,022	-	361,593,503
Profit/(Loss) for the year	-	16,592,227	-	-	-	16,592,227
Other Comprehensive Income/ (Loss) for the year	-	-	-	-	-	-
Total Comprehensive Income/(Loss) for the year	156,057,942	(73,602,378)	284,663,147	11,067,022	-	378,185,732
Issued during the year	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-
As at March 31, 2020	156,057,942	(73,602,381)	284,663,147	11,067,022	-	378,185,730
Profit/(Loss) for the year	-	223,036,528	-	-	-	223,036,528
Other Comprehensive Income/ (Loss) for the year	-	(1,683,774)	-	-	(432,639)	(2,116,413)
Total Comprehensive Income/(Loss) for the year	156,057,942	147,750,373	284,663,147	11,067,022	432,639	599,105,845
Issued during the year	-	-	-	-	-	-
Total Comprehensive Income/(Loss) for the year	-	-	-	-	-	-
As at March 31, 2021	156,057,942	147,750,373	284,663,147	11,067,022	(432,639)	599,105,845

Summary of Significant accounting policies and other notes to Financial Statements

The accompanying explanatory notes form an integral part of these financial statements

As per our report of even date

For Khandelwal Jain & Co.  
Chartered Accountants  
Firm Registration No. 105049W

sd/-  
Manish Kumar Singhal  
Partner  
Membership - 502570

Place: New Delhi  
Dated : 06.12.2021

For and behalf of Board of Directors of  
Ritesh Properties & Industries Limited

sd/-  
(Sanjeev Arora)  
Chairman cum  
Managing Director  
DIN:00077748

Place: Gurgaon  
Dated : 06.12.2021

sd/-  
(Kavya Arora)  
Executive Director  
& CFO  
DIN:02794500

sd/-  
(Tarandeep Kaur)  
Company Secretary  
(ACS42144)

## NOTES Continue.....

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31STMARCH, 2021

#### 1. Company Overview

Ritesh Properties & Industries Ltd (the company) is engaged in the business of Real Estate Business, Textiles, trading in Shares and Derivatives. The company is a public limited company incorporated and domiciled in India and has its registered office at 11/5B, Pusa Road, New Delhi – 110060. Shares of the company are listed on Bombay Stock Exchange, Mumbai, India.

Pursuant to Scheme of Amalgamation (Scheme) of Ritesh Spinning Mills Limited, Ritesh Impex Private Limited and H. B. Fibres Limited with the company under section 230 to 232 of the Companies Act, 2013 sanctioned by National Company Law Tribunal, New Delhi Bench on 16th August, 2021 all assets and liabilities are transferred and vested in the company with appointed date of 1st April, 2018.

Financial Statements of the company have been restated as on 31st March, 2021.

#### 2. Recent Pronouncements

- (i) On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The Company is evaluating the effect of the amendments on its financial statements.
- (ii) Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. New Standards/Amendments notified but not yet effective. The Company is currently evaluating the requirements of these amendments and the effect of the disclosure on the financial statements.

#### 3. Significant Accounting Policies

##### a. Compliance with IND AS

The financial statements have been prepared in accordance with the Indian Accounting Standards (IND AS) as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the periods presented in the said financial statements. The preparation of the said financial statements requires the use of certain critical accounting estimates and judgments. It also requires the management to exercise judgment in the process of applying the Company's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgment or complexity, are disclosed in Note 35.

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act 2013.

In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic

alternative but to do so.

The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

Further, for the purpose of clarity, various items are aggregated in the statement of profit and loss and balance sheet. Nonetheless, these items are dis-aggregated separately in the notes to the financial statements, where applicable or required. All the amounts included in the financial statements are reported in Indian Rupees ('Rupees') and are rounded to the nearest rupees except per share data and unless stated otherwise.

##### b. Historical Cost Convention

The Financial Statements have been prepared under the historical cost convention on accrual basis except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value for the followings:

- i. Certain financial assets and liabilities and contingent consideration which are measured at fair values.
- ii. Assets held for sale measured at fair value less cost to sell.
- iii. Defined benefit plan assets measured at fair value.

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

##### c. Use of Estimates and Judgments

The preparation of financial statements in conformity with the recognition and measurement principles of IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the Notes to the financial statements. Further future periods are also affected.

##### d. Current and Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle
- ii. Held primarily for the purpose of trading, or
- iii. Expected to be realized within twelve months after the reporting period other than for (a) above, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

## NOTES Continue.....

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period other than for (a) above, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

### e. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Company categorizes assets and liabilities measured at fair value into one of three levels as follows:

#### • Level 1 — Quoted (unadjusted)

This hierarchy includes financial instruments measured using quoted prices.

#### • Level 2

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2 inputs include the following:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in markets that are not active.
- Inputs other than quoted prices that are observable for the asset or liability.
- Market – corroborated inputs.

#### • Level 3

They are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

### f. Property, Plant and Equipment (PPE)

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. Property, Plant and Equipment are stated at actual cost less

accumulated depreciation and impairment loss. Actual cost is inclusive of freight, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working conditions for its intended use (net of CENVAT/GST) and any cost directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management. It includes professional fees and borrowing costs for qualifying assets.

Property, Plant, Equipment and Intangible Assets are not depreciated or amortized once classified as held for sale.

Significant Parts of an item of PPE (including major inspections) having different useful lives & material value or other factors are accounted for as separate components. All other repairs and maintenance costs are recognized in the statement of profit and loss as incurred.

Depreciation of these PPE commences when the assets are ready for their intended use.

Depreciation is provided for on straight line method on the basis of useful life. On assets acquired on lease (including improvements to the leasehold premises), amortization has been provided for on Straight Line Method over the primary period of lease.

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

The useful life of property, plant and equipment are as follows:-

Asset Class	Useful Life
Building	45 Years
Plant & Machinery	10 Years
Furniture & Fixture	10 Years
Computers and Office Equipments	03 Years
Vehicles	08 Years

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

### g. Intangible Assets

All expenditure on intangible items are expensed as incurred unless it qualifies as intangible assets. The carrying value of intangible assets is assessed for recoverability by reference to the estimated future discounted net cash flows that are expected to be generated by the asset. Where this assessment indicates a deficit, the assets are written down to the market value or fair value as computed above.

Purchase of computer software used for the purpose of operations is capitalized. However, any expenses on software support, maintenance, upgrade etc. payable periodically is charged to the Statement of Profit & Loss.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are

## NOTES Continue.....

recognized in the Statement of Profit and Loss when the asset is derecognized.

Intangible assets are amortized on straight line basis over a period ranging between 2-5 years which equates its economic useful life.

The company has not purchased or self-created any intangible assets hence no intangible assets is recognized. The Intangible assets shall be recognized as per IND AS 38, on purchase of intangible assets or self-created if, and only if it is probable that the future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

### h. Inventories

- (a) Inventory of Land and construction/development are valued at cost or net realizable value, whichever is lower. Cost of land purchased/acquired by the company include purchase/acquisition price plus stamp duty and registration charges etc. Construction/development expenditure includes cost of development rights, all direct and indirect expenditure incurred on development of land /construction, attributable interest and financial charges and overheads relating to site management and administration less incidental revenues arising from site operations.

- (b) Inventory of Shares and Derivatives is determined at Cost or net realizable value whichever is lower.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale and certified by the Management.

### i. Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

### j. Cash and Cash Equivalents

Cash and cash equivalent in the Balance sheet comprises of cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in values. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

### k. 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 other entity. The financial instruments are recognized in the balance sheet when the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial instruments at initial recognition.

#### i) Financial Assets

##### Initial Recognition:

All financial assets are recognized initially at fair value plus, 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. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in following categories based on business model of the entity: -

- Debt instruments at amortized cost.
- Debt instruments at fair value through other comprehensive income (FVTOCI).
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

##### Debt instruments at amortized cost: -

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a. Financial assets are held within a business model whose objective is to hold these assets to collect contractual cash flows and
- b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

##### Debt instrument at FVTOCI:

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

##### Debt instrument at FVTPL:

Any debt instrument, that does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if

## NOTES Continue.....

doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

### Equity investments (Other than investment in subsidiary)

All other equity investments are measured at fair value. For Equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. This amount is not recycled from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### De-recognition of financial assets:

A financial asset is de-recognized only when

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

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### Impairment of financial assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix considers historical credit loss experience and is adjusted for forward looking information. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected

credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L).

### ii) Equity Instruments and Financial Liabilities:

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered and the definitions of a financial liability and an equity instrument.

#### Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

### iii) Financial liabilities:

#### Initial Recognition:

Financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

#### Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

#### Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

#### Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

#### De-recognition of financial liabilities:

Financial liabilities are de-recognized from the balance sheet when the obligation specified in the contract is discharged,

## NOTES Continue.....

cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the Statement of Profit and Loss as other gains/ (losses).

### I. Provisions, Contingent Liabilities and contingent Asset

- i) A provision is recognized when the company has a present obligation because of past events and it is probable that an outflow of resource will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the balance sheet date. When appropriate, the time value of money is material, provision is discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.
- ii) Contingent Liability are disclosed in respect of possible obligation that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. A contingent liability also arises, in rare cases, where a liability cannot be recognized because it cannot be measured reliably. Contingent Liability is disclosed in the financial statements by way of note to accounts where the possibility of an outflow of resources embodying economic benefits is remote. (Refer Note-37)
- iii) Contingent asset is disclosed in the financial statements by way of note to accounts where the economic benefits are probable.

### m. Income tax (IND-AS 12):

Income tax comprises of current and deferred income tax. Income tax is recognized as an expense or income in the Statement of Profit and Loss.

#### Current income tax:

Current income tax is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

#### Deferred Tax:

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognized for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. Deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

Such assets are reviewed at each Balance Sheet date to reassess realization, deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities.

Minimum Alternative Tax ("MAT") credit is recognized as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period.

### n. Revenue Recognition:

The Company recognizes revenue in accordance with INDAS 115. Revenue is recognized upon transfer of control of promised products or services to the customers in an amount that reflects the consideration that the company expects to receive in exchange of those products or services. The company presents revenues net of indirect taxes in its statement of Profit and Loss.

#### i) Revenue from Real Estate

Revenue from constructed properties is recognized in accordance with the "Guidance Note on Accounting for Real Estate Transactions" ('Guidance Note'). As per this Guidance Note, the revenue has been recognized on percentage of completion method and on the percentage of actual project costs incurred thereon to total estimated project cost, provided the conditions specified in Guidance Note are satisfied.

Revenue from sale of land and plots is recognized in financial year in which agreement to sell / application form is executed and there exist no uncertainty in the ultimate collection of consideration from buyer. In case there is remaining substantial obligation as per agreement to sell the revenue is recognized as per percentage of completion method.

Revenue from Common Area Maintenance Charges is recognized on accrual basis and in accordance with the respective agreement.

#### ii) Revenue from Textile Business

Revenue from the textile business during ordinary activities is measured at the fair value of consideration received or receivable, net of returns, trade discount and volume rebate. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

#### iii) Revenue from Trading of Shares

Revenue from the trading of share business during ordinary activities is measured at the fair value of consideration received or receivable. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

### o. Other Income:

#### i) Dividend Income

## NOTES Continue.....

Dividend income is recognized in profit or loss on the date on which the entity's right to receive payment is established.

### ii) Interest Income

Interest income is recognized using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payment or receipt through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset, or
- The amortized cost of the financial liability.

In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired after initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

### p. Borrowing Costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period to get ready for their intended use are capitalized as part of the cost of that asset.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

### q. Leases

#### As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- i. the contract involves the use of an identified asset
- ii. the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- iii. the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### As a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

#### Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### r. Employee Benefit Expense

#### Short term employee benefits:-

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12



## NOTES Continue.....

months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### Long-Term employee benefits

Compensated expenses which are not expected to occur within twelve months after the end of period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date

### Post-employment obligations

#### i. Defined contribution plans

Provident Fund and employees' state insurance schemes

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary. These contributions are made to the fund administered and managed by the Government of India. In addition, some employees of the Company are covered under the employees' state insurance schemes, which are also defined contribution schemes recognized and administered by the Government of India

The Company's contributions to both these schemes are expensed in the Statement of Profit and Loss. The Company has no further obligations under these plans beyond its monthly contributions.

#### ii. Defined Benefits Gratuity plan

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. The Company provides for the Gratuity Plan based on actuarial valuations in accordance with Indian Accounting Standard 19 (revised), "Employee Benefits". The present value of obligation under gratuity is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Defined retirement benefit plans comprising of gratuity, un-availed leave, post-retirement medical benefits and other terminal benefits, are recognized based on the present value of defined benefit obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

The company has policy of expiry of un-availed leave at end of the financial year, hence no provision is required for leave encashment.

#### iii. Actuarial gains and losses are recognized in OCI as and when incurred.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee

benefit expense in the statement of profit and loss.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above), are recognized in other comprehensive income except those included in cost of assets as permitted in the period in which they occur and are not subsequently reclassified to profit or loss.

The retirement benefit obligation recognized in the Financial Statements represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

### Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred.

#### s. Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

#### t. Segment Reporting

Operating segments are reported in a manner consistent with the internal financial reporting provided to the Chief Operating Decision Maker (CODM) i.e. Board of Directors. CODM monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements. The primary reporting of the Company has been performed on the basis of business segments. The analysis of geographical segments is based on the areas in which the Company's products are sold or services are rendered.

### Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

### Unallocated items:

The Corporate and other segment include general corporate income and expense items, which are not allocated to any business segment.

#### u. Cash Flow Statement

Cash flows are reported using the indirect method. The cash flows from operating, investing and financing activities of the Company are segregated.

#### v. Exceptional Items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

### 4 PROPERTY, PLANT AND EQUIPMENT

(Amount in Rs.)

Particulars	Building	Plant & Machinery	Furniture & Fixture	Office Equipments	Vehicles	Total
<b>Gross Carrying Value</b>						
As At March 31, 2019	1,923,331	15,369,050	3,686,672	1,796,495	20,659,721	43,435,269
Additions	18,814,962	-	-	7,500	15,707,740	34,530,202
Disposal	-	-	-	-	2,942,575	2,942,575
As At March 31, 2020	20,738,293	15,369,050	3,686,672	1,803,995	33,424,886	75,022,896
Additions	-	-	-	102,566	-	102,566
Disposal	-	-	-	-	2,227,612	2,227,612
As At March 31, 2021	20,738,293	15,369,050	3,686,672	1,906,561	31,197,274	72,897,850
<b>Depreciation</b>						
As At March 31, 2019	925,175	3,419,005	2,911,494	1,405,186	11,124,329	19,785,190
Additions	87,299	791,841	44,605	65,590	2,666,290	3,655,625
Disposal	-	-	-	-	1,078,799	1,078,799
As At March 31, 2020	1,012,475	4,210,846	2,956,100	1,470,776	12,711,819	22,362,016
Additions	91,179	798,789	44,605	86,487	3,680,346	4,701,406
Disposal	-	-	-	-	2,060,366	2,060,366
As At March 31, 2021	1,103,654	5,009,635	3,000,705	1,557,263	14,331,799	25,003,056
<b>Net Carrying Value</b>						
As At March 31, 2019	998,156	11,950,044	775,177	391,309	9,535,392	23,650,079
As At March 31, 2020	19,725,818	11,158,204	730,572	333,220	20,713,067	52,660,880
As At March 31, 2021	19,634,639	10,359,414	685,967	349,299	16,865,475	47,894,794

Notes:

#### Significant estimate: Useful life of tangible assets

The Company has estimated the useful life of the tangible assets based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than the life taken, depending on technical innovations and competitor actions.

### 5 Non-Current Financial Assets - Investments

(Amount in Rs.  
except no. of  
shares)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Investments - Unquoted</b>		
- Investment in Equity Instruments-Equity Shares	194,742,950	116,778,314
<b>Other Investments</b>		
- Investments in Partner ship Firm	307,938,935	-
<b>Total</b>	<b>502,681,885</b>	<b>116,778,314</b>
<i>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</i>	292,441,804	5,983,000

#### Non-Current Financial Assets - Investments

Particulars	Face Value per share	As at March 31, 2021		As at March 31, 2020	
		No. of Shares	Amount	No. of Shares	Amount
<b>Financial assets measured at FVTOCI</b>					
Investment in equity instruments					
Unquoted Equity Shares					
Femella Fashions Ltd.	10	722,607	189,322,934	422,607	110,722,934
Kishan Chand & Co Oil Industries Ltd.	10	7,238	72,380	7,238	72,380
Vishal Udyog International Ltd.	100	1,000	100,000	1,000	100,000
Shivalik Securities Pvt. Ltd.	10	117,660	5,247,636	117,660	5,883,000
<b>Total Investment measured at FVTOCI</b>			<b>194,742,950</b>		<b>116,778,314</b>

## NOTES Continue.....

Note:

(Amount in Rs., Except no. of Shares)

Aggregate amount of quoted investment			
Aggregate market value of quoted investment			
Aggregate amount of unquoted investment	194,742,950		116,778,314
Aggregate amount of impairment in value of investments			

Notes :-

During the year the Company has invested by way of transfer of Land (Inventory) for an agreed valuation of Rs.18,50,97,067/- in a Partnership Firm "M/s Finton Homes" as a Capital Contribution for an agreeable share of 55.00% in profits/ loss. The Company has increased the value of its investment by its share of Rs.12,42,30,097/- (55.00%) in the profits of the Finton Homes for the FY 2020-21 on the basis of provisional financial statements of Finton Homes for the FY 2020-21. [Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 32) Land of 6.22 arce at an agreed value of Rs.12,49,40,534/- as a Capital contribution for 37.12% of Shares]

### 6 Non-Current Financial Assets - Others

(Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Fixed Deposits with Bank (Maturity more than 12 months)	281,672	264,702
Unsecured, considered good;	-	-
Security Deposits	1,915,935	1,886,435
<b>Total</b>	<b>2,197,607</b>	<b>2,151,137</b>

\* Represents Rs. 2,81,672/- (Previous year Rs.2,64,702/-) as margin money against Bank Guarantee issued to Punjab Pollution Control Board for amounting Rs. 2 Lacs, to be read alongwith Note no 35

\*\* Security Deposits primarily include deposits given towards electricity, telecommunication and others.

### 7 Deferred Tax Assets (Net)

(Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>A.Deferred Tax Assets</b>		
Related to Unabsorbed Depreciation & Brought Forward Losses	-	20,022,694
Others	1,249,600	625,310
(A)	1,249,600	20,648,004
<b>B.Deferred Tax Liability</b>		
Related to Depreciation on Fixed Assets and Amortisation	473,944	556,481
(B)	473,944	556,481
<b>Net Deferred Tax Assets / (Liability) ( C ) = (A)-(B)</b>	<b>775,656</b>	<b>20,091,522</b>

### 8 Inventories

(Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Stock-in-Trade</b>		
Plot of Land*	38,037,514	81,101,236
Shares	46,403,541	76,843,952
Fabrics	-	1,621,746
Project Development*	-	42,944,637
<b>Total</b>	<b>84,441,055</b>	<b>202,511,571</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</b>	<b>10,214,544</b>	<b>42,683,075</b>

\* During the year the Company has transferred a piece of land of 9.92 acre situated at Chandigarh Ludhiana Road, falling under the Revenue Estate of Village Mundian Khurd, Tehsil, District Ludhiana, Punjab in favour of M/s Finton Homes, a partnership firm for an agreed value of Rs.18,50,97,067/- as a Capital Contribution for a 55.00% share in the profits/loss of the Finton Homes. [Pursuant to Scheme of Amalgamation of RSML, RIPL and HBFL (Refer note 32) Land of 6.22 arce at an agreed value of Rs.12,49,40,534/- as a Capital contribution for 37.12% of Shares]

\* Project Expenses includes- Nil (Previous year Rs. 4,29,44,637) for Land Development Charges for Hampton Court project

## NOTES Continue.....

### 9 Current Financial Assets - Investments (Amount in Rs., Except no. of Shares)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Trade Investments</b>		
Investments in Equity Instruments-Equity shares		
<b>Quoted</b>		
Master Trust Ltd.	52,140	11,000
Nahar Industrial Ent. Ltd	17,680	10,000
Nahar Ploy FilmsLtd	46,515	40,522
Nahar Spinning Mills Ltd	34,287	31,838
R.S.Petro Products Ltd	9,905	9,950
<b>Total</b>	<b>160,527</b>	<b>103,310</b>

#### Current Financial Assets - Investments

Particulars	Face Value per share	As at March 31, 2021		As at March 31, 2020	
		No. of Shares	Amount	No. of Shares	Amount
<b>Financial assets measured at FVTOCI</b>					
Investment in equity instruments					
Quoted Equity Shares					
Master Trust Ltd.	10	1,100	52,140	1,100	11,000
Nahar Industrial Ent. Ltd	10	400	17,680	400	10,000
Nahar Ploy FilmsLtd	10	420	46,515	420	40,522
Nahar Spinning Mills Ltd	10	330	34,287	330	31,838
R.S.Petro Products Ltd	10	500	9,905	500	9,950
<b>Total Investment measured at FVTOCI</b>			<b>160,527</b>	<b>111</b>	<b>103,310</b>

#### Note:

Aggregate Cost of quoted investment	103,310		103,310
Aggregate market value of quoted investment	160,527		40,378
Aggregate Cost of unquoted investment	-		-
Aggregate Cost of impairment in value of investments	-		-

\* Quoted Investments in Equity Shares have been valued as per the Closing Trading price (BSE) as on 31.03.2021 which are as under :

Name of the Company	Closing Trading price (BSE) as on 31.03.2021
Master Trust Ltd.	47.40
Nahar Industrial Ent. Ltd	44.20
Nahar Ploy FilmsLtd	110.75
Nahar Spinning Mills Ltd	103.90
R.S.Petro Products Ltd	19.81

## NOTES Continue.....

### 10 Trade Receivables

(Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Receivables considered good - Secured;	-	-
Trade Receivables considered good - Unsecured;	119,587,755	177,867,544
Less: Allowance for expected credit loss	-	-
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
Less: Allowance for expected credit loss	-	-
<b>Total</b>	<b>119,587,755</b>	<b>177,867,544</b>
<b>Break-up of security details</b>		
(i) Secured, considered good;	-	-
(ii) Unsecured, considered good;	119,587,755	177,867,544
(iii) Doubtful	-	-
	<b>119,587,755</b>	<b>177,867,544</b>
Less : Impairment allowance for trade receivables	-	-
<b>Total</b>	<b>119,587,755</b>	<b>177,867,544</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</b>	<b>81,663,257</b>	<b>55,862,260</b>

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

### The movement in allowance for expected credit loss and credit impairment is as under:-

(Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Opening Balance</b>	-	-
Additions	-	-
Write Off (net of recovery)	-	-
<b>Closing balance</b>	-	-

### 11 Cash and Cash Equivalents ("C & CE")

(Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with banks-In current accounts	27,941,450	488,442
Cash in hand	1,529,881	1,134,305
<b>Total</b>	<b>29,471,330</b>	<b>1,622,748</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</b>		
Balances with banks-In current accounts	27,089,984	81,464
Cash on hand	214,366	224,297

### 12 Loans

(Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Loans and Advances to Related Parties	201,218,363	129,837,100
Loans and Advances to Other Body Corporate	40,858,660	9,109,601
Loans and Advances to Others	41,188,050	64,241,372
	<b>283,265,073</b>	<b>203,188,073</b>
Less: Impairment allowance for Loan & Advance receivable	-	-
<b>Total</b>	<b>283,265,073</b>	<b>203,188,073</b>
<b>Sub-classification of Loans:</b>		
(i) Loans Receivables considered good - Secured;	-	-
(ii) Loans Receivables considered good - Unsecured;	283,265,073	203,188,073
(iii) Loans Receivables which have significant increase in Credit Risk; and	-	-
(iv) Loans Receivables - credit impaired	-	-
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</b>	<b>279,858,175</b>	<b>136,812,750</b>

## NOTES Continue.....

### 13 Current Tax Assets (Net) (Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Income Tax Against Appeals (A.Y. 2017 -18)	1,000,000	1,000,000
Income Tax Refund Receivables (Earlier Years)	3,062,117	2,221,577
<b>Total</b>	<b>4,062,117</b>	<b>3,221,577</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</b>	<b>416,194</b>	<b>-</b>

### 14 Other Current Assets (Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Prepaid Expenses	191,050	-
Advances to Suppliers	682,000	270,167
Balance with Government Authorities	4,560,718	3,338,396
Others	4,056,380	3,244,743
<b>Total</b>	<b>9,490,148</b>	<b>6,853,306</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</b>	<b>1,696,658</b>	<b>854,330</b>

### 15 Equity Share Capital (Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Authorised Share Capital*</b> 28,150,000 (Previous FY - 22,150,000) equity shares of Rs. 10/- each	<b>281,500,000</b>	<b>221,500,000</b>
<b>Issued Share Capital</b> 11,758,508 (Previous FY - 11,758,508 ) equity shares of Rs. 10/- each	<b>117,585,080</b>	<b>117,585,080</b>
<b>Subscribed and fully paid-up shares</b> 11,590,958 (Previous FY -11,590,958 ) equity shares of Rs. 10/- each	<b>115,909,580</b>	<b>115,909,580</b>
<b>Suspense Share Capital of Ritesh Spinning Mills Ltd. #</b>	<b>78,689,310</b>	<b>78,689,310</b>
<b>Suspense Share Capital of Ritesh Impex Pvt. Ltd. #</b>	<b>18,964,800</b>	<b>18,964,800</b>
<b>Suspense Share Capital of H B Fibre Ltd. #</b>	<b>14,000,000</b>	<b>14,000,000</b>
Reduction in Share Capital due to purchase of shares	(4,000,000)	(4,000,000)
<b>Total</b>	<b>223,563,690</b>	<b>223,563,690</b>
* Pursuant to amalgamation of RSML, RIPL and HBFL with the company, authorised share capital of Rs. 2,10,00,000/- of Transferer Company 1 (Ritesh Spinning Mills Ltd.), Rs. 5,00,000/- of Transferer Company 2 (Ritesh Impex Pvt. Ltd.) and Rs.5,00,00,000/- of Transferer Company 3 (H B Fibre Ltd.) stand transferred as authorised share capital of the company. (Refer Note 34)		
# Pursuant to amalgamation of RSML, RIPL and HBFL with the company, Suspense share capital of Rs. 8,33,33,320/- after reduction of Rs.46,44,010/- being share of the company owned by Transferee Company 1 (Ritesh Spinning Mills Ltd.), Rs. 18,964,000/- of Transferer Company 2 (Ritesh Impex Pvt. Ltd.) and Rs.14,000,000/- of Transferer Company 3 (H B Fibre Ltd.) to be allotted. (Refer Note 34)		

#### a) Terms/rights attached to equity shares

The Company has only one class of Equity Shares having a par value of Rs. 10 per share. Each holder of Equity shares is entitled to one vote per share. Each Equity holder is eligible for dividend on pro-rata basis. The dividend, if any, declared by the Board is paid after obtaining shareholders' approval in ensuing AGM.

(Amount in Rs.)

<b>b) Reconciliation of Equity Shares Outstanding at the beginning and at the end of year</b>			
Particulars	<b>Annexure</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Equity shares at the beginning of the year		11,590,958.00	11,590,958.00
Add: Shares Issued		-	-
Less: Shares Cancelled		-	-
<b>Equity shares at the end of the year</b>		<b>11,590,958.00</b>	<b>11,590,958.00</b>

## NOTES Continue.....

\*Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 32) with the Company shares to be allotted will not be Considered.

### c) Shareholders holding more than 5 percent of Equity Shares in the Company (Amount in Rs.)

Name of Shareholder		As at 31st March, 2021 No. of share held	As at 31st March, 2020 No. of share held
Sh. Sanjev Arora	% of Holding	2,421,021 20.89%	2,421,021 20.89%
Sh. Kavya Arora	% of Holding	11,31,334 9.76%	11,31,334 9.76%
Ritesh Spinning Mills Ltd.	% of Holding	8,64,401 7.46%	8,64,401 7.46%
Sirsa Deposits & Advances Ltd.	% of Holding	8,10,141 6.99%	- -
Time Publishing House Ltd	% of Holding	- 0.00%	7,03,099 6.06%

\*Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 32) with the Company shares to be allotted will not be Considered.

### 16 Other Equity (Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Securities Premium	156,057,942	156,057,942
Retained Earnings	147,750,373	(73,602,381)
Capital Reserve	284,663,147	284,663,147
Revaluation Reserve	11,067,022	11,067,022
Other Comprehensive Income	(432,639)	-
<b>Total</b>	<b>599,105,845</b>	<b>378,185,730</b>

#### (i) Securities Premium

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Opening Balance</b>	156,057,942	156,057,942
Increase/(Decrease) during the year	-	-
<b>Closing Balance</b>	<b>156,057,942</b>	<b>156,057,942</b>

#### (ii) Retained Earnings

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Opening Balance</b>	(73,602,381)	(90,194,607)
Changes in accounting policy or prior period errors	-	-
Restated balance at the beginning of the year	-	-
Net profit/(loss) for the year	223,036,528	16,592,227
<b>Closing Balance</b>	<b>149,434,147</b>	<b>(73,602,381)</b>

## NOTES Continue.....

### (iii) Capital Reserves

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening Balance	284,663,147	284,663,147
Increase/(Decrease) during the year	-	-
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 32)</b>	-	-
Gain on business purchase(GBP)	-	-
<b>Closing Balance</b>	<b>284,663,147</b>	<b>284,663,147</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</b>	<b>188,414,476</b>	<b>188,414,476</b>

### (iv) Revaluation Reserves

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening Balance	11,067,022	11,067,022
Increase/(Decrease) during the year	-	-
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 32)</b>	-	-
<b>Closing Balance</b>	<b>11,067,022</b>	<b>11,067,022</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</b>	<b>11,067,022</b>	<b>11,067,022</b>

### (v) Other Comprehensive Income

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening Balance	-	-
Items of Other Comprehensive Income		
Remeasurement of Defined benefit plans (Including Tax Impact)	-	-
Change in value of Equity Instruments Designated through OCI	(432,639)	-
<b>Closing Balance</b>	<b>(432,639)</b>	<b>-</b>

### 17 Non-Current - Borrowings

(Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Secured</b>		
Loan from Bank (Secured Against Vehicles)	7,742,136	10,587,324
<b>Total</b>	<b>7,742,136</b>	<b>10,587,324</b>

Vehicle Loan Rs.10,760,631/-(P.Y.Rs. 13,906,967/-) are secured by way of Hypothecation of respective Vehicle. These Loans are Repayable in equated Monthly Installments and shall be repaid by 2023, Interest Rate vary from 8.35-9.51%p.a.

Repayment Schedule	Amounts
2021-22	3,018,495
2022-23	2,720,122
2023-24	3,942,757
2024-25	1,079,257



## NOTES Continue.....

### 18 Non-Current Financial Liabilities - Others (Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured</b>		
Security Deposits	8,171,578	7,755,718
<b>Total</b>	<b>8,171,578</b>	<b>7,755,718</b>

\* Security Deposits Represents interest free deposits received from the allottees against electricity connectbn and facility maintenance

### 19 Non-Current Liabilities - Provision (Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee Benefits Gratuity	1,081,966	2,405,037
<b>Total</b>	<b>1,081,966</b>	<b>2,405,037</b>

\* As per Actuarial Certificate

### 20 Current - Borrowings (Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured</b>		
Loan from Related Parties	4,580,162	21,299,846
Loan from Others	31,560,000	39,460,000
<b>Total</b>	<b>36,140,162</b>	<b>60,759,846</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 32)</b>	<b>32,060,000</b>	<b>28,560,000</b>

### 21 Trade Payables (Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total outstanding dues of micro enterprises and small enterprises ; and*	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	138,419,081	34,852,963
<b>Total</b>	<b>138,419,081</b>	<b>34,852,963</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</b>	<b>132,098,908</b>	<b>164,882</b>

Trade Payables Includes Rs.6,47,500/- (Previous Year Nil) Payables to Directors and their Related Parties.

### 22 Current Financial Liabilities - Others (Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current Maturities of Long-Term Debts;*	3,018,495	3,319,643
Other Payables		
- Salaries & Wages payable	56,320	66,762
- Expenses Payable	8,162,944	4,737,630
- Payable to Auditor	758,325	540,000
- Director's Remuneration Payable	2,469,143	968,700
<b>Total</b>	<b>14,465,227</b>	<b>9,632,735</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</b>	<b>733,242</b>	<b>620,000</b>

\* Current Maturities of Long - term Debts represent portion of vehicle loans amounting to Rs.30,18,495/- (Previous Year Rs.33,19,643/-), which is payable within a period of 12 months. The vehicle loans from banks are secured by way of hypothecation of respective assets.

Director's Remuneration & Salaries Payables Includes Rs.24,99,143/- (Previous Year Rs.9,98,700/-) Payables to Directors and their Related Parties.

## NOTES Continue.....

### 23 Current Tax Liabilities - Provision (Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Income Tax	22,972,088	-
<b>Total</b>	<b>22,972,088</b>	<b>-</b>

### 24 Current Liabilities - Others (Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance from Customers	26,200,683	58,544,576
Statutory Dues Payable	2,282,424	762,365
<b>Total</b>	<b>28,483,107</b>	<b>59,306,941</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</b>	<b>60,000</b>	<b>45,488</b>

Advance from Customers Include Rs. 4,11,725/- (Previous Year Rs. 3,23,810/- ) from Related Parties.

### 25 Current Liabilities - Provision (Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee Benefits* Gratuity	3,883,067	-
<b>Total</b>	<b>3,883,067</b>	<b>-</b>

\* As per Actuarial Certificate

### 26 Revenue from operations (Amount in Rs.)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue from Real Estate Activities	341,900,020	7,631,343
Revenue from Sale of Fabrics	1,701,504	401,152,849
Revenue from Sale of Shares	829,660,856	650,348,340
<b>Total</b>	<b>1,173,262,380</b>	<b>1,059,132,532</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</b>	<b>320,606,401</b>	<b>111,197,142</b>

### 27 Other Income (Amount in Rs.)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest Income		
From FDR	16,970	15,265
From Others	3,811,447	3,983,981
Profit/Loss on Derivatives	81,248,845	114,702,461
Dividend Received	618,512	167,740
Profit/Loss on Sale of Fixed Assets	155,116	231,224
Sale A/c Verka Both	6,000	365,345
Misc Income	57,500	130,500
Balance Written Off	-	7,118,368
Rent Received	1,620,000	1,140,000
Transfer Charges (Received)	-	210,000
Sale A/c Marked	-	6,759
Profit/Loss Day Trading Shares	-	694,371
Special Services	-	6,597,116
Commission Income	-	293,434
<b>Total</b>	<b>87,534,390</b>	<b>135,656,563</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</b>	<b>33,654,072</b>	<b>56,018,967</b>

## NOTES Continue.....

### 28 Purchase of Stock-in-Trade (Amount in Rs.)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Purchase of Stock-in-Trade		
Land	37,499,640	20,100,000
Shares	734,088,382	631,429,974
Fabrics	-	373,807,808
Project Development Expenses	61,289,964	19,292,014
<b>Total</b>	<b>832,877,986</b>	<b>1,044,629,796</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</b>	<b>124,289,216</b>	<b>84,874,364</b>

### 29 Changes In Inventories of Stock-In-Trade (Amount in Rs.)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Opening Stock		
Land	81,101,236	71,501,236
Shares	76,843,952	154,028,566
Fabrics	1,621,746	-
	<b>159,566,934</b>	<b>225,529,802</b>
Closing Stock		
Land	38,037,514	81,101,236
Shares	46,403,541	76,843,952
Fabrics	-	1,621,746
	<b>84,441,055</b>	<b>159,566,934</b>
<b>Total</b>	<b>75,125,879</b>	<b>65,962,868</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</b>	<b>32,468,531</b>	<b>69,658,031</b>

### 30 Employee Benefits Expenses (Amount in Rs.)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salaries and Bonus	23,590,352	25,546,167
Contribution to Provident and Other Funds	132,333	168,777
Staff Welfare	205,771	120,086
<b>Total</b>	<b>23,928,456</b>	<b>25,835,030</b>

Includes Directors Remuneration Rs.1,94,40,000/-Previous Year Rs.2,12,59,000/-

Includes Directors Sitting FeeRs. 3,93,000/- , Director's Conveyance Allowances Rs. 1,13,387/-, Director's House Rent Allowances Rs.2,36,756 , Special Allowance to Directors Rs.1,19,056/-, TDS on Non Monetary Benefit (Director) Rs.6,24,000/- (Previous Year Directors Sitting FeeRs. 1,21,500/- , Director's Conveyance Allowances Rs. 1,03,200/-, Director's House Rent Allowances Rs.2,74,800, Special Allowance to Directors Rs.1,43,000/- , TDS on Non Monetary Benefit (Director) Rs.6,24,000/-

### 31 Finance costs (Amount in Rs.)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest to Banks	1,100,190	1,961,460
Interest to Others	1,981,980	743,118
Bank Charges	786,916	383,268
Other Finance Charges	616,216	-
<b>Total</b>	<b>4,485,302</b>	<b>3,087,846</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HBFL (Refer note 34)</b>	<b>17,427</b>	<b>111,183</b>

## NOTES Continue.....

### 32 Other Expenses

(Amount in Rs.)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Advertisement	490,972	350,577
Electricity Expenses	715,718	464,776
Generator Expenses	72,266	85,358
Interest on GST	6,140	
Generator Repair	-	14,598
Fee & Taxes	768,381	502,704
Listing Fee	300,000	300,000
Insurance Expenses	157,744	267,813
Audit Fee	430,000	310,000
Legal Expenses	37,334	5,830
Professional Charges	5,752,200	4,531,853
Vehicle Expenses	1,261,272	1,923,797
Postage & Telegram	20,040	47,279
Telephone Exp	114,441	198,035
Rent Paid	5,665,000	3,600,000
Rent (Ludhiana Office)	623,700	680,400
Conveyance	238,044	329,937
Director Travelling Exp.	1,286,193	8,358,945
Travelling Exp.	339,303	3,154,936
Electric Repair	125,878	2,020
General Repair	102,193	66,481
Business Promotion	1,610,653	935,875
Sales Promotion	66,458	128,751
Charity & Donation	1,642,656	302,600
Commission & Brokerage	141,000	146,000
AGM Expenses	334,363	297,992
Balance Written off	1,873,841	4,520,398
Books & Periodicals	-	2,330
Computer & Software Expenses	226,403	53,786
Demat Charges	10,877	9,767
Discount & Rebate	66,556	-
Diwali Exp.	3,900	9,934
Entertainment Expenses	-	10,040
Garbage Charges Exp	-	37,240
General Exp.	56,630	87,517
Labour Charges	3,900	10,300
Loss on Investment	26,400,000	-
Maintenance Charges	447,857	507,577
Misc. Exp.	132,984	48,275
Office Expenses	662,721	113,388
Other Charges-Shares	368,422	348,437
Photo Copier Exp.	18,511	29,776
Printing & Stationery	26,874	66,420
Samrala Chowk Expenses	4,012	12,470
Subscription & Membership	326,874	233,904
Watch & Wards	418,984	441,418
Water & Sewarge	3,240	3,240
Markfed Purchases	-	50,243
Verka Both Purchases	-	297,893
GST Late Filing Fee	11,000	-
<b>Total</b>	<b>53,365,535</b>	<b>33,900,909</b>
<b>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</b>	<b>29,088,205</b>	<b>484,033</b>

## NOTES Continue.....

(Amount in Rs.)

### 33 Earning per Share (EPS) - In accordance with the Indian Accounting Standard (Ind AS-33)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Basic Earnings Per Share</b>		
Profit /(Loss) After Tax	223,036,528	16,592,227
Profit Attributable to Ordinary Shareholders	223,036,528	16,592,227
Weighted Average Number of Ordinary Shares (used as denominator for calculating Basic EPS)	11,590,958	11,590,958
Nominal Value of Ordinary Share	Rs. 10/-	Rs. 10/-
Earnings Per Share - Basic	19.24	1.43
<b>Diluted Earnings Per Share</b>		
Profit /(Loss) After Tax	223,036,528	16,592,227
Profit Attributable to Ordinary Shareholders	223,036,528	16,592,227
Weighted Average Number of Ordinary Shares (used as denominator for calculating Diluted EPS)	11,590,958	11,590,958
Nominal Value of Ordinary Share	Rs. 10/-	Rs. 10/-
Earnings Per Share - Diluted	19.24	1.43

## NOTES Continue.....

### 34. AMALGAMATION OF RITESH SPINNING MILLS LIMITED. RITESH IMPEX PRIVATE LIMITED AND H.B. FIBRES LIMITED

- (a) Pursuant to Scheme of Amalgamation (Scheme) amongst Ritesh Spinning Mills Limited, Ritesh Impex Private Limited and H. B. Fibres Limited with the company under section 230 to 232 of the Companies Act, 2013 sanctioned by National Company Law Tribunal, New Delhi Bench on 16th August, 2021 all assets and liabilities are transferred and vested in the company with appointed date of 1st April, 2018.
- (b) The amalgamation has been accounted in the books of account of the Company following pooling of interest method and in accordance with Ind AS 103 'Business Combination' read with Appendix C to Ind AS 103 specified under Section 133 of the Act, read with the Companies (Accounting Standards) Amendment Rules, 2016. Accordingly, the accounting treatment has been given as follows:
- The assets, liabilities and reserves of Ritesh Spinning Mills Limited, Ritesh Impex Private Limited and H. B. Fibres Limited have been incorporated in the financial statements at the carrying values.
  - Authorized Share Capital of Rs. 210 Lacs of Ritesh Spinning Mills Ltd., Rs. 5 Lacs of Ritesh Impex Pvt. Ltd. and Rs.500 Lacs H B Fibre Ltd. stand transferred as authorised share capital of the company.
  - Suspense Share Capital is created for issue of share capital to Shareholders and Debenture-holders of Ritesh Spinning Mills Ltd., Ritesh Impex Private Limited and H. B. Fibres Ltd. for Rs. 746.89 Lacs, Rs. 189.65 Lacs and Rs. 140 Lacs respectively.
  - The difference between book value of shares and debentures of Ritesh Spinning Mills Ltd., Ritesh Impex Private Limited and H. B. Fibres Ltd. and face value of Suspense Share Capital to be issued amounting to Rs 1853.56 Lacs has been adjusted to capital reserve of the Company as Gain on Bargain Purchase.
  - Inter-Company balances and transactions have been eliminated.
  - The balance of the retained earnings, general reserve and revaluation reserve appearing in the financial statements of Ritesh Spinning Mills Ltd., Ritesh Impex Private Limited and H. B. Fibres Ltd. have been aggregated with corresponding balance appearing in the financial statements of the Company.
  - The financial information in the financial statements in respect of prior period have been restated as if business combination had occurred from the beginning of the preceding period in the financial statements irrespective

of actual date of combination in accordance with Ind AS 103.

### 35. Critical Accounting Estimates and Judgments

The estimates and judgments used in the preparation of the said financial statements are continuously evaluated by the Company, and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates and judgments are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Although the Company regularly assesses these estimates, actual results could differ materially from these estimates—even if the assumptions under-lying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognized in the financial statements in the period in which they become known.

The areas involving critical estimates, assumptions or judgments are:

- Useful lives of property, plant and equipment's **Note 4**
- Measurement defined benefit obligation **Note 19 & 25**
- Estimation of provisions & contingent liabilities refer **Note 23 & 37**
- Estimation of fair value of unlisted securities **Note 5**

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

36. During the year, Company has recognized the following amounts in the financial statements as per Ind AS19 "Employees Benefits" issued by the ICAI:

#### Defined Benefit Plan

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation and the obligation for leave encashment is recognized in the same manner as gratuity.

**Table Showing Changes in Present Value of Obligations:**

Period	From: 01-04-2020 To: 31-03-2021
Present value of the obligation at the beginning of the period as provided by the Company	24,05,037
Interest cost	1,68,353
Current service cost	1,41,571
Past Service Cost	0
Benefits paid (if any)	0
Actuarial (gain)/loss	22,50,072
Present value of the obligation at the end of the period	49,65,033

**(The amount to be recognized in the Balance Sheet):**

Period	As on: 31-03-2021
Present value of the obligation at the end of the period	49,65,033
Fair value of plan assets at end of period	0
Net liability/(asset) recognized in Balance Sheet and related analysis	49,65,033
Funded Status - Surplus/ (Deficit)	(49,65,033)

**Expense recognized in the statement of Profit and Loss:**

Period	From: 01-04-2020 To: 31-03-2021
Interest cost	1,68,353
Current service cost	1,41,571
Past Service Cost	0
Expected return on plan asset	(0)
Expenses to be recognized in P&L	3,09,924

**Other comprehensive (income) / expenses (Remeasurement)**

Period	From: 01-04-2020 To: 31-03-2021
Cumulative unrecognized actuarial (gain)/loss opening. B/F	0
Actuarial (gain)/loss – obligation	22,50,072
Actuarial (gain)/loss - plan assets	0
Total Actuarial (gain)/loss	22,50,072
Cumulative total actuarial (gain)/loss. C/F	22,50,072

**Actuarial assumptions provided by the company and employed for the calculations are tabulated:**

Discount rate	7.00 % per annum
Salary Growth Rate	5.00 % per annum
Mortality	IALM 2012-14
Withdrawal rate (Per Annum)	5.00% p.a.

## NOTES Continue.....

### Maturity Profile of Defined Benefit Obligation: Maturity analysis of benefit obligations.

(Amount in Rs.)

01 Apr 2021 to 31 Mar 2022	38,83,067
01 Apr 2022 to 31 Mar 2023	34,316
01 Apr 2023 to 31 Mar 2024	34,316
01 Apr 2024 to 31 Mar 2025	34,229
01 Apr 2025 to 31 Mar 2026	2,06,834
01 Apr 2026 Onwards	7,72,271

### Sensitivity Analysis:

Period	As on: 31-03-2021
Defined Benefit Obligation (Base)	49,65,033 @ Salary Increase Rate : 5%, and discount rate :7%
Liability with x% increase in Discount Rate	48,35,868; x=1.00% [Change (3)% ]
Liability with x% decrease in Discount Rate	51,12,384; x=1.00% [Change 3% ]
Liability with x% increase in Salary Growth Rate	49,95,051; x=1.00% [Change 1% ]
Liability with x% decrease in Salary Growth Rate	49,51,256; x=1.00% [Change 0% ]
Liability with x% increase in Withdrawal Rate	49,82,633; x=1.00% [Change 0% ]
Liability with x% decrease in Withdrawal Rate	49,45,125; x=1.00% [Change 0% ]

Note: - Corresponding previous year figures as required under IND-AS 19 is not available. Therefore, disclosure for the previous year figures not given

### 37. Contingencies

#### Contingent Liabilities in respect of:

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Guarantees given by banks on behalf of the Company	2,00,000/-	Nil
Claims against the Company not acknowledged as debt in financial statements	Nil	Nil
Impact of pending litigations not acknowledged as debt in financial statements	Nil	Nil
Income tax Matters not acknowledged as debt in financial statements	9,08,30,288	Nil
Unexecuted Capital Commitment (Net of Advances)	Nil	Nil

- The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position.
- The Company Periodically Review all its long term contracts to assess for any material foreseeable losses, Based on such review wherever applicable, the Company has adequate provisions for these long term contracts in the books of accounts as required under any applicable law/accounting standards
- As at March31, 2021 the Company did not have any outstanding long term derivative Contracts.

### 38. Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follows :

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount due	-	-
Interest due on above	-	-
Interest paid during the period beyond the appointed day	-	-
Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-	-
Amount of interest accrued and remaining unpaid at the end of the period	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprises for the purpose of disallowance as a deductible expenditure under Sec.23 of the Act	-	-



## NOTES Continue.....

**Note:** The above information and that is given in 'Note-21' Trade Payables regarding Micro and Small Enterprises has been determined on the basis of information available with the Company and has been relied upon by the auditors.

### 39. Related Party Disclosures as required by INDAS -24

- i) Related parties where control exists or with whom transactions have taken place during the year.

#### ENTITIES UNDER CONTROL OF KMP & THEIR RELATIVES

- o Kamal Oil & Allied Industries Ltd
- o K P Advisors (Realty) Pvt Ltd
- o Femella Fashions Ltd
- o Ritesh Rentals (P) Ltd
- o Finton Homes
- o Arisudhana Industries Ltd.
- o NP Blockhouse Real Estate Pvt. Ltd.

#### KEY MANAGERIAL PERSONNEL REPRESENTED ON THE BOARD

- o Sh. Sanjeev Arora Chairman cum Managing Director
- o Sh. RoopKishore Fathepuria Executive Director
- o Sh. Kavya Arora Director & CFO
- o Sh. Virender Singh Binning Director
- o Sh. Surinder K Sood Director
- o Sh. Gurpreet Singh Brar Director
- o Ms. Shweta Sehgal Director
- o Mr. Rohit Kumar Maggu Director
- o Mr. D.P. Reddy Director
- o Ms. Tarandeep Kaur Company Secretary

#### RELATIVES OF DIRECTOR

- o Mrs. Guneet Arora
- o Mrs. Sandhya Arora

- ii) The following is a summary of significant related party transactions:

(Amount in Rs.)

Sr. No.	Name of Company/Firm/ Individual	Nature of Transaction	2020-21 (Rs.)	2019-20 (Rs.)
1.	Femella Fashions Ltd.	- Loan Taken - Loan Repayment - Loan Given - Loan Received back - Purchase of Investments - Sale of Plot - Sale of services (Electricity) - Sale of Services(CAM) - Other Transactions - Expenses made on behalf of company - Allocated Cost of Common Facility Used	NIL 1,67,15,751/- 40,96,42,560/ 33,56,65,000/ 7,86,00,000/- NIL NIL NIL NIL 33,700/- 29,30,000/-	15,42,85,000/- 14,39,58,316/- NIL NIL NIL 27,50,000/- 5,000/- 13,500/- 40,930/- NIL NIL
2.	Sh. Sanjeev Arora	- Loan Given - Loan Received back - Director Remuneration - Income Tax on Non-Monetary - Rent Paid - Sale of Service (Electricity) - Sale of Service (CAM)	NIL NIL 1,10,00,000/- 6,24,000/- 12,00,000/- 11,670/- 12,375/-	3,72,00,000/- 1,73,00,000/- 1,20,00,000/- 6,24,000/- 12,00,000/- 49,731/- 29,025/-

**NOTES Continue.....**
**(Amount in Rs.)**

Sr. No.	Name of Company/Firm/ Individual	Nature of Transaction	2020-21 (Rs.)	2019-20 (Rs.)
3.	Smt. Sandhya Arora	- Rent Paid - Loan Taken	12,00,000/- NIL	12,00,000/- 14,50,000/-
4.	K P Advisors (Realty) Pvt Ltd.	Loan Given	NIL	40,000/-
5.	Sh. Kavya Arora	Director's Remuneration Rent Paid Loan Taken	66,00,000/- 12,00,000/- NIL	72,00,000/- 12,00,000/- 5,50,000/-
6.	Sh. Virender Singh Billing	Director's Remuneration	4,80,000/-	7,20,000/-
7.	Smt. Guneet Arora	Professional Charges Loan Taken	11,00,000/- NIL	NIL 5,00,000/-
8.	Sh. Roop kishore Fatehpuria	Director's Remuneration Perks & Other Allowances	13,63,400/- 4,69,199/-	13,39,000/- 5,21,000/-
9.	Sh. Surinder K Sood	Sitting Fee	1,30,000/-	15,500/-
10.	Sh. Gurpreet Singh Brar	Sitting Fee	98,000/-	55,000/-
11.	Ms. Shweta Sehgal	Sitting Fee	75,000/-	27,000/-
12.	Mr. Rohit Kumar Maggu	Sitting Fee	30,000/-	24,000/-
13.	Mr. D.P. Reddy	Sitting Fee	60,000/-	NIL
14.	Ms. Tarandeep Kaur	Salary	3,40,161/-	3,30,000/-
15.	Ritesh Rental (P) Ltd.	Payment made on behalf of Company (Adjusted with Loan)	NIL	2,25,72,000/-
16.	Arisudhana Industries Ltd.	Interest Income Loan Received Back	1,84,110/- 46,31,771/-	7,01,968/- 2,70,00,000/-
17.	Kamal Oil & Allied Industries	Loan Received Back Loan Taken Expenses made on behalf of company	NIL NIL 3,930/-	9,15,908/- 20,84,092/- NIL
18.	NP Blockhouse Real Estate Pvt. Ltd.	Loan Given	3,00,000/-	NIL
19.	Finton Homes	Capital Contribution by way of Transfer of Land Share of Profits Sale of services (Electricity) Watch & Wards (Security Expenses) Other Transactions	18,50,97,067/- 12,42,30,097/- 4,01,110/- 4,11,725/- NIL	NIL NIL 6,40,642/- 4,41,418/- 9,57,812/-

**iii) Amount due from/To Related Parties**

Particulars		As on 31.03.2021 (Rs.)	As on 31.03.2020 (Rs.)
i)	<b>Due to Related Parties (included in Unsecured Loans &amp; Current Liabilities)</b>		
	Kamal Oil and Allied Industries Ltd.	20,80,162/-	20,84,092/-
	Finton Homes	4,11,725/-	-
	Femella Fashions Ltd.	-	1,30,35,754/-
	Kavya Arora	17,07,753/-	5,50,000/-
	Roop Kishor Fatehpuria	1,95,999/-	-
	Sandhya Arora	16,35,000/-	14,50,000/-
	Guneet Arora	5,92,500/-	5,00,000/-
	Tarandeep Kaur	30,000/-	30,000/-

## NOTES Continue.....

(Amount in Rs.)

ii)	<b>Due from Related Parties (included in Loans &amp; Advances &amp; Sundry Debtors)</b>		
	Finton Homes	-	3,23,810/-
	Arisudhana Industries Ltd.	-	46,31,771/-
	Femella Fashions Ltd.	7,47,61,263/-	-
	NP Blockhouse Real Estate Pvt. Ltd.	3,00,000/-	-
	KP Advisors (Realty) Pvt. Ltd.	1,12,100/-	1,12,100/-
	Sanjeev Arora	12,45,59,609/-	12,61,69,019/-

40. Expenditure in Foreign Currency on Travelling is Rs. Nil (P.Y-Nil).

### 41. Segment Reporting as per IND AS 108

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief operating decision maker regularly monitors and reviews the operating result of the whole company. As defined in Ind AS 108 "Operating Segments", the company's entire business falls under these Operational segments: -

1. Real Estate
2. Textile Division
3. Trading in shares& Derivatives

### Information about Reportable Segments:

Particulars	2020-21				2019-20			
	Real Estate	Textile	Shares	Total	Real Estate	Textile	Shares	Total
Revenue/Sales	34,19,00,020/-	17,01,504/-	82,96,60,856/-	1,17,32,62,380/-	76,31,343/-	40,11,52,849/-	65,03,48,340	1,05,91,32,532/-
Results	20,00,46,694/-	79,758/-	6,51,32,064/-	26,52,58,516/-	(2,21,60,671)/-	2,89,66,787/-	(5,82,66,249)/-	(5,14,60,133)/-
Profit before Interest & Finance Cost	20,00,46,694/-	79,758/-	6,51,32,064/-	26,52,58,516/-	(2,21,60,671)/-	2,89,66,787/-	(5,82,66,249)/-	(5,14,60,133)/-
Unallocable Expenses	-	-	-	8,19,95,396/-	-	-	-	6,33,91,564/-
Operating Profit	-	-	-	18,32,63,119/-	-	-	-	(11,48,51,697)/-
Interest Expenses	-	-	-	44,85,302/-	-	-	-	30,87,846/-
Unallocable Income	-	-	-	8,75,34,390/-	-	-	-	13,56,56,563/-
Net Profit	-	-	-	26,63,12,208/-	-	-	-	1,77,17,020/-
Assets	85,10,05,576/-	1,52,21,482/-	21,78,00,889/-	1,08,40,27,947/-	50,12,03,675/-	5,52,04,112/-	23,06,42,196/-	78,70,49,983/-
Liabilities	25,77,62,552/-	35,95,890/-	-	26,13,58,442/-	14,34,35,661/-	4,18,64,903/-	-	18,53,00,564/-
Share Capital	-	-	-	22,35,63,690/-	-	-	-	22,35,63,690/-
Reserve & Surplus	-	-	-	59,91,05,845/-	-	-	-	37,81,85,730/-
Segment Depreciation	-	-	-	47,01,406/-	-	-	-	36,55,625/-
Segment other non-cash expense	-	-	-	-	-	-	-	-
Segment Capital Expenditure	-	-	-	-	-	-	-	-

#### 42. Financial Instruments by category

(Amount in Rs.)

Particulars	Level	Mar-21			Mar-20		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>1) Financial Assets</b>							
I) Investments (Note No. 5 & 9)	1	-	194,903,477	307,938,935	-	116,881,624	-
II) Trade receivables (Note No. 10)	3	-	-	119,587,755	-	-	177,867,544
III) Cash and Cash equivalents (Note No. 11)	1	-	-	29,471,330	-	-	1,622,748
IV) Other receivables (Note No. 6 & 12)	3	-	-	285,462,680	-	-	205,339,210
<b>Total Financial Assets</b>		-	194,903,477	742,460,700	-	116,881,624	384,829,502
<b>2) Financial liabilities</b>							
I) Borrowings							
A) From Banks (Note No. 17&22)	3	-	-	10,760,631	-	-	13,906,967
B) From Others (Note No. 20)	3	-	-	36,140,162	-	-	60,759,846
II) Trade payables (Note No. 21)	3	-	-	138,419,081	-	-	34,852,963
III) Other liabilities (Note No. 18 & 22)	3	-	-	19,618,310	-	-	14,068,810
<b>Total Financial Liabilities</b>		-	-	204,938,185	-	-	123,588,586

#### Fair Value measurement

Fair Value Hierarchy and valuation technique used to determine fair value:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and are categorized into Level 1, Level 2 and Level 3 inputs.

#### Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

#### 43. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

#### MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

Particulars	Notes Nos.	Less than 12 months	1 to 5 Years	Above 5 Years	Total
<b>As at March 31, 2021</b>					
Borrowings	17,20	39,158,657	7,742,136	-	46,900,793
Trade payables	21	134,654,784	3,764,297	-	138,419,081
Other liabilities	18,22	11,446,732	8,171,578	-	19,618,310
<b>As at March 31, 2020</b>					
Borrowings	17,20	64,079,489	10,587,324	-	74,666,813
Trade payables	21	34,414,382	438,581	-	34,852,963
Other liabilities	18,22	6,313,092	7,755,718	-	14,068,810

### Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
<b>INTEREST RATE RISK</b>		
<p>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's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.</p> <p>a) Company has Fixed deposits with Banks amounting to Rs. 2,81,672/- as at March 31st, 2021 (Rs. 2,64,702/- as at March 31st, 2020) Interest Income earned on fixed deposit for year ended March 31st, 2021 is Rs. 16,970/- (Rs. 15,265/- for the year ended March 31st, 2020)</p> <p>b) Company has Borrowing from Banks amounting to Rs. 1,07,60,631/- as at March 31st, 2021 (Rs. 1,39,06,967/- as at March 31st, 2020) Interest Expenses on such borrowings for the year ended March 31st, 2021 is Rs. 11,00,190/- (Rs. 19,61,460/- for the year ended March 31st, 2020)</p>	<p>In order to manage its interest rate risk The Company diversifies its portfolio in accordance with the risk management policies.</p>	<p>As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 1% change in interest rates.</p> <p>a) A 1% increase in interest rates would have led to approximately an additional Rs. 2,817/- gain for year ended March 31st, 2021 (Rs. 2,647/- gain for year ended March 31st 2020) in Interest income. A 1% decrease in interest rates would have led to an equal but opposite effect.</p> <p>b) A 1% increase in interest rates would have led to approximately an additional Rs. 1,07,606/- loss for year ended March 31st, 2021 (Rs. 1,39,070/- loss for year ended March 31st 2020) in Interest expense. A 1% decrease in interest rates would have led to an equal but opposite effect.</p>

### Credit Risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

#### Trade Receivables

Customer credit risk is managed by each business unit subject to the Company established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. At 31 March 2021, the Company had top 5 customers that owed the Company more than Rs. 10,61,83,062/- (31 March 2020: Rs. 11,98,42,102/-) and accounted for approximately 88.79% (31 March 2020: 67.38%) of all the receivables outstanding.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 14. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

### Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Company's policy. Counterparty credit limits are reviewed by the management on an annual basis, and may be updated throughout the year. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March, 2021 and 31 March, 2020 is the carrying amounts as illustrated in Note 11.

### Capital management

Capital includes issued equity capital and share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value.

Particulars	Note	31-Mar-21	31-Mar-20
Borrowings	17&20	46,900,793	74,666,813
Less : Cash and Cash equivalents	11	29,471,330	1,622,748
Total Debt		17,429,463	73,044,065
Equity		822,669,535	601,749,420
Net Debt to Equity		2.12%	12.14%

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

44. During the year, the Company increased the Authorized Share capital of the Company in conformity with the provisions of the Act. Clause V, The Authorized Share Capital of the Company is Rs. 28,15,00,000 (Rupees Twenty eight Crores Fifteen Lacs) divided into 2,81,50,000 (Two crores Eighty-one Lacs Fifty thousands) Equity shares of the face value of Rs. 10/- (Rupees Ten only) each. The corresponding form for increase in authorized share capital has been duly filed.
45. During the year, the issuance of Optionally Fully Convertible Debentures by way of preferential issue on private placement basis in accordance with provisions ascribed in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2019 was approved in Board Meeting dated 15th February, 2021. After the Balance Sheet Date i.e 31.03.2021, the Board of Directors in their meeting held on April 08, 2021 allotted 42,00,000 (Forty Two Lakh) Optionally Fully Convertible Debentures (OFCD) of the face value of 10/- (Rupees Ten Only) each on private placement basis at an issue price of 22/- (Rupees Twenty Two Only) each i.e. at a premium of 12/- (Rupees Twelve Only) per OFCD.
46. During the year, an Open Offer for the Acquisition of Up to 41,05,650 Equity Shares of Face Value of Rs. 10/- each Constituting 26% of the expanded equity share capital of Ritesh Properties And Industries Limited from the public shareholders of the Company by Findoc Finvest Private Limited ("Acquirer") has been made.

After the period under review, the letter of offer was duly updated on the Stock Exchange as on 03rd June, 2021 and currently the Tendering period which commenced from 10th June, 2021 has ended dated 24th June, 2021. On 07th July, 2021, Post offer Advertisement under Regulation 18(12) in terms of SEBI(SAST) Regulations, 2011 was given to Stock Exchange.

### 47. Tax Reconciliation

Particulars	31.03.2021	31.03.2020
Net Profit as per Profit and Loss Account (before tax)	266,312,208	17,717,021
Current Tax rate (MAT)	25.17%	26.00%
Current Tax	67,025,456	4,606,425
Adjustment:		
Exempt u/s 10A	(31,266,231)	-
Unabsorbed Depreciation/Losses	(13,805,507)	(5,949,749)
Others	1,178,096	1,343,324
Tax Provision as per Books	23,131,815	-

48. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. The Ministry of Labour and Employment ('Ministry') has released draft rules for the Code on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.
49. Corresponding figures of previous year have been regrouped / reclassified wherever deemed necessary and the figures have been rounded off to the nearest rupee.

For Khandelwal Jain & Co.  
Chartered Accountants  
Firm Registration No. 105049W

sd/-  
**Manish Kumar Singhal**  
Partner  
Membership - 502570

Place: New Delhi  
Dated : 06.12.2021

**For and behalf of Board of Directors of  
Ritesh Properties & Industries Limited**

sd/-  
**(Sanjeev Arora)**  
Chairman cum  
Managing Director  
DIN:00077748

Place: Gurgaon  
Dated : 06.12.2021

sd/-  
**(Kavya Arora)**  
Executive Director  
& CFO  
DIN:02794500

sd/-  
**(Tarandeep Kaur)**  
Company Secretary  
(ACS42144)