

R M DRIP AND SPRINKLERS SYSTEMS LIMITED



RM Drip
& Sprinkler Systems Ltd.

(Formerly Known as R M DRIP AND SPRINKLERS SYSTEMS PRIVATE LIMITED)
E-mail ID - rmdrip@gmail.com Website - www.rmdrip.com, Phone - +91 2551 - 218919
CIN - U27200MH2004PLC150101

Date: 14th September, 2020

To,
The Manager – Listing Department
The National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra(E),
Mumbai-400051

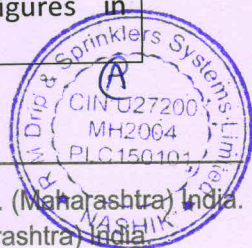
Dear Sir/Madam,

NSE Symbol: RMDRIP

Sub: Changes in the Financial Statement annexed to the Annual Report submitted on 31st August, 2020.

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have submitted the Annual Report of R M Drip and Sprinklers Systems Limited "the Company" on 31st August, 2020, but some corrections were found and the following corrections were made in the Financial Statement annexed to the Annual Report for F.Y. 2019-2020:

Sr No	Particulars	Reference no	Description of change
1	Other current Liability of F.Y. 2018-19	Schedule No 10	Due to Formula error amount changed from Rs.3,23,82,984/- to Rs.3,23,35,912/- as per last year Financial. Total of Balance sheet remains the same.
2	Deferred Tax Liability to Deferred Tax Asset	Schedule No 5	Deferred Tax Liabilities (net) negative figure of Rs.(69,65,174/-) of Liability Side transferred to Deferred Tax Asset (net) Asset Side.
3	Finance Cost	Note No. 25	Interest Subsidy receivable figure directly reduced from total of Finance cost instead of above bifurcation as total does not match with figures in notes.



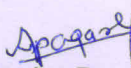
Address for Correspondence : "Atharva", New Ashwini Society, Ashwin Nagar, CIDCO, Nashik - 422 009. (Maharashtra) India.
Regd Office & Works : Gat No. 475, Village Gonde, Taluka Sinnar, Dist. - Nashik - 422103 (Maharashtra) India.

Please note that the above changes do not affect the Profit for the period ended 31.03.2020.

So, I request you to kindly consider the attached Annual Report with Revised Financial Statement and take the same on record.

Thanking you,

For and on behalf of
R M DRIP AND SPRINKLERS SYSTEMS LIMITED


Anita Pagare
Company Secretary and Compliance Officer



Encl.: Annual Report with revised Financial Statement



**16TH (SIXTEENTH) ANNUAL REPORT
OF
R M DRIP AND SPRINKLERS SYSTEMS
LIMITED
FOR F.Y. 2019-2020**

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R M DRIP AND SPRINKLERS SYSTEMS LIMITED**CIN: L27200MH2004PLC150101 Website: www.rmdrip.com****ANNUAL REPORT F.Y. 2019-2020****CORPORATE INFORMATION**

COMPANY NAME	R M DRIP AND SPRINKLERS SYSTEMS LIMITED CIN: L27200MH2004PLC150101 ISIN: INE219Y01018 Investor Relation Mail Id: rmdripinvestors@gmail.com Stock Exchange details: National Stock Exchange of India Limited (NSE Emerge Platform)
REGISTERED OFFICE	GAT No. 475, Village Gonde, Taluka Sinnar, Nashik-422113 Email: rmdrip.india@gmail.com / rmdrip@gmail.com Contact: +91 77200 94737 Website: www.rmdrip.com
BOARD OF DIRECTORS	Mr. Shyam Sundar Dash – Managing Director Mr. Vijaykumar Hanmant Kshirsagar – Executive Director Mr. Nivrutti Pandurang Kedar – Non-Executive Director Mr. Arjun Ramji Makani – Non-Executive Director Mr. Kewal Kundanlal Handa – Independent Director Mr. Madhav Govind Ganpule – Independent Director Ms. Ulka Krishna Kulkarni – Independent Director
CHIEF FINANCIAL OFFICER	Mrs. Vijayeta Ravichandran Mudliar
COMPANY SECRETARY	Ms. Anita Vasant Pagare
STATUTORY AUDITORS	Milind M. Kulkarni & Associates Atharva, 32, Shramiknagar Society, Opp. Shree Swami Samartha Kendra, Gangapur Road, Nashik-422013 Tel. 0253 2573558
INTERNAL AUDITOR	Amit R. Sarda and Associates A-1, Anand Bhakti Sankul, Behind Business Bank, Datta Mandir, Nashik Road, Nashik-422101

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SECRETARIAL AUDITOR

CS Sujata R. Rajebahadur
'Gokul', 199, M.G.Road,
Near Samarth Sahakari Bank, Nashik-422001
Tel. (0253) 2502561

BANKERS

State Bank of India
HDFC Bank Ltd.
Bank of Baroda
TJSB Sahakari Bank Limited

BUSINESS IN STATES

- 1) Maharashtra
- 2) Karnataka
- 3) Madhya Pradesh
- 4) Gujarat
- 5) Uttar Pradesh
- 6) Bihar
- 7) Jharkhand

**REGISTRAR AND TRANSFER
AGENTS**

Bigshare Services Pvt. Ltd.
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana
Road, Marol, Andheri (East), Mumbai 400059
Contact No. 022 62638200
Website: www.bigshareonline.com

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CORPORATE PHILOSOPHY

MISSION:

Our mission of RM Drip is to be the irrigation industry leader by 2021.

Profitably providing defect-free, high-value products and services that promote the intelligent use of water for worldwide irrigation applications. Achieving customer satisfaction by meeting or exceeding customer expectations. Being a responsible employer respected by employees and the community. Enabling employees to be the best they can be.

VISION:

The Company Envisages Its Growth By Focusing On The Five Basic Attributes Which Are Enumerated Below...



Chairman's Message



Mr. Vijaykumar Kshirsagar
Chairman

Dear Shareholders,

It gives me immense pleasure to welcome you all at the **16th (Sixteenth) Annual General Meeting** of your Company through Video Conferencing.

I feel delighted to share with you the performance of your Company for the Financial Year 2019-2020. The year has been encouraging as your Company registered another commendable performance with impressive growth despite a challenging economy. I will share with you the actions and initiatives we have embarked upon so far, and will ask you to consider the Company's prospects and future plans. We also get honoured to have such investors who kept trust in the Company by flowing

their investment for mutual growth and I must thank all the shareholders for the confidence they have shown in the business and the management.

In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and as per MCA circular and SEBI circular for conducted Annual General meeting through VC/OAVM Facility, which does not require physical presence of members at a common venue. In this year company is conducting its 16th AGM through VC/OAVM Facility.

We are happy to share with you the **16th (Sixteenth) Annual Report** of your Company. Towards the end of F.Y. 2019-2020, business was moving in the direction of normalcy and is looking buoyant in coming financial year.

It is always pleasure and privilege to share with you highlights of the year's performance and outlook for F.Y. 2019-2020:

- ✚ Our **total revenue** for the year is Rs. 23.72 Crore as compared to Rs. 23.13 Crore in the previous year.
- ✚ We incurred a **Profit Before Tax** of Rs. 2.01 Crore as compared to loss of Rs. 5.42 Crore which was incurred in the previous financial year.

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✚ We incurred a **Profit After Tax** of Rs. 2.80 Crore as compared to loss of Rs. 5.44 Crore which was incurred in the previous financial year.

The F.Y. 2019-2020 has been a good year for the Company wherein the Company managed to significantly improve its profitability as compared to the previous financial year despite the external challenges. The growth in the profit of the Company was clocked through a focus on product quality, process innovation, improved manufacturing efficiencies and enhanced service level with better logistic arrangements. The F.Y. 2019-2020 was a market with volatility and disruptions, still your Company continued to perform consistently well even under these challenging times and delivered significantly better results.

The lockdown announced by the Central Government due to CoVID-19 pandemic have affected the business of the Company. Being an allied Agriculture Industry and object of the Company is related to provide equipment / tools to agriculturists activities, our Company had took the permission to carry on the business of the Company despite of lockdown. The Company has resumed its work from 21st April, 2020 based on the permission granted by the Government of Maharashtra. Complete and significant impact and effect of CoVID-19 on the Capital and Financial Resources, profitability and liquidity position shall be more particularly viewed and disclosed in the Financial Statement for the F.Y. 2019-2020.

As you all are aware that your Company is agricultural based Company, so everything we do is to benefit the farmers and to create a sustainable future for them. They are the backbone of this nation, that's why they deserve support machinery that will constantly aid and guide them towards better water management and increasing their crop yields. For which, we constantly Endeavour to find new technological breakthroughs and work at bridging the gap between our businesses and rural communities.

We as company always try to cater the demand and to try to meet the growing and changing needs of agriculture and farm industry with our standard and unique products. Our company has utmost managerial capacity and experienced staffs who always try to achieve the goals set by the Company.

Our company has proposal to widen main object to remain competitive in this technologically advanced business world and to manufacture and fabricate by adopting World Class Technology and State of the Art equipments and to design, supply, distribute, market, import and export and otherwise deal in Flat Drip & Cylindrical Drip Systems, HDPE Sprinkler Pipes with Fittings and PVC Pipes as a part of the Irrigation Systems with latest automation & supplying products to the Indian and global Farming Community to maximize the farming productivity and

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accordingly seek your confirmation being an activity which can be easily and advantageously combined with existing main object of the company .

We believe we have a much longer journey ahead to serve our customers with the best in class products & services which are so essential to the future of mankind and the earth itself!

I take this opportunity to once again thank the Board Members and particularly distinguished Independent Directors for their continued leadership support to the Company and its employees. I also thank employees of Company without whose efforts and commitment, the Company could not have performed well in challenging conditions. I would also like to deeply thank and acknowledge the continued co-operation, trust and support of various Government/Regulatory authorities, Company's valued customers, suppliers, vendors, investors, bankers and shareholders.

Best Regards,

Mr. Vijaykumar Hanmant Kshirsagar
Chairman
(DIN: 00816360)

Managing Director's Message



Mr. Shyam Sundar Dash
Managing Director

Dear Shareholders,

It is a matter of pride and pleasure to present a year of growth and success of R M Drip and Sprinklers Systems Limited. Our operating revenues grew up to Rs. 23.23 Crore from Rs. 22.29 Crore. We were able to bounce back from losses to strong profits backed by a number of measures undertaken over the last year. We focused on improving the product mix and marketing initiatives to improve profitable product sales and expanding markets.

We are presently in the era of economic slowdown, trade wars between various countries apart from this COVID-19 pandemic situation, this tell us how quickly and profoundly our world has changed. Due to COVID-19, we are facing unprecedented challenges currently with mobility restrictions affecting the sales at dealer level but we remain optimistic that this situation will stabilize soon. Despite these formidable challenges, we are happy to share with you that your Company continues to meet all its financial obligations and ensured that the employees will get their full dues.

I would like to mention here that your Company was well supported by the new initiatives of the Government i.e. "Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Ordinance, 2020. We expect this boosts overall demand for irrigation products.

We have been very fortunate to have loyal and competent employees, supportive dealers, understanding suppliers and above all, reliable bankers who back us in all way. With these qualities blended together, sound management, clear direction and people oriented approach; we have sailed through over troubled water without much difficulty.

Before I conclude, I would like to place on record my heartfelt gratitude to all our employees and our sincere thanks to Bankers, NSE, and all our shareholders and our precious customers who have extended their valuable support and confidence in the Company.

With Warm Regards,

Shyam Sundar Dash
Managing Director
(DIN: 07502666)

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NOTICE OF THE 16TH (SIXTEENTH) ANNUAL GENERAL MEETING

NOTICE is hereby given that the 16th (SIXTEENTH) Annual General Meeting of the members of R M DRIP AND SPRINKLERS SYSTEMS LIMITED (CIN: L27200MH2004PLC150101) will be held on Thursday, 24th September, 2020 at 12.00 Noon (IST) through Video Conference (VC) / Other Audio Visual Means (OAVM) Facility at the Registered Office of the Company situated at Gat No. 475, Village Gonde, Taluka Sinnar, Nashik - 422113, Maharashtra, India, to transact the following businesses:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on 31st March, 2020 including Balance sheet as at 31st March 2020, the statement of profit and loss and Cash Flow statement for the year ended on that date and the Reports of the Board of Directors and the Auditors' thereon.
2. To appoint Director in place of Mr. Vijaykumar Hanmant Kshirsagar (DIN: 00816360) who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass the following resolution as ordinary resolution:

"RESOLVED THAT Mr. Vijaykumar Hanmant Kshirsagar (DIN: 00816360), whose period of office is liable to determination by retirement of directors by rotation and who has offered himself for re-appointment, be and is hereby re-appointed as director of the company."

SPECIAL BUSINESS:

1. To consider and approve the payment of remuneration to Mr. Shyam Sundar Dash, Managing Director of the Company for a period of 1 (One) year i.e. from 10th July, 2020 to 9th July, 2021 of his continuing tenure of 5 years and if thought fit, pass the following resolution as Special Resolution, with or without modification(s):

"RESOLVED THAT pursuant to the provisions under Section 196, 197, 198, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") including any statutory amendments, modifications or re-enactment thereof and subject to such other requisite approvals, as may be required in this regard, the consent of the Shareholders be and is hereby accorded for the payment of remuneration within the maximum permissible remuneration as specified in Section II of Part II of Schedule V to the Companies Act, 2013 to Mr. Shyam Sundar Dash, (DIN:07502666) Managing Director of the Company

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for a period of 1 (One) year i.e. from 10th July, 2020 to 9th July, 2021 of his continuing tenure of 5 Years till 9th July 2022 on the terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and as set out in the 2nd Supplemental Agreement and as set out in the explanatory statement attached to this Notice and the board of directors hereby authorised to vary such terms and conditions of remuneration so as not to exceed the limits specified in schedule V to the Companies Act 2013 as may be agreed to by the board of directors and Mr. Shyam Sundar Dash."

2. To consider the alteration in the Objects Clause of Memorandum of Association (MOA) of the Company and if thought fit, pass the following resolution as a Special Resolution, with or without modification(s):

"RESOLVED THAT pursuant to the provisions of Section 13(9) of the Companies Act, 2013 and all the other applicable provisions, if any, of the Companies Act, 2013 and subject to such amendments as may be made therein, approval of shareholders of the company be and is hereby accorded for alteration of the Main Object Clause (III) (A) 1 of the Memorandum of Association of the Company by substituting the existing Main object Clause III (A) 1 with New Main object Clause No III (A) 1 as stated below :

Existing Main object Clause III (A) 1:

To carry on the business by adopting world class technology, to manufacture & fabricate the HDPE Sprinkler Pipes with Fittings & Drip Irrigation Systems producing from the **State of the Art Equipments** by having latest automation and to supply the world class products to the Indian Farming Community to maximize the Farming Productivity.

Substituted and New Main Object Clause III (A) 1:

To manufacture and fabricate by adopting World Class Technology and State of the Art equipments and to design, supply, distribute, market, import and export and otherwise deal in Flat Drip & Cylindrical Drip Systems, HDPE Sprinkler Pipes with Fittings and PVC Pipes as a part of the Irrigation Systems with latest automation & supplying products to the Indian and global Farming Community to maximize the farming productivity.

"RESOLVED FURTHER THAT Mr. Shyam Sundar Dash (DIN: 07502666), Managing Director and Mr. Vijaykumar Kshirsagar (DIN: 00816360), Director of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including submission of documents with any other authority, for the purpose of giving effect to this resolution and for

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matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**By Order of Board,
For R M DRIP AND SPRINKLERS SYSTEMS LIMITED**

**Anita Pagare
Company Secretary & Compliance Officer**

Registered Office:

Gat No. 475, Village Gonde,
Taluka Sinnar, Nashik - 422113,
Maharashtra, India

Email: rmdrip.india@gmail.com/
rmdrip@gmail.com/

info@rmdrip.com

Contact: +91 77200 94737

Web: www.rmdrip.com

Date: 25/08/2020

Place: Nashik

NOTES:

1. The Explanatory statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the business under Item No. 2 (Ordinary Business) and Item No. 3 and 4 (Special Businesses) of the accompanying Notice, is annexed hereto.
2. The Board of Directors of the Company at its meeting held on 25th June 2020 and 25th August, 2020 respectively considered that the special business under Item Nos. 3 and 4 respectively, being considered unavoidable, be transacted at the 16th AGM of the Company.
3. In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos. 14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively, issued by the Ministry of Corporate Affairs (“MCA Circulars”) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India (“SEBI Circular”) and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the 16th AGM of the Company is being conducted through Video Conferencing (VC) Facility, which does not require physical presence of members at a common venue. The deemed venue for the 16th AGM shall be the Registered Office of the Company.

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4. In view of the MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 16th AGM. However, in pursuance of Section 112 and Section 113 of the Act, corporate members are required to send the company at rmdripinvestors@gmail.com a certified true copy of Board resolution, authorizing their representatives to attend and vote at the meeting through Video conferencing (VC). **Accordingly, the Proxy Form and Attendance Slip are not annexed to this notice.**
5. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 18th day of September, 2020 to Thursday, 24th day of September, 2020 (both days inclusive) for the purpose of 16th Annual General Meeting.
7. Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the electronic copy of the notice of the 16th AGM along with the Annual Report for the financial year ended on 31st March 2020, consisting of Audited Financial Statements for year 2020 including Board Report, Auditors Report and other documents required to be attached therewith being annexures have been sent only to those Members whose e-mail ids are Registered with the company of Registrar and Share transfer agent or depository Participant(s) through electronic means and no physical copy of the notice has been sent by the company to any member. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 16th AGM and the Annual Report for the year 2020 and all other communication sent by the Company, from time to time, can get their email address registered as per instructions mentioned in point no. 16 of this notice.
8. The Notice of the 16th AGM and the Annual Report for the year 2020 including therein the Audited Financial Statements for the year 2020, will be available on the website of the Company at www.rmdrip.com and website of National Stock Exchange of India Limited "Emerge Platform."
9. Member attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

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10. The Cut-off date for determining the names of shareholders eligible to get notice of Annual General Meeting is Friday, 28th August, 2020.
11. In case of joint holders attending meeting only such joint holder whose name stands first, as per the Company's records, shall alone be entitled to vote.
12. The Shareholders seeking any information, posing queries, seeking any clarification with regard to the accounts or any matter to be placed at the 16th AGM are requested to write to the Company on rmdripinvestors@gmail.com at least seven days in advance of the meeting so that the answers may be made readily available at the meeting.
13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available only in electronic form for inspection during the 16th AGM, members seeking to inspect the register can send an email to rmdripinvestors@gmail.com.
14. All other relevant documents referred to in the accompanying notice/explanatory statement shall be made open for inspection by the members only in electronic form at the Meeting on all working days, except Saturdays, from 11:00 a.m. to 1:00 p.m. up to the date of the ensuing Meeting; members seeking to inspect the register can send an email to rmdripinvestors@gmail.com.
15. The Notice for this Meeting along with requisite documents and the Annual Report for the financial year ended 2019-20 shall also be available on the Company's website www.rmdrip.com.

16. INSTRUCTION FOR UPDATING OF EMAIL ID:

- A. The members who have not registered their email ids with the company may contact Company Secretary of the company at rmdripinvestors@gmail.com or Phone No. +91 9890996589 for registering their email ids on or before (cut of date). The company shall send the notice to such members whose email ids get registered within aforesaid time enabling them to participate in the meeting and cast their votes.
- B. If there is change in e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company by writing an email on rmdripinvestors@gmail.com or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
- C. Members holding shares in Demat mode may kindly note that any request for change of address or change of email-id or registration of nomination are to be instructed to their Depository Participant only, as the Company or its Registrar & Share Transfer Agent cannot act on any such request received directly from members holding shares in Demat mode.
- D. The Company has appointed M/s. Bigshare Services Private Limited, as its Registrars and Share Transfer Agents for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents, transfers, demat request, change of address intimation and other communication in relation thereto with respect to shares in electronic and physical form should be addressed to the Registrars directly quoting Folio No., full name and name of the Company as "R M DRIP AND SPRINKLERS SYSTEMS LIMITED."

17. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC ARE AS UNDER:

- 1) Members may kindly note that, In accordance with the aforementioned MCA Circulars, the Company is providing the VC facility to the members for participating in the Meeting.
- 2) Members may note that the Video conferencing (VC) facility, provided by **Zoom** as allows participation of 500 Members on a on a first-come-first-served basis. The large shareholders (i.e. 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. can attend the 16th AGM without any restriction on account of first-come-first-served principle.
- 3) The members are requested to follow the following instructions in order to participate in the Meeting through Video conferencing (VC) mechanism:
 - A. The login-id and password for joining the meeting has been separately provided along with this Notice;
 - B. The facility for joining the Meeting shall be kept open 15 minutes before the time scheduled to start the meeting i.e. [11.45] a.m. and 15 minutes after the expiry of the said scheduled time i.e. till [12.15] p.m.;
 - C. Members who hold shares in dematerialized form are requested to furnish their Client ID and DP ID Nos. and members who hold shares in physical form are requested to furnish their folio number for easy identification of attendance at the Meeting;
 - D. Participation of single member shall only be allowed at a time;
 - E. Members are requested to e-mail at rmdripinvestors@gmail.com or call at +91 9890996589 in case of any technical assistance required at the time of log in/ assessing/ voting at the Meeting through VC;
 - F. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through attached credentials.
 - G. Shareholders are encouraged to join the AGM through Laptops / IPads for better experience.

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- H. Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- I. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- J. Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their requisition in advance atleast 2 days prior to the meeting mentioning their Name, Demat Account Number / Folio Number, Email Id, Mobile Number at rmdripinvestors@gmail.com.
- K. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to the meeting mentioning their Name, Demat Account Number / Folio Number, Email Id, Mobile Number at rmdripinvestors@gmail.com, these queries will be replied by the Company suitably by e-mail.
- L. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- M. Electronic copy of all the documents referred to in the accompanying Notice of the 16th AGM and the Explanatory Statement shall be available for inspection in the Investor Section of the website of the Company at <https://www.rmdrip.com/investors.html>.

18. INSTRUCTION FOR VOTING THROUGH EMAIL ON DESIGNATED EMAIL ID / REMOTE E-VOTING:

- A. Pursuant to MCA Circular, If the numbers of members attending the 16th Annual General Meeting through Video conferencing (VC) is below 50 (Fifty), then Chairman may decide to conduct voting through show of hands, while, If the poll is demanded on resolution(s) to be transacted in the 16th AGM and/or if the total number of members attending meeting exceeds 50 (Fifty), then the Shareholders have to cast vote on items considered in the meeting by sending their votes in favour or against the resolution by clicking on link <https://forms.gle/zCjtujAEoGa5tnz89> (**press allow**) and sending vote casted on designated email address i.e. rmdrip.agm20voting@gmail.com. The Voting through the designated email-id shall be verified by the Scrutinizer.
- B. Voting rights of the members for voting through remote e-voting provided in the Meeting itself shall be in proportion to shares of the paid-up equity share capital of the Company as on the cut-off date i.e. 17th September, 2020. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners (as at the end of the business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting provided in the Meeting.
- C. The board of directors of the company has appointed M/s MDSB AND CO LLP, (AAP - 4949), Firm of Practicing Company Secretaries, Nashik as a Scrutinizers to scrutinize the remote e-voting process for the 16th Annual General Meeting in a fair and transparent manner.
- D. Pursuant to MCA Circular, the company shall be providing the facility of voting through E-mail which shall be sent to designated email id of the company i.e. rmdrip.agm20voting@gmail.com.
- E. During the course of the meeting the Chairman of the meeting will make an announcement for voting lines open and then shareholders by clicking on link given herewith <https://forms.gle/zCjtujAEoGa5tnz89> (**press allow**) may cast their vote on resolutions proposed in the 16th AGM and sending vote casted on designated email id of the company i.e. rmdrip.agm20voting@gmail.com.
- F. The voting period will be half an hour and during voting period, Shareholders of the Company, holding shares as on the Cut-off date i.e. 17th September, 2020 may vote by clicking on link given herewith <https://forms.gle/zCjtujAEoGa5tnz89> (**press allow**) and sending vote casted on designated email id of the company i.e.

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rmdrip.agm20voting@gmail.com by the company and that a person who is not a member as on the cut-off date should treat this notice for information purposes only.

- G. The details of the process and manner for voting by sending an email to Designated Email-Id are explained below:

Step No 1:- The Shareholder should click on the link <https://forms.gle/zCjtujAEoGa5tnz89> (press allow).

Step No 2:- Fill the Personal details as below:-

- Name: _____
- PAN No. _____
- Beneficiary ID/DPID followed by CLID: _____
- Status: Individuals/ HUF/ NRI/ Corporate Shareholder/ Institutional Shareholder / Other (Specify)

Manner of holding shares i.e. Demat or Physical Your User ID is: (NSDL or CDSL) or Physical	
a) For Members who hold shares in Demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For Example if your DP ID is IN500*** and Client ID is 13***** then your user ID is IN500***13*****
b) For Members who hold shares in Demat account with CDSL	16 Digit Beneficiary ID For Example if your Beneficiary ID is 14***** then your user ID is 14*****
c) For Members holding shares in Physical form	Enter Folio Number registered with the Company

- H. After filling the personal information, you will see below “Resolution Description”. Read the respective Item-wise resolution(s) as per Notice of Annual General meeting and cast your vote by clicking on options “assent/dissent” for casting vote.
- I. After casting vote on all resolution(s) serially, click on the “Submit” button.
- J. Once you “Submit” your vote on the resolution, you will not be allowed to modify your vote.
- K. Upon confirmation the message "submitted successfully will be displayed."

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- L. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as on the cut-off date, may follow the same instructions as mentioned above.
- M. In case you have any queries or issues regarding voting, you may write to the Company Secretary at Company's email address rmdripinvestors@gmail.com.
- N. The result of remote e-voting provided in the meeting shall be aggregated and declared in the meeting of the company by chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting and after declaration of result of voting, the 16th AGM will get concluded.
- O. If the process of counting of votes requires the more time then Chairman shall take call to adjourn the 16th AGM in pursuance to Companies Act, 2013 and in adjourned meeting the result of voting shall be declared.
- P. The results declared along with the report of the scrutinizer shall be placed on the Company's website immediately after the result is declared by the Chairman. Due to the current lockdown situation in the wake of COVID 19 pandemic, the result shall not be displayed on the Notice Board of the Company at its Registered Office.
- Q. The Notice of the AGM shall be placed on the website of the Company till the date of AGM. The result declared along with the Scrutinizer's Report shall be placed on the Company's website <https://www.rmdrip.com/investors.html> immediately after the declaration of result by Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange where the Shares of the Company are listed.
19. As per Notification issued by Ministry of Corporate Affairs dated 19th of March, 2015 with reference to the Companies (Management and Administration) Rules, 2014, Companies covered under Chapter XB and Chapter XC as per SEBI (ICDR) Regulations, 2009 will be exempted from e-voting provisions.

Also, no such provision is available in SME Equity Listing Agreement. Company is covered under Chapter XB as it is a SME Company and listed on SME platform of NSE Limited. Therefore, Company is not providing e-voting facility to its shareholders but conducting voting through a link <https://forms.gle/zCjtujAEoGa5tnz89> (**press allow**) and sending vote casted on a designated email id i.e. rmdrip.agm20voting@gmail.com considering MCA circular for conducting the meeting through video conferencing in COVID 19 situation.

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The details of directors' appointment or re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as below:

Particulars	Mr. Vijaykumar Hanmant Kshirsagar
DIN No.	00816360
Date of Birth	17 th July, 1955
Date of Appointment on current position	20 th December, 2004
Qualification	Bachelor of Commerce from R. A. Podar College of Commerce and Economics, Matunga, Mumbai.
Expertise in specific functional areas	He has experience as a Banker, Teacher, an active Social Worker & past President of The Builders Association of India, Kalyan Chapter. He further ventured & specialized into the field of Micro Irrigation.
List of other Companies in which directorship is held as on 31st March, 2019	N.A.
Chairman/Member of Committee of other Company	N.A.
Shareholding in the company	820661 Equity Shares
No of meetings attended during the Financial year	4 Board Meetings
Relationship with other directors and key managerial personnel	NIL
Terms and conditions of appointment	To enable compliance by the company with the provisions of section 152 of the companies Act 2013, Mr. Vijaykumar Hanmant Kshirsagar is being made liable to retire by rotation.

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EXPLANATORY STATEMENT PURSUANT TO SEC. 102(1) OF THE COMPANIES ACT, 2013

ORDINARY BUSINESS:-

ITEM NO. 2:- TO APPOINT DIRECTOR IN PLACE OF MR. VIJAYKUMAR HANMANT KSHIRSAGAR (DIN: 00816360) WHO RETIRES BY ROTATION AT THIS ANNUAL GENERAL MEETING AND, BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT

As per the provisions of Section 152(6) of the Companies Act, 2013, two-thirds of the total number of directors of a public company be persons whose period of office is liable to determination by retirement of directors by rotation and save as otherwise expressly provided in this Act, be appointed by the Company in general meeting. At the first Annual General Meeting of a public Company held next after the date of the general meeting at which first directors appointed and at every subsequent annual general meeting one-third of such of the directors for the time as are liable to retire by rotation or if their number is neither three nor a multiple of three, then, the number nearest to one-third, shall retire from office.

Accordingly, Mr. Vijaykumar Hanmant Kshirsagar, has been longest in the office since his last appointment, is liable to retire by rotation in the ensuing Annual General Meeting. He offers himself for re-appointment and consent to act as a Director as well as disclosure for non-disqualification as required under the Companies Act, 2013 have already been received from Mr. Vijaykumar Hanmant Kshirsagar.

BRIEF PROFILE OF MR. VIJAYKUMAR HANMANT KSHIRSAGAR:

Mr. Vijaykumar Hanmant Kshirsagar is Resident Indian, his age is 65 years. He is a director in the company. He has experience as a Banker, Teacher, an active Social Worker & past President of The Builders Association of India, Kalyan Chapter. He further ventured & specialized into the field of Micro Irrigation.

As on the date of notice, Mr. Vijaykumar Hanmant Kshirsagar hold 820661 Equity Shares in paid up share capital of the Company in his individual capacity.

Except Mr. Vijaykumar Hanmant Kshirsagar being an appointee director none other Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in resolution set out at Item No. 2 of the Notice.

The Board recommends the ordinary resolution set out at Item No. 2 to the Notice for approval of Members.

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SPECIAL BUSINESS:-

ITEM NO. 3:- TO CONSIDER AND APPROVE THE PAYMENT OF REMUNERATION TO MR. SHYAM SUNDAR DASH, MANAGING DIRECTOR OF THE COMPANY FOR A PERIOD OF 1 (ONE) YEAR I.E. FROM 10TH JULY, 2020 TO 9TH JULY, 2021 OF HIS CONTINUING TENURE OF 5 YEARS.

Mr. Shyam Sundar Dash had been appointed as the Managing Director of the Company for a period of 5 (Five) years w.e.f. 10th July, 2017 in the Annual General Meeting held on 10th July, 2017 and remuneration was fixed up for period of 3 years and has been drawing the minimum remuneration of Rs. 24 Lakhs p.a. since last 3 (Three) years as per the prevailing Section II of Part II of Schedule V of the Companies Act, 2013 in reference to the shareholder's approval granted in the Annual General Meeting held on 10th July, 2017.

Mr. Shyam Sundar Dash, aged 56 years is presently designated as and Managing Director of the Company.

He is a Postgraduate with Marketing from Osmania University, Hyderabad and Bachelor in Industrial and Production Engineering from Utkal University, Bhubaneswar, by qualification and professional businessman by acumen. He started his career with Nagarjuna Fertilizers and Chemicals Limited and ended as Head Operations for Micro Irrigation Division, before joining R M Drip and Sprinklers Systems Limited. During his 22 years of experience in Micro Irrigation business he has established different manufacturing facilities around the country with the collaboration with lot of Multinational Companies like MetzerPlas, Lego, Plasim of Israel, Maillefer of Switzerland, Crussmaffei of Germany and Davis Standard of USA. He has wholesome exposure on all aspects of business of the Company and is engaged in supervision & conduct of business of the Company, along with a team of senior management personnel, who assist him in carrying out his activities, subject to the overall supervision & control of the Board.

As on 31st March, 2020, he holds 6,12,923 (9.16%) equity shares in the Company.

Further, the Board of Directors in its meeting held on 17th January, 2020 revised the payment of remuneration to Mr. Shyam Sundar Dash, Managing Director from Rs. 24 Lakhs p.a. to Rs. 30 Lakhs p.a. for remaining period i.e. From January 2020 till 9th July, 2020 and the same remuneration was fixed in the Board Meeting held on 25th June, 2020 for the further period of Next 1 year i.e. from 10th July, 2020 to 9th July, 2021 in terms of Section 197, 198, Schedule V and any other applicable provisions of the Companies Act, 2013.

Approval of the Members is being sought for remuneration payable to Mr. Shyam Sundar Dash for period of 1 year i.e. till 9th July 2020 in terms of Section 197, 198, Schedule V and any other applicable provisions of the Companies Act, 2013 being recommended by Nomination and Remuneration Committee.

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The material information on remuneration as contained in the 2nd Supplemental agreement is given below:

1. For para 2(b)(i) of the Principal Agreement dated July 10, 2017 substitute the following paragraph:-

Remuneration of Rs. 2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) per month to be paid w.e.f. 10th July, 2020 upto 9th July, 2021 inclusive of all permissible allowances and perquisites.

2. All other terms and conditions in the said Principal Agreement dated July 10, 2017 shall remain unaltered.

Minimum Remuneration:

Notwithstanding anything herein contained, in the event of loss or inadequacy of profits in any financial year during the period of his office as the Managing Director, the Company will, subject to applicable laws and such sanctions and approvals as may be required, pay remuneration to Mr. Shyam Sundar Dashas provided herein above.

Except Mr. Shyam Sundar Dash, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice of the 16th AGM. Mr. Shyam Sundar Dash is not related to any Director of the Company.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2) of Institute of Company Secretaries of India.

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ITEM NO. 4:- TO CONSIDER THE ALTERATION IN THE OBJECTS CLAUSE OF MEMORANDUM OF ASSOCIATION (MOA) OF THE COMPANY

Clause III (A) 1 of “Main Objects Clause” of Memorandum of Association (MOA) of the Company is proposed to be substituted as follows:

Clause III (A) 1:

To manufacture and fabricate by adopting World Class Technology and State of the Art equipments and to design, supply, distribute, market, import and export and otherwise deal in Flat Drip & Cylindrical Drip Systems, HDPE Sprinkler Pipes with Fittings and PVC Pipes as a part of the Irrigation Systems with latest automation & supplying products to the Indian and global Farming Community to maximize the farming productivity.

The company has proposal to enter into and do the business of manufacture and fabrication of PVC pipes as a part of Irrigation system alongside existing main object being an activity which can be easily and advantageously combined with exiting main object/ activities of the company. Accordingly, the Board of Directors of the company has given their accord for the alteration of Main object clause III (A) 1 by substituting it with New Main object clause III (A) 1as detailed in the Item No 4 of this notice.

The company forecasts revenue generation from new activity will help and support the company to increase the turnover and profitability of the company in near future.

In terms of Section 13 of the Companies Act, 2013, alteration of the Objects Clause of the Memorandum of Association (MOA) of the Company requires approval of the Shareholders of the Company by a Special Resolution.

Therefore, the Board of Directors of your Company recommends the passing of Special Resolution as set out at Item No. 04 of the Notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the passing of the above resolution as set out in Item No. 04 of the notice.

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THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION
OF
RMDRIP AND SPRINKLERS SYSTEMSLIMITED

- *I The name of the Company is R M DRIP AND SPRINKLERS SYSTEMS LIMITED
- II. The registered office of the Company will be situated in the state of MAHARASHTRA i.e. within the jurisdiction of Registrar of Companies, Maharashtra at Mumbai.
- III. The objects for which the Company is established are:-
- A. MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:**
- **1. To manufacture and fabricate by adopting World Class Technology and State of the Art equipments and to design, supply, distribute, market, import and export and otherwise deal in Flat Drip & Cylindrical Drip Systems, HDPE Sprinkler Pipes with Fittings and PVC Pipes as a part of the Irrigation Systems with latest automation & supplying products to the Indian and global Farming Community to maximize the farming productivity.
- B. OBJECTS CONSIDERED NECESSARY IN FURTHERANCE OF THE MAIN OBJECTS.**
2. To arrange finance for industrial enterprise, firm, person, to subsidise finance or assist in subsidizing or financing the sale and maintenance of goods, merchandise and consumer durables of every description.
3. To undertake obligation of every kind and description and to negotiate loans, underwriting contracts, mortgages, equal participation, cash credits, other financial facilities from banks, financial institutions, Government or semi Government bodies and others or on behalf of companies, firms, societies, associations and others.
4. To deal with moneys of the company those are not needed immediately in the near future.

*The Name of the Company was Changed subject to conversion vide EOGM dated 25th July, 2017

**The objects of the company were altered in the EOGM of the members of the company held on 25th July, 2017.

* *The Objects of the Company were altered in 16th AGM of the members of the Company held on 24th September, 2020 by passing special resolution.

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5. To take over as going concern or otherwise acquire or to purchase, take on lease or in exchange, hire or otherwise any building, houses, flats, office premises, shops, godowns, warehouses or other properties for the purpose of the business of the Company and to pay for the same by the shares, cash or otherwise.
6. To acquire by purchase or otherwise to erect, build construct, improve, maintain, develop, alter, enlarge, pull down, replace work or manage any buildings, houses, shops, workshops, offices, warehouses, showrooms, refreshment rooms and other conveniences cottages and any other buildings and for the comfort and accommodation of working people and other works and convenient for the purpose of the business of the company.
7. To pay for any rights or properties acquired to be acquired or being acquired by the Company, either in cash or partly in cash and partly in kind (in the form of the shares of otherwise) or fully in kind.
8. To enter into agreements and contracts of all types with foreign individuals, non residents of Indian origin, Companies and other organizations, for technical or any other assistance for carrying out all or any of the objects of the Company.
9. To establish, maintain, conduct, discontinue or close branches and appoint representatives in any part of the world for the conduct of the business of the Company or for purchase or sale or for delivery or for service to be rendered or service being rendered or for services already rendered, or for future transactions in plants, machinery, products, commodities, goods, live stock articles and things dealt with by the company.
10. To enter into collaboration agreements with foreign firms, companies or other organizations or persons on such terms and conditions, including payments of royalties on exchange ratio, as may deem fit.
11. To purchase, take in exchange or lease, rent, hire, occupy, allow to be occupied or otherwise and use any freehold, leasehold and other immovable property and other lands, estates shops, warehouses, showrooms, workshops, offices, buildings, premises, machinery, plants and works, stock-in-trade, water ways, easements, root permits or other rights or interest in any land, buildings, premises or other immovable and movable properties, either personal or impersonal, or any kind of right with the Company, as and when deemed to be necessary or convenient for the purpose of business of the Company, either in

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- consideration of gross sum or rent charged in cash, services or in kind or on perpetual lease rent in any manner of aforesaid or partly in other.
12. To buy, install, work, alter, improve and /or otherwise deal in all kinds of plant, machinery, wagons, containers, stocks, apparatus, tools, utensils necessary and /or convenient for carrying on the business and profession of the Company.
 13. To acquire by purchase, lease, concession, grant, license or otherwise such lands, buildings, minerals, water works, plants, machinery, stock-in-trade, stores, rights, privileges, easements and other property as may from time to time be deemed necessary for carrying on the business of the Company, and to build or erect upon any land of the Company, howsoever acquired, such facilities, workshops, warehouses, offices, residence and other buildings and to erect such machinery and construct such roads, ways branches or sidings bridges, reservoirs, water storage, hydraulic works, jetties, ports, docks, and other anchoring facilities for offshore vessels.
 14. To enter into contract or agreement for more efficient conduct of the business of the Company or any part thereof or sublet any contract or any part thereof and to sublet any contract of the Company from time to time.
 15. To search for and to purchase or otherwise acquire from Government, State or Authority, license/s, concession/s, grant/s, decree/s, right/s, power/s and privilege/s whatsoever which may seem to the Company capable of being tuned to account in connection with its business and to work, develop, carry out exercise and to turn to account the same.
 16. To establish and maintain agencies, branches, places and local registers and procure the Company to be recognized and to carry on business in any part of the world.
 17. In connection with and for the purpose of the business of the Company to carry on all kinds of agency business and as buying and selling agents of all products so as to attain the objects of the Company.
 18. To purchase or buy or by any other means acquire protect, prolong and/or renew, whether in India or elsewhere in the world, any patents, rights, inventions, licenses, protections and concessions which may appear to be advantageous or useful to the Company and to use and turn to account and/or manufacture or grant licenses or privileges in respect of the same and to spend money either in cash or in kind in experimenting upon and testing and

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- improving or seeking to improve any patents inventions or rights which the Company may acquire or propose to acquire in connection with its business and profession.
19. To enter into partnership or into any agreement for sharing profits, amalgamations, union of interest, co-operation, joint ventures, reciprocal concessions or otherwise with any person or Company, carrying on or being engaged in or about to carry on or being engaged in any business, profession or transaction which this company is authorized to carry on.
 20. To adopt such means of display boards, hoardings, advertising in press, magazines and periodicals, printing and distribution of circulars, brochures, publication of books, magazines, purchases or exhibition of works of art, granting prizes rewards and donations subject to the provisions of the Companies Act,2013.
 21. To lend out, deposit, invest and deal with the money of the Company not immediately required with or without interest or security, in such manner and upon such terms and condition as may from time to time be determined by the directors.
 22. To borrow or raise or secure the payment of money in such a manner as the Company shall think fit, and in particular buy mortgage, or by the issue of debenture or debenture stock perpetual or otherwise charged upon all or any of the Company's property and assets (both, present and future) including its uncalled capital and to purchase, redeem and pay off any such securities.)
 23. To accumulate funds and to invest or otherwise employ moneys belonging to the Company upon any shares, securities or other investments, whatsoever upon such terms and conditions as may be thought proper and from time to time, vary such investments in such manner as the Company may think fit.
 24. To make, draw, endorse, accept, execute and issue all types of negotiable instruments in connection with the business of the Company within the bracket of the Negotiable Instruments Act.
 25. To undertake and/or execute any trust, which are through to be beneficial for the interests of the Company.
 26. To promote or undertake to promote the formation of any private or public limited company having similar objects within the orbit of the Companies Act.

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27. To obtain any act or order of legislature necessary for the running of the business of the Company.
 28. To open bank accounts of all nature including overdraft account and to operate the same and to make, accept, endorse, discount, execute and issue promissory notes, bills of lading, warrants and the other negotiable or transferable instruments and to deal with all documents mercantile or otherwise, in the Ordinary course of business.
 29. To distribute any of the Company's property amongst the members of the Company within the provisions of the Companies Act, 2013, In the event of winding up.
 30. To undertake, carry out, promote sponsor or assist, directly or indirectly an agricultural activity, business or program including any program for rural and social development.
 31. To purchase, take on lease or hire or in exchange with on hire or otherwise acquire any real or personal property and any rights or privileges that the Company may think necessary or convenient for the purpose of its business and in particular land, building easements, machinery, plants and stock in trade.
 32. To take over running business of M/s. J. K. Industries located at Plot No.W-237, MIDC Area, Ambad, Nashik-422 010.
 33. To carry on the business as assessors, valuers, appraisers, brokers in all types of properties, both real and personal, and to take stock and property investors.
 34. To carry on the business of Computer Programmers, system developers, system analysis as also to take to take on hire and/or purchase and give out the computers as well as the software on hire to customers for consideration in cash or otherwise in kind.
 35. To carry on the business as buyers, sellers, resellers, importers, exporters, dealers indentures, agents in general merchandise.
 36. To manufacture, assemble, repair, construct electronic and electrical products and to market them.
- IV The liability of the members is limited.

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- V. a)***** The authorized share capital of the Company is Rs10,00,00,000/- (Rs. Ten Crores Only.) divided in to 1,00,00,000 equity shares of Rs.10/- each.
- b) The paid-up capital of the company shall be minimum of Rs.1,00,000/- (Rs. One Lac only.)

*The authorized share capital of the company is Rs.50,00,000/- (Rs. Fifty Lacs Only) divided in to 5,00,000/- equity shares of Rs.10/- each. This change was made by Special Resolution passed in the EOGM of members of the company held on 12th Aug, 2014.

**The authorized share capital of the company is Rs.2,00,00,000/- (Rs. Two Crores Only) divided in to 20,00,000 equity shares of Rs.10/- each. This change was made by Special Resolution passed in the EOGM of members of the company held on 8th Feb, 2016.

***The authorized share capital of the Company is Rs 2,50,00,000/- (Rs. Two Crores Fifty Lakhs Only) divided in to 25,00,000 equity shares of Rs.10/- each. This change was made by Special Resolution passed in the EOGM of members of the company held on 22nd November, 2016.

****The authorized share capital of the Company is Rs 3,50,00,000/- (Rs. Three Crores Fifty Lakhs Only) divided in to 35,00,000 equity shares of Rs.10/- each. This change was made by Special Resolution passed in the EOGM of members of the company held on 10th April, 2017.

*****The authorized share capital of the Company is Rs 10,00,00,000/- (Rs. Ten Crores Only) divided in to 1,00,00,000 equity shares of Rs.10/- each. This change was made by Special Resolution passed in the EOGM of members of the company held on 17th July 2017.

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- VI. We the several persons whose names addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the company set opposite our respective names.

Sr. No.	Name ,address, description and occupation of the subscriber	Signature of subscriber	No of equity shares taken by each subscriber	Signature of the witness and their addresses, description & occupation.
1.	Shri Vijaykumar Hanmant Kshirsagar S/o Hanmant Kshirsagar 'Atharva' New Ashwini Society, Ashwin Nagar, CIDCO, Nashik 422 009	Sd / -	5000 (Five Thousand)	Mr.SunilS.Patki Company Secretary 12, Sah Bhagirathi Co-Operative Housing Society, College Road Patil Lane No.4 Nashik-422 005.
2.	Mrs.Shubhangi Vijaykumar Kshirsagar w/o Vijaykumar Hanmant Kshirsagar 'Atharva' New Ashwini Society, Ashwin Nagar, CIDCO, Nashik 422 009	Sd / -	5000 (Five Thousand)	Mr.SunilS.Patki Company Secretary 12, Sah Bhagirathi Co-Operative Housing Society, College Road Patil Lane No.4 Nashik-422 005.
			10000 (Ten Thousand)	

Date: 29/11/2004

Place: Nashik

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A. GENERAL INFORMATION
i) Nature of Industry:

To manufacture and fabricate by adopting World Class Technology and State of the Art equipments and to design, supply, distribute, market, import and export and otherwise deal in Flat Drip & Cylindrical Drip Systems, HDPE Sprinkler Pipes with Fittings and PVC Pipes as a part of the Irrigation Systems with latest automation & supplying products to the Indian and global Farming Community to maximize the farming productivity.

ii) Date or expected date of commencement of commercial production

The Company was incorporated on December 20, 2004 under the Companies Act, 1956 and it started commercial production soon thereafter.

iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: N.A.

iv) Financial performance of the Company for F.Y. 2019-2020 based on given indicators
Particulars (Amount in Lakh)

Particulars	Amount (in Lakh)
Turnover (Net Sales)	2323.64
Operating Profit	297.65
Net Profit Before Tax	201.53
Debt Equity Ratio	0.96
Current Ratio	1.96
Net Worth	1354.13

B. FOREIGN INVESTMENTS OR COLLABORATIONS, IF ANY: N.A.

**By Order of Board,
For R M DRIP AND SPRINKLERS SYSTEMS LIMITED**

**Anita Pagare
Company Secretary & Compliance Officer**

Registered Office:

Gat No. 475, Village Gonde,
Taluka Sinnar, Nashik - 422113,
Maharashtra, India
Email: rmdrip.india@gmail.com/
rmdrip@gmail.com/
info@rmdrip.com
Contact:+91 77200 94737
Web: www.rmdrip.com

Date: 25/08/2020

Place: Nashik

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DIRECTOR'S REPORT

To
The Members of
R M DRIP AND SPRINKLERS SYSTEMS LIMITED

Your Directors have pleasure in presenting **16th (Sixteenth) Annual Report** and Audited Financial Statement of the company for the period ended 31st March, 2020.

1. FINANCIAL RESULTS OR HIGHLIGHTS:

The following are the financial results of the Company for the year ended 31st March, 2020.

Particulars	Year Ended on 31 st March, 2020 (Figures in Rs.)	Year Ended on 31 st March, 2019 (Figures in Rs.)
Revenue from Operations	23,23,63,582	22,29,09,257
Other Income	48,48,662	83,84,869
Less: Expenses	21,70,59,302	28,55,35,490
Profit Before Tax	2,01,52,942	(5,42,41,364)
Less: Current Tax	Nil	Nil
Less: Deferred Tax Expenses/(Surplus)	(78,94,229)	1,70,601
Profit for the year	2,80,47,171	(5,44,11,965)

2. RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS:

The Key highlights pertaining to the business of the company for the year 2019-2020 and period subsequent there to have been given hereunder:

The total revenue of the Company during the financial year 2019-2020 was Rs. 23.72 Cr against the total revenue of Rs. 23.13 Cr in the previous financial year 2018-2019.

The total expenses of the Company during the financial year 2019-2020 was Rs. 21.70 Cr against the expenses of Rs. 28.55 Cr in the previous financial year 2018-2019.

During the F.Y. 2019-2020, your Company has incurred a profit of Rs. 2.01 Crore as compared to the loss of Rs. 5.42 Crore which was incurred in the F.Y. 2018-2019.

With various corrective measures taken by the company for reduction of cost, increase in revenue and other non-financial steps which lead to increase in company's profit. Your

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Company will surely register a growth and bring its business in profits during the current financial year.

3. DIVIDEND:

In light of CoVID-19 situation all over the world, the Company shall have working capital requirement in near future hence With a view to provide cushion for any financial contingencies in the future and to strengthen the financial position of the Company, your Directors have decided not to recommend any dividend for the year ended 31st March, 2020.

4. RESERVE:

Pursuant to provisions of Section 134(1)(j) of the Companies Act 2013, the company has not proposed to transfer any amount to general reserve account of the company during the year under review. The Company has retained the profit in the Profit & Loss account of the Company.

5. CHANGE IN NATURE OF BUSINESS, IF ANY:

There is no change in the nature of business of the Company. Due to CoVID-19 pandemic situation, the Office and Factory was shut down from March 22, 2020 to April 21, 2020. Otherwise the Company had been working efficiently during the year. In spite of this Global crisis, the Board of Directors are pleased to report a good performance of the Company in terms of both financial and operational performance.

The company has its existing business operations in the States viz. Maharashtra, Madhya Pradesh, Gujarat and Karnataka. In addition to that the Company has started business operations in the States viz. Uttar Pradesh, Bihar and Jharkhand in which Company is actively selling and marketing its products accordingly the scope of Company's functioning is widened at large during the year.

6. FINANCE:

The Company continued to focus on operational improvement also keeping continuing focus on operational levels of inventory, sound business performance, operating efficiencies in main segment of business and cost saving drive across the organization has helped it generating good cash flow from business operations.

Your company has utilized the financial resources for the purpose for which same were availed and there is no deviation in the same.

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7. DEPOSITS:

The Company has neither accepted nor renewed any deposits falling within the purview of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time, during the year under review and therefore details mentioned in Rule 8(5) (v) & (vi) of Companies (Accounts) Rules, 2014 relating to deposits, covered under Chapter V of the Act is not required to be given.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT:

Your Company has not entered in to any transaction viz. loan, guarantees or investments to any other company or persona as specified under section 186 therefore other requirement under this section are **Not Applicable** to the company.

Particulars	CIN of Company	Name of Other Company	Amount Involved in Rs.
Loan given	N.A	N.A	N.A
Investment Made	N.A	N.A	N.A
Guarantee Provided	N.A	N.A	N.A

9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 IN AOC- 2:

All contracts/arrangements/transactions that were entered by the Company during the financial year under review, are done on Arm's length basis and in the ordinary course of business.

Disclosure of particulars of contracts/arrangements entered into by the Company with the Related Parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are attached herewith as **ANNEXURE V** which forms part of this Report.

10. COMMENTS BY THE BOARD ON QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITOR IN HIS REPORT:

The Auditors have not given any Qualification, Reservation, Adverse Remark or Disclaimer in their report for the Financial Year ended on 31st March, 2020. The Observations made by the Auditors are self-explanatory and have been dealt with an Independent Auditor's Report and its Annexure forming part of this Annual Report and hence do not require any further clarification.

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There has been no instance of fraud reported by the statutory auditors under Section 143(12) of the Companies Act, 2013.

11. THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO, IN SUCH MANNER AS MAY BE PRESCRIBED:
1) Conservation of energy:

Your company is using various low power devices, which help in conservation of energy.

2) Technology absorption:

The company is using latest technology and indigenization, which keeps on absorbing latest technology for the betterment of society at large.

3) Foreign exchange earnings and Outgo:

Foreign Exchange Outgo: Your Company has paid INR. 2,78,753/- (USD 3834.62) for import of machinery parts during the year 2019-2020.

Foreign Exchange Earnings: Nil.

12. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of the Company comprises an optimum combination of executive, non-executive and independent directors.

A) Present composition of board of directors: As on the date of this report, Board of Directors of the Company comprises of total Seven directors. The Composition of the Board of Directors is as under:

Sr. No.	Name of Directors	DIN	Designation
1	Mr. Shyam Sundar Dash	07502666	Managing Director
2	Mr. Vijaykumar Hanmant Kshirsagar	00816360	Executive Director (Whole Time Director till 25/06/2020)
3	Mr. Nivrutti Pandurang Kedar	06980548	Non-Executive Director
4	Mr. Arjun Ramji Makani	00385450	Non-Executive Director
5	Mr. Kewal Kundanlal Handa	00056826	Independent Director
6	Mr. Madhav Govind Ganpule	03265224	Independent Director
7	Ms. Ulka Krishna Kulkarni	07085469	Independent Director

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B) Appointment / Cessation / Change in designation of Director during year under review:-
i) Appointment of Directors:-

There is no appointment of director during the year under review.

ii) Appointment of Directors Retirement by Rotation:-

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, 2/3rd of the directors are liable to retire by rotation, and if eligible offer themselves for re-appointment. Accordingly: -

In the ensuing Annual General Meeting Mr. Vijaykumar Hanmant Kshirsagar (DIN: 00816360), director of the Company liable to retire by rotation and being eligible offers himself for re-appointment.

iii) Resignation / Cessation/ Change in Designation of Director:-

There was no resignation / cessation / change in designation during the year 2019-2020.

The Company has received a consent letter from Mr. Vijaykumar Hanmant Kshirsagar for Change in Designation from "Whole Time Director" to "Executive Director". In the Board Meeting scheduled on 25th June, 2020, the Board has approved the Change in Designation of Mr. Vijaykumar Hanmant Kshirsagar from "Whole Time Director" to "Executive Director".

C) Appointment, Resignation of Key Managerial Personnel:-

Pursuant to provisions of Section 203 of the Companies Act, 2013 read with the applicable rules and other applicable provisions of the Companies Act, 2013, the designated Key Managerial Personnel (KMP) of the Company as on 31st March, 2020 are as follows:

Name of KMP	Category and Designation
Ms. Anita Vasant Pagare	Company Secretary and Compliance Officer
Mrs. Vijayeta Ravichandran Mudliar	Chief Financial Officer

There is no appointment or resignation of Key Managerial Personnel during the year under review.

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13. MEETING OF THE BOARD OF DIRECTOR'S:

During the year under review there were 4 (Four) Board Meetings held. The Board of director meets at regular intervals to discuss and decide on company/business policy and strategy. The details of Board meeting held during the year are as under:-

Sr. No.	Date of meeting	Total number of directors on the date of meeting	No. of Directors attended	% of Attendance
1	28/05/2019	7	7	100%
2	22/08/2019	7	6	86%
3	14/11/2019	7	5	71%
4	17/01/2020	7	7	100%

During the year under review, Independent Directors Meeting was held on 17th January, 2020 to review the performance of Non-Independent Directors and the overall performance of the Board of the Company. All the Independent Directors were present at the Independent Directors meeting.

14. COMMITTEES OF THE BOARD:

The Company being listed entity has formed Committees as required under the Companies Act, 2013. Accordingly, as on 31st March, 2020 and presently the board has Three (3) committees i.e. Audit Committee, Nomination and Remuneration Committees, Stakeholders Relationship Committee, constitution of which are given below:

A. Audit Committee:-

Name	Designation	Attendance at the Committee Meetings held on			
		28 th May, 2020	22 nd August, 2020	14 th November, 2020	17 th January, 2020
Ms. Ulka Krishna Kulkarni	Independent Director	Yes Member & Chairperson	Yes Member & Chairperson	Yes Member	Yes Member & Chairperson
Mr. Madhav Govind Ganpule	Independent Director	Yes Member	Yes Member	No Member	Yes Member

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Mr. Shyam Sundar Dash	Managing Director	Yes Member	Yes Member	Yes Member & Chairman	Yes Member
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The term of reference of Audit Committee is as below:

1. 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. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
4. Reviewing, with the management, the annual financial statements 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. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly 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, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/ 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, 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;

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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 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 oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
21. To investigate any other matters referred to by the Board of Directors;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

B. Nomination and Remuneration Committees:-

Name	Designation	Position	Attendance at the Committee Meetings held on	
			28 th May, 2020	17 th January, 2020
Mr. Madhav Govind Ganpule	Independent Director	Member & Chairman	Yes	Yes
Ms. Ulka Krishna Kulkarni	Independent Director	Member	Yes	Yes
Mr. Kewal Kundanlal Handa	Independent Director	Member	Yes	Yes

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The term of reference of Nomination & Remuneration Committee is as below:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of independent directors and the Board;
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
4. Devising a policy on Board diversity; and
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The Remuneration Policy of the Company is available on the website of the Company at the link <https://www.rmdrip.com/investors.html>.

C. Stakeholders Relationship Committee:-

Name	Designation	Position	Attendance at the Committee Meetings held on	
			28 th May, 2020	17 th January, 2020
Mr. Kewal Kundanlal Handa	Independent Director	Member & Chairman	Yes	Yes
Mr. Madhav Govind Ganpule	Independent Director	Member	Yes	Yes
Ms. Ulka Krishna Kulkarni	Independent Director	Member	Yes	Yes

The term of reference of Stakeholders Relationship Committee is as below:

1. Efficient transfer of shares; including review of cases for refusal of transfer/ transmission of shares and debentures;
2. Redressal of security holder's / investor's complaints Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
3. Reviewing on a periodic basis the approval / refusal of transfer or transmission of shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
5. Allotment and listing of shares;

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6. Reference to statutory and regulatory authorities regarding investor grievances; and
7. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
8. Any other power specifically assigned by the Board of Directors of the Company.

15. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to section 134(3)(c) of the Companies Act, 2013, the Directors confirms that:

- a. In the preparation of the annual accounts for the year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the annual accounts on a 'going concern' basis; and
- e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. DISCLOSURE OF ACCOUNTING TREATMENT:

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

17. DECLARATIONS BY THE INDEPENDENT DIRECTORS:

The Independent Directors have given their declarations under Section 149(6) and Section 149(7) of the Companies Act, 2013 and the Rules made there under. The Independent Directors meet the criteria of the independence as specified in Section 149 of the Act and Regulation 16(b) of the SEBI (Listing obligations and Disclosures Requirements) Regulations, 2015.

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18. STATUTORY AUDITORS:

The company's auditors **M/s. Milind M. Kulkarni & Associates**, Chartered Accountants, Nashik were appointed in the Annual General Meeting (AGM) in year pertaining to 2016 - 17 as auditors to hold the office till the conclusion of Annual General Meeting (AGM) of the Company pertaining to the financial year 31st March, 2021.

19. SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT:

Mrs. Sujata R. Rajebahadur, Company Secretary in Practice, Nashik, was appointed to conduct the secretarial audit of the company for the financial year 2019 - 2020, pursuant to provisions of Section 204 of the Companies Act, 2013 along with Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 and other applicable provisions of the Act.

In board meeting held on 17th January, 2020, Mrs. Sujata R. Rajebahadur, Company Secretary in Practice, Nashik was appointed as secretarial auditor of the company to conduct the secretarial audit of the company for the financial year 2019- 2020.

The Secretarial Audit Report for the Financial Year ended 31st March 2020, is annexed herewith marked as **ANNEXURE II** to this Report.

The Secretarial Auditor has given the following observation in the Secretarial Audit Report:**Observation:**

Form MGT-14 for Board Resolution passed on 22 August, 2019, for obtaining financial assistance in the form of unsecured loans from Promoters was filed on 16 June 2020, which is after the close of the financial year ending on 31 March, 2020.

The following comments given by the Board of Directors:**Comments:**

The amount was brought in by the Promoters of the Company pursuant to the provisions of Rule 2(1)(c)(xiii) of Companies (Acceptance of Deposits) Rules, 2014 for the purpose of repayment of Bank Loan of the Company for temporary purpose. It was the temporary arrangement for meeting the funds required for working capital and there was no outstanding amount as on 31st March, 2020. The delay in submission of Form MGT 14 was done inadvertently missed due to oversight and not intentional in nature. The Compliance pertaining to this was made by the Company by filing Form MGT-14 on 16th June, 2020."

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20. INTERNAL AUDITOR:

Pursuant to provisions of Section 138 of the Companies Act, 2013, the Board of Directors in its meeting held on 6th February, 2019 had appointed M/s. Amit R. Sarda & Associates, Nashik as Internal Auditor of the Company to conduct Internal Audit of the Company for F.Y. 2019-2020. Accordingly the internal audit was conducted by the internal auditor for the year 2019-2020.

21. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual return in **form MGT-9** is annexed herewith as **ANNEXURE I** to this report.

22. CORPORATE GOVERNANCE:

The Equity Shares of the Company got listed on the SME platform (NSE-merge) of NSE. Further, Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance is not applicable to the Company as the Company is listed on the SME platform (NSE-merge) of NSE. Hence the Company is not required to disclose information as covered under Para (C), (D) and (E) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

23. MANAGEMENT DISCUSSIONS & ANALYSIS REPORT:

Management Discussion & Analysis report for the year under review as stipulated under Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **ANNEXURE III** hereto and forms part of this Report.

24. CERTIFICATION FROM CHIEF FINANCIAL OFFICER/CHIEF EXECUTIVE OFFICER OF THE COMPANY:

The Company has obtained a Compliance Certificate in accordance with Regulation 17(8) of SEBI (Listing obligations and disclosures Requirements) Regulations, 2015 from **Mr. Shyam Sundar Dash**, Managing Director and **Mrs. Vijayeta Ravichandran Mudliar**, Chief Financial Officer (CFO) of the Company. The same is enclosed as **ANNEXURE VI** of the Board's Report.

25. PARTICULARS OF EMPLOYEES:

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 a statement containing such details enclosed as per **ANNEXURE IV** of the Board's Report.

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26. DETAILS OF SUBSIDIARY/ JOINT VENTURE:

Company do not have any wholly owned subsidiary or subsidiary company and Joint venture hence declaration regarding the same is not required.

27. FORMAL ANNUAL EVALUATION:

The evaluation/assessment of the Directors/KMPs and the senior officials of the Company is to be conducted on an Annual basis to satisfy the requirements of the Companies Act, 2013. The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the Board as a whole.

The Company's Nomination and Remuneration committee has set up formal mechanism to evaluate the performance of board of directors as well as that of its committees and individual directors, including chairman of the board, key managerial personnel / senior management etc.

Remuneration Policy which includes the Director's Appointment and Remuneration and criteria for determining qualifications, positive attributes, independence of the Directors and other matters are made available on the website of the Company at the [Link https://www.rmdrip.com/investors.html](https://www.rmdrip.com/investors.html)

The evaluation exercise is being carried out through an evaluation process covering aspects such as composition of the board, experience, competencies and governing issues etc.

28. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company is well equipped with adequate internal financial controls. The Company has a continuous monitoring mechanism which enables the organization to maintain the same standards of the control systems and help them in managing defaults, if any, on timely basis because of strong reporting mechanisms and review process of the management and independently by the Internal Auditors. In our view, the Internal Financial Controls, affecting the Financial Statements are adequate and are operating effectively.

29. INSURANCE:

All the properties and insurable interest of the company to the extant required adequately insured.

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30. CORPORATE SOCIAL RESPONSIBILITY:

Your company does not fulfil criteria for class or classes of companies, as prescribed under Section 135 (1) of Companies Act, 2013; hence no CSR policy was designed and implemented by the company during the year ended on 31st March, 2020.

31. RISKS MANAGEMENT POLICY:

The Company has well laid out risk management policy, which periodically assess the threats and opportunities that will impact the objectives set for the Company as a whole. The Policy is designed to provide the categorization of risk into threat and its cause, impact, treatment and control measures. As part of the Risk Management policy, the relevant parameters for protection of environment, safety of operations and health of people at work are monitored regularly. The Risk Management Policy of the Company is available on the website of the Company at the link <https://www.rmdrip.com/investors.html>.

32. ENVIRONMENT AND SAFETY:

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

33. VIGIL MACHANISM / WHISTLE BLOWER:

The Company promotes ethical behaviours in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a vigil mechanism policy wherein the Directors and employees are free to report violations of law, rules and regulations or unethical conduct, actual or suspected fraud to their immediate supervisor or provide direct access to the Chairman of the Audit Committee in exceptional cases or such other persons as may be notified by the Board. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

The Vigil Mechanism Policy of the Company is available on the website of the Company at the Link <https://www.rmdrip.com/investors.html>

34. CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING:

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed and disclosures to be made while dealing with the shares of the

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company as well as consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company's Shares.

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

There has been no significant and material order passed by any regulators or courts or tribunals, impacting the going concern status of the Company and its future operations.

36. HUMAN RESOURCES DEVELOPMENT:

Your Company recognizes it's Human Resources as the most valuable and critical assets. This attitude is reflected in the work environment and the culture promoted by your Company. Your Company believes in recruiting only highly competent, enterprising employees and providing them the liberty to pursue newer avenues that advance their professional growth in line with the advancement of your Company.

The team comprises of collectively exhaustive yet mutually exclusive, highly motivated individuals. Your Company, in addition to milestone-based appraisals, regularly hosts off-site outings and pushes various team members to attend training workshops and seminars for professional development. Owing to some focused and well executed HR management, your company has been able to achieve some of the lowest churn levels in the industry and has also successfully streamlined internal HR policies and processes.

37. LISTING:

Equity shares of your Company is listed at National Stock Exchange of India on NSE SME Emerge platform w.e.f. 04/10/2017. The Annual Listing fees for F.Y. 2020-2021 have been paid to the concerned Stock Exchange.

38. SECRETARIAL STANDARDS:

During the year under review, the Company has complied with the provisions of the applicable Secretarial Standards issued by Institute of Company Secretaries of India. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively.

39. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESAL) ACT, 2013:

There was no case filled during the year, under the sexual harassment of women at workplace (Prevention, Prohibition & Redresser) Act, 2013. Further Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace and made the necessary policies for safe and secure environment for women employee.

The company policy against Sexual Harassment of woman at workplace is available on the website of the Company at the Link <https://www.rmdrip.com/investors.html>.

The Annual Report on Sexual Harassment Policy for the period 1st April, 2019 to 31st March, 2020 is annexed to the Board's Report as **Annexure VII**.

40. MATERIAL CHANGES AND COMMITMENTS:

While the past performance and current impacts of CoVID-19 are material elements to be shared with investors, it is Company's business prospects as seen by the management that matters the most. Following are the changes undergone by the Company during the year till date due to this pandemic situation:

a. Impact of CoVID-19 on Business Operations:

The lockdown announced by the Central Government due to CoVID-19 pandemic have affected the business of the Company. Company's manufacturing operations were hit substantially from 22nd March, 2020 to 20th April, 2020. Being an allied Agricultural Industry, our Company had taken the permission to carry on the business of the Company with 33% manpower utilization. The Company has resumed its work from 21st April, 2020 by adhering to all mandated safety norms and guidelines.

b. Material impact of CoVID-19 on Financial Position:

This pandemic situation will affect the profitability for the year 2020-21 because of reduction in sales due to lockdown and mobility restrictions. The Company has a sound internal financial reporting and control mechanism and wherever applicable additional controls are being added to address the current situation.

41. ACKNOWLEDGEMENT:

Your Directors take this opportunity to place on record the appreciation of the valuable contribution and dedication shown by the employees of the Company, RTA, Auditors and Practicing Company Secretary which have contributed to the successful management of the Company's affairs. The Directors also take this opportunity to thank all the stakeholders,

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Investors, Clients, Banks, Central & State Governments, Customers, Suppliers, Advisors, Consultants, Regulatory Authorities and Stock Exchange for their continued support.

GENERAL SHAREHOLDER'S INFORMATION

Annual General Meeting:

Date & Time: 24th September, 2020 at 12:00 Noon

Venue: At registered office

Book Closure: 18th day of September, 2020 to 24th day of September, 2020**Listing on Stock Exchange:**

The Company's shares are listed on National Stock Exchange of India on NSE Emerge platform w.e.f. 04/10/2017 at NSE, Exchange Plaza, Bandra Kurla complex, (E), Mumbai- 400 051. The company has paid annual listing fees.

NSE Symbol: RMDRIP

Registrar and Transfer Agent (RTA)

Share Transfer and all other Investor's / Shareholder's related activities are attended and processed by our Registrar and Transfer Agent. For lodgment of transfer deeds and any other documents, investors may contact Big Share Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai, Maharashtra 400059 (Ph. 022 6263 8200). However, shareholders holding shares in the electronic mode should address all correspondence to their respective Depository Participants.

By Order of Board,
For R M DRIP AND SPRINKLERS SYSTEMS LIMITED

Shyam Sundar Dash
Managing Director
(DIN: 07502666)

Arjun Ramji Makani
Director
(DIN: 00385450)

Date: 25/08/2020

Place: Nashik

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ANNEXURE - I

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN For financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L27200MH2004PLC150101
2.	Registration Date	20/12/2004
3.	Name of the Company	R M DRIP AND SPRINKLERS SYSTEMS LIMITED
4.	Category/Sub-category of the Company	Public Company Limited by shares Indian Non-Government Company
5.	Address of the Registered office & contact details	Address: Gat No. 475, Village Gonde, Taluka Sinnar, Nashik - 422113, Maharashtra, India Contact: +91 77200 94737 Email: rmdrip.india@gmail.com/info@rmdrip.com
6.	Whether listed Company	Listed (SME Emerge platform of National Stock Exchange of India Limited), NSE Mumbai.
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400059 Maharashtra, India Contact Details :- 022-62638200 Email :- investors@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of Drip Inline Systems	22191	100%

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III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
Not Applicable					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
A) Category-wise Share Holding:-

Category of Shareholders	No. of Shares held at the beginning of the year [01-04-2019]				No. of Shares held at the end of the year [31-03-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	29,98,661	N.A.	29,98,661	44.82%	30,00,661	N.A.	30,00,661	44.85%	0.03%
b) Central Govt	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
c) State Govt(s)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
d) Bodies Corp.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
e) Banks / FI	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
f) Any other (Promoters Relatives)	10,80,416	N.A.	10,80,416	16.15%	10,80,416	N.A.	10,80,416	16.15%	NIL
Sub-total (A) (1):-	40,79,077	N.A.	40,79,077	60.97%	40,81,077	N.A.	40,81,077	61.00%	0.03%
(2) Foreign	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
a) NRIs – Individuals	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
b) Other – Individuals	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
c) Bodies Corp.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
d) Banks / FI	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
e) Any Other....	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Sub-total (A)(2)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total shareholding of Promoter	40,79,077	N.A.	40,79,077	60.97%	40,81,077	N.A.	40,81,077	61.00%	0.03%

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(A) = (A)(1)+(A)(2)									
B. Public Shareholding	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1. Institutions	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
a) Mutual Funds	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
b) Banks / FI	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
c) Central Govt	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
d) State Govt(s)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
e) Venture Capital Funds	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
f) Insurance Companies	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
g) FIIs	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
h) Foreign Venture Capital Funds	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
i) Others (specify)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Sub-total (B)(1):-	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2. Non-Institutions	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
a) Bodies Corp.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
i) Indian	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
ii) Overseas	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
b) Individuals	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	11,40,000	N.A.	11,40,000	17.04%	11,36,000	N.A.	11,36,000	16.98%	(0.06%)

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ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	11,46,923	N.A.	11,46,923	17.14%	5,82,517	N.A.	5,82,517	8.71%	(8.43%)
c) Others (Bodies Corporate)	58,000	N.A.	58,000	0.87%	34,000	N.A.	34,000	0.51%	(0.36%)
Clearing Members	92,000	N.A.	92,000	1.38%	51,483	N.A.	51,483	0.77%	(0.61%)
Directors Relatives	N.A.	N.A.	N.A.	N.A.	622923	N.A.	622923	9.31	9.31%
Hindu Undivided Family	N.A.	N.A.	N.A.	N.A.	12000	N.A.	12000	0.18%	0.18%
Non Resident Indians	1,74,000	N.A.	1,74,000	2.60%	1,70,000	N.A.	1,70,000	2.54%	(0.06%)
Overseas Corporate Bodies	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Foreign Nationals	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Trusts	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Foreign Bodies - D R	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Sub-total (B)(2):-	26,10,923	N.A.	26,10,923	39.03%	26,08,923	N.A.	26,08,923	38.99%	(0.03)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	26,10,923	N.A.	26,10,923	39.03%	26,08,923	N.A.	26,08,923	38.99%	(0.03)
C. Shares held by Custodian for GDRs & ADRs	N.A	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Grand Total (A+B+C)	66,90,000	N.A.	66,90,000	100%	66,90,000	N.A.	66,90,000	100%	NIL

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B) Shareholding of Promoter:-

S.N.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
01	Mr. VijayKumar Hanmant Kshirsagar	8,20,661	12.27%	N.A.	8,20,661	12.27%	N.A.	NIL
02	Mr. Nivrutti Pandurang Kedar	5,47,027	8.18%	N.A.	5,47,027	8.18%	N.A.	NIL
03	Mr. Arjun Ramji Makani	5,47,027	8.18%	N.A.	5,49,027	8.21%	N.A.	0.03%
04	Mrs. Shubhangi V. Kshirsagar	5,43,738	8.13%	N.A.	5,43,738	8.13%	N.A.	NIL
05	Mrs. Surekha Nivrutti Kedar	2,70,104	4.04%	N.A.	2,70,104	4.04%	N.A.	NIL
06	Mrs. Lilaben Arjun Makani	2,70,104	4.04%	N.A.	2,70,104	4.04%	N.A.	NIL
	Total	29,98,661	44.82%	N.A.	30,00,661	44.85%	N.A.	0.03%

C) Change in Promoters' Shareholding:-

S. No	Name of Promoter	Share Holding at the beginning of the year		Increase/Decrease in share holding			Date of Change	Cumulative Share holding during the year	
		No. Of Share	% of total shares of the company	No. Of Shares Decreased	No. Of Shares Increased	Reason		No. Of Shares	% of total Shares of the Company
1	Mr. Arjun Ramji Makani	5,47,027	8.18%	-	2000	Purchase	20/01/2020	5,49,027	8.21%
NOT APPLICABLE									

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D) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	As per ANNEXURE VIII		As per ANNEXURE VIII	
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				

E) Shareholding of Directors and Key Managerial Personnel:-

S No	Shareholding of each Directors and each Key Managerial Personnel	Share Holding at the beginning of the year		Increase/Decrease in share holding			Date of Change	Cumulative Share holding during the year	
		No. of Share	% of total shares of the company	No. of Shares Decrease	No. of Shares Increase	Reason		No. of Shares	% of total Shares of the Company
1	Mr. Vijaykumar Hanmant Kshirsagar (DIN:00816360)	8,20,661	12.27%	N.A.	N.A.	N.A.	N.A.	8,20,661	12.27%
		Total Share holding at the end of year as on 31/03/2020 – (i)						8,20,661	12.27%
2	Mr. Nivrutti Pandurang Kedar (DIN: 06980548)	5,47,027	8.18%	N.A.	N.A.	N.A.	N.A.	5,47,027	8.18%
		Total Share holding at the end of year as on 31/03/2020 – (ii)						5,47,027	8.18%

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3	Mr. Arjun Ramji Makani (DIN: 00385450)	5,47,027	8.18%	-	2000	Purchase	20/01/2020	5,49,027	8.21%
Total Share holding at the end of year as on 31/03/2020 – (iii)								5,49,027	8.21%
4	Mr. Shyam Sundar Dash (DIN: 07502666)	6,00,923	8.98%	N.A.	2000	Purchase	27/09/2019	6,02,923	9.01%
					2000	Purchase	16/10/2019	6,04,923	9.04%
					2000	Purchase	28/11/2019	6,06,923	9.07%
					2000	Purchase	11/12/2019	6,08,923	9.10%
					2000	Purchase	20/12/2019	6,10,923	9.13%
					2000	Purchase	10/01/2020	6,12,923	9.16%
Total Share holding at the end of year as on 31/03/2020 – (iv)								6,12,923	9.16%
Total Shareholding of Directors and Key Managerial Personnel as on 31/03/2020 = (i)+(iv)								25,29,638	37.81%

V) INDEBTEDNESS- Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	8,65,60,787/-	3,50,000/-	0	8,69,10,787/-
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	8,65,60,787/-	3,50,000/-	0	8,69,10,787/-
Change in Indebtedness during the financial year				
* Addition	27,88,95,192/-	0	0	27,88,95,192/-
* Reduction	(28,25,69,370)/-	(3,50,000)/-	0	(28,29,19,370)/-

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Net Change	(36,74,178/-)	(3,50,000)/-	0	(40,24,178)/-
Indebtedness at the end of the financial year				
i) Principal Amount	8,28,86,609/-	0	0	8,28,86,609/-
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	8,28,86,609/-	0	0	8,28,86,609/-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Shyam Sundar Dash (MD)	Vijaykumar Kshirsagar (WTD)	----
1	Gross salary	25,50,000/-	NIL	25,50,000/-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	N.A.	N.A.
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	N.A.	N.A.	N.A.
2	Stock Option	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.
4	Commission - as % of profit - others, specify...	N.A.	N.A.	N.A.
5	Others, please specify (Sitting Fees)	24,000/-	12,000/-	N.A.
	Total (A)	25,74,000/-	12,000/-	25,86,000/-
	Ceiling as per the Act	5% of net profit	5% Net Profit	10% of net Profit

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B. Remuneration to other directors:-

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Madhav Govind Ganpule	Ms. Ulka Krishna Kulkarni	Mr. Kewal Kundanlal Handa	
1	Independent Directors				
	Fee for attending board /committee meetings	27,000/-	33,000/-	24,000/-	84,000/-
	Commission	N.A.	N.A.	N.A.	N.A.
	Others, please specify	N.A.	N.A.	N.A.	N.A.
	Total (1)	27,000/-	33,000/-	24,000/-	84,000/-
2	Other Non-Executive Directors	Mr. Nivrutti Pandurang Kedar	Mr. Arjun Ramji Makani	N.A.	N.A.
	Fee for attending board committee meetings	18,000/-	12,000/-	N.A.	30,000/-
	Commission	N.A.	N.A.	N.A.	N.A.
	Others, please specify	N.A.	N.A.	N.A.	N.A.
	Total (2)	18,000/-	12,000/-	N.A.	30,000/-
	Total (B)=(1+2)	45,000/-	45,000/-	24,000/-	1,14,000/-
	Total Managerial Remuneration	N.A.	N.A.	N.A.	N.A.
	Overall Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD:

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS Ms. Anita Pagare	CFO Mrs. Vijayeta Mudliar	Total
1	Gross salary	N.A.	1,48,819	5,72,300	7,21,119
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.

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	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
2	Stock Option	N.A.	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.	N.A.
	- as % of profit	N.A.	N.A.	N.A.	N.A.
	others, specify...	N.A.	N.A.	N.A.	N.A.
5	Others, please specify (Bonus)	N.A.	N.A.	N.A.	N.A.
	Total	N.A.	1,48,819	5,72,300	7,21,119

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
B. DIRECTORS					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

By Order of Board,
For R M DRIP AND SPRINKLERS SYSTEMS LIMITED

Shyam Sundar Dash
Managing Director
(DIN: 07502666)

Arjun Ramji Makani
Director
(DIN: 00385450)

Date: 25/08/2020
Place: Nashik

ANNEXURE II

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[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,
R M DRIP AND SPRINKLERS SYSTEMS LIMITED
CIN:L27200MH2004PLC150101
Gat No. 475, Village Gonde,
Taluka Sinnar
Nashik 422113

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **R M DRIP AND SPRINKLERS SYSTEMS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minutes book, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised 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 **31st March, 2020**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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, 2020**, according to the provisions of:

- (i)** The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii)** The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

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(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **[Applicable only to the extent of Foreign Direct Investment and Overseas Direct Investment]**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities 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, 2009;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **[Not applicable to the Company during the audit period];**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **[Not Applicable as the Company has not issued and listed any debt securities during the financial year under review];**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **[Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the Financial year under review];**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **[Not Applicable as there was no reportable event during the period under review];**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1988 **[Not Applicable as there was no reportable event during the period under review];**

(vi) There are no laws which specifically apply to the type of activities undertaken by the Company.

We have also examined compliance with the applicable clauses of the following:

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(i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with National Stock Exchange of India Limited;

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

- Form MGT-14 for Board Resolution passed on 22 August 2019, for obtaining financial assistance in the form of unsecured loans from Promoters was filed on 16 June 2020, which is after the close of the financial year ending on 31 March 2020.

We further report that:-

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. There were no changes 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 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;
- All the decisions of the Board and Committees thereof were carried out with requisite majority;

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in place in the Company which is Commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines:-

- As informed, the Company has not received any notice from any statutory/ regulatory authorities including notice for initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period there were no specific events/actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

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Sujata R. Rajebahadur
Company Secretary
FCS 5728, C.P No. 4241

UDIN: F005728B000350039

Date: 17 June 2020
Place: Nashik



R M DRIP AND SPRINKLERS SYSTEMS LIMITED
CIN: L27200MH2004PLC150101 Website: www.rmdrip.com
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Date: 17 June 2020

To,
The Members,
R M DRIP AND SPRINKLERS SYSTEMS LIMITED
CIN: L27200MH2004PLC150101
Gat No. 475, Village Gonde,
Taluka Sinnar
Nashik 422113

Our Secretarial Audit Report of even date, for the financial year 2019-20 is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the Management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules, and regulations and happening of events etc.

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Disclaimer

5. 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.

6. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

Sujata R. Rajebahadur
Company Secretary
FCS 5728, C.P No. 4241



ANNEXURE – III

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Water is considered as the most critical resource for sustainable agricultural development. However, the increasing population, and more erratic rainfall, is likely to reduce the water supply for agriculture. Therefore, time has come when Indian agriculture should appreciate the fact that water is a precious and limited resource and should be conserved and handled carefully in the most efficient manner, to minimize the dependence of agriculture on monsoon.

The solution lies in examining the innovative models for their contribution to higher efficiency of water usage. Micro irrigation is proved to be a one such efficient method which enables better control and monitoring of existing water which can be translated into higher water usage efficiency. Recognizing the importance of micro irrigation, the current government manifesto has talked about Har Khet Ko Pani. However, in spite of the sustained efforts made by central and state governments, the extent of success in adoption of Micro irrigation by farmers needs a review.

MICRO IRRIGATION - A RELIEF FOR DROUGHT PRONE AREAS:

Indian agriculture which is heavily dependent on monsoon as source of water for agricultural activities, crumbles under the situation where there is shortage or failure of monsoon in that particular year. This results in farmer's distress and below average crop yields. Particularly in the drought prone areas/ parts of Maharashtra, Karnataka, Andhra Pradesh, Odisha, Gujarat, Madhya Pradesh, and Rajasthan among others there is a visible impact. It may be noted that states like Maharashtra, Rajasthan, Gujarat, Haryana, Bihar, Karnataka and Andhra Pradesh are among the leading states having high potential for Micro Irrigation in India. Hence, Micro irrigation can not only save water but also increases the farmers productivity in multifold.

COMPANY PROFILE:

R M Drip and Sprinklers Systems Limited designs and manufactures world class and state of the art systems within its factory. The company also assists the farmers in designing and installation of its Sprinkler and Drip Irrigations systems accordingly to their needs. The dealer network expands from Maharashtra, Madhya Pradesh, Gujarat, Karnataka and extended its market to Uttar Pradesh, Bihar and Jharkhand.

R M Drip and Sprinklers Systems Limited believe on the principle "Born to Serve the Farming Community". Considering this as motive, employees of the company are trained and accustomed to work strategically to improve the quality and maintain the product standards. Company's world-class testing facility help to improve quality by timely analysis and quick implementation of its results. The laboratory is well equipped for analyzing the various critical

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parameters of the product. Company's Quality Assurance department works hand in hand with the manufacturing team to achieve zero defects in the goods dispatched from the factory. The company aims to achieve zero defects in every consignment it ships from its premises. Like no one else, RM Drip delivers on leading product brands, large scale operations, and global distribution to the irrigation industry and growing worldwide. The RM Drip approach combines the industry's leading irrigation products with the right people.

OUTLOOK ON IRRIGATION SECTOR:

Irrigation in India promises a great scope for growth. Areas with no irrigation facilities are totally dependent on unpredictable monsoons. Above all parameters promise a great potential for irrigation facilities. Proper irrigation facilities will provide food security, minimise dependence on monsoons, improves agricultural output and create rural job opportunities. Irrigation is the largest consumer of water in the country.

India's population is rapidly increasing so there is a need for the production to increase at a fast clip in order to meet the ever growing demand created with this population increase. Given this fact that land and water are limited resources, this would require an improvement in the productivity of crops. With the need to increase productivity while saving water, micro irrigation will play a key role for the future of Indian Agriculture.

OPPORTUNITIES:

With usage of micro irrigation systems, conveyance loss is minimal. Micro irrigation provides significantly higher water usage efficiency due to proximity and focused application. Efficient water use leads to additional benefits such as increase in the area under irrigation as well as more usage of marginal/unirrigated or cultivable land.

The company envisaged satisfactory growth over previous years. Government is providing various subsidies under Pradhan Mantri Krishi Vikas Yojna for Micro Irrigation all over the country. Due to over 1 decade experience in manufacturing, the Customers are also growing rapidly. We have always maintained high quality standard and also make a good track record, at the same time, there is intense price pressure from the competitors and international financial crisis.

THREATS AND KEY RISKS:

Withdrawal of subsidies for micro irrigation is a key risk that could impact the growth of the Company. Poor monsoon, seasonality and cyclical nature of agriculture could impact the Company by hitting the purchasing power of the farming community.

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Micro Irrigation Industry has threats such as uneven distribution of rainfall, competition from unorganized sector, government policies and a constant fluctuation in raw material prices.

IMPLICATIONS OF COVID-19 CRISIS:

COVID-19 is an unprecedented humanitarian challenge for all countries. Its economic cost, though unavoidable in the early stages of a lockdown, might not be sustainable in the longer term. It is becoming increasingly clear that COVID-19 will not disappear immediately; the economy will need to be managed alongside persistent infection risks, possibly for a prolonged period. After reopening, some countries have needed to resume lockdowns in response to rising infection rates, and India may be no exception.

You all are aware that the Central Government has announced lockdown due to CoVID-19 pandemic situations. Though it is still early to estimate the full impact of CoVID-19 pandemic on your Company, we experience severe delays in the execution of new orders owing to lockdown situation across the Country and the unavailability of clients but expects normalcy to be achieved as soon as possible.

INITIATIVES:

The initiatives are being taken by the Company for improving the product quality, adoption of advanced technologies and reduction of costs at appropriate level and thereby to supply the world class products to the Indian Farming Community to maximize the Farming Productivity and Farm produce marketability. New machineries were installed to provide better result and to cope up with changing requirement of the industry. The employees at all levels are being made aware of the changing conditions and the challenges of the open market conditions and to train the personnel to tackle the difficult situations which will improve the overall technology, productivity, quality and profitability. Also initiatives were taken by company to directly connect with farmers and also providing them quality services and requisite knowledge.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Significant financial highlights in F.Y. 2019-20 are as follows:-

a) Revenue from Operations

During the fiscal 2019-20, the company has Revenue from Operations of Rs. 23.24 Crores as compared to the previous year's figure of Rs. 22.29 Crores.

b) Profit Before Tax (PBT)

During the fiscal 2019-20, the company has a profit of Rs. 2.01 Crores as compared to the previous year's loss of Rs. 5.42 Crores.

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c) Profit After Tax (PAT)

During the fiscal 2019-20, the company has reported a profit of Rs. 2.80 Crores as compared to the previous year's loss of Rs. 5.44 Crores.

INTERNAL CONTROL SYSTEM:

The Company has a proper and adequate system of internal controls, to ensure the safeguarding of assets and their usage, maintenance of proper records, adequacy and reliability of operational information. The internal control is supplemented by an extensive audit by internal and external audit teams and periodic review by the top management, Audit Committee and Board of Directors.

HUMAN RESOURCES:

In a competitive economy, the proper utilization of human resources plays a crucial role. It begins with best practices in recruiting people and moves through learning and development, engagement, employee feedback and rewards and recognition. Towards this, your Company took various initiatives and has maintained healthy and harmonious industrial relations at all levels. The dedication and hard work of productive and dynamic goal oriented team is the key factor to the success of your Company. We believe that hiring the right personnel and proper retaining is key to this success. To keep the Company and its human resource competitive, we organized various training programs and experts were engaged to train the employees at various levels. This active process of learning has allowed employees to enhance their competence and motivation.

FUTURE PLAN:

As we are into Subsidy business where working capital gets stuck for a long time, looking at that the 100% Advance business is planned to have healthy financial condition of the Company:

- ✚ PVC Pipes manufacturing facility for commercial selling.
- ✚ Manufacturing all the traded items in house.
- ✚ Product expansion – BIS 4984 is added in the product basket (HDPE Coil Pipe).
- ✚ Planning to expand in the State of Telangana & State of Chhattisgarh
- ✚ Planning to manufacture Rain pipe and low cost Drip Line

CAUTIONARY NOTE:

This report contains forward-looking statements based on certain assumptions and expectations of future events. Actual performance, results or achievements and risks and

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opportunities may differ from those expressed or implied in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

**By Order of Board,
For R M DRIP AND SPRINKLERS SYSTEMS LIMITED**

**Shyam Sundar Dash
Managing Director
(DIN: 07502666)**

**Arjun Ramji Makani
Director
(DIN: 00385450)**

Date: 25/08/2020
Place: Nashik



ANNEXURE IV

DISCLOSURE ON THE REMUNERATION OF THE MANAGERIAL PERSONNEL

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, the details are as follows:

a. The ratio of the remuneration of each director to the median remuneration of the employee of the Company for the Financial year:-

Sr. No.	Name of Director / KMP	Remuneration of Director/ KMP for FY: 2019-2020 (Figures in Rs)	% increase in the remuneration for FY: 2019-2020	Ratio of Remuneration of each Director/to median remuneration of Employee
1	Mr. Shyam Sundar Dash (Managing Director)	25,50,000	6.25%	11.54:1
2	Mr. Vijaykumar Hanmant Kshirsagar (Executive Director)	NIL	Nil	Nil
3	Mr. Nivrutti Pandurang Kedar (Non-Executive Director)	Nil	Nil	Nil
4	Mr. Arjun Ramji Makani (Non-Executive Director)	Nil	Nil	Nil
5	Ms. Anita Vasant Pagare (Company Secretary)	2,97,399	17.29%	0.71:1
6	Mrs. Vijayeta Mudliar (Chief Financial Officer)	6,00,000	36.05%	2.72:1

*Since independent Non executive Directors received no remuneration except sitting fees for attending board and committee meetings the required details are not applicable.

b. The percentage increase in remuneration of each Director, Managing Director, Chief Financial Officer, and the Company Secretary in the Financial Year: As per Point a.

c. The percentage increase in the median remuneration of employee in the Financial Year: Nil

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d. The number of permanent employee on the rolls of the Company as on March 31, 2020: 46 Nos. (Inclusive of KMP)

e. 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:

During the year under review, the remuneration of Mr. Shyam Sundar Dash, Managing Director was revised from Rs. 2,00,000/- per month to Rs. 2,50,000/- per month in the month of January and fixed for 1 year i.e. from 10th July, 2020 to 9th July, 2021.(6.25% increase as compared to last year)

The Remuneration of Company Secretary was increased from Rs. 21,130 per month to Rs. 25,000 per month from the month of May, 2019, (17.29% increase as compared to last year)

The Remuneration of Chief Financial Officer was increased from Rs. 36,750 per month to Rs. 50,000 per month from the month of April, 2019.(36.5% increase as compared to last year)

30.30 % increase in overall salary of employees in the F.Y. 2019-2020 as compared to last year.

k. The Company affirms remuneration is as per the remuneration policy of the Company.

L. Information of employee drawing remuneration of Rs. 1.02 Crs per annum or Rs. 8.50 Lakhs per month for part of the year or more pursuant to Rule 5(2) of Chapter XII, the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014: Not Applicable.

**By Order of Board,
For R M DRIP AND SPRINKLERS SYSTEMS LIMITED**

**Shyam Sundar Dash
Managing Director
(DIN: 07502666)**

**Arjun Ramji Makani
Director
(DIN: 00385450)**

Date: 25/08/2020
Place: Nashik

ANNEXURE - V
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 arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis - Not Applicable

Sr. no.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date (s) of approval by the Board	Amount paid as advances	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

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

Sr. no.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date (s) of approval by the Board	Amount paid as advances
1	Mr. Arjun Ramji Makani	Director	Unsecured Loan	During Last Year 2019-2020	Rs. 7,00,000/- p.a.	22.08.2019 Refer Note -1	Nil
2	Mr. Arjun Ramji Makani	Director	Interest on Unsecured Loan	During Last Year 2019-2020	Rs. 4,611/- p.a.	22.08.2019 Refer Note -1	Nil
3	Mr. Shyam Sundar Dash	Director	Unsecured Loan	During Last Year 2019-2020	Rs. 11,35,000/- p.a.	22.08.2019 Refer Note -1	Nil
4	Mr. Shyam Sundar Dash	Director	Interest on Unsecured Loan	During Last Year 2019-2020	Rs. 20,911/- p.a.	22.08.2019 Refer Note -1	Nil

- **Note 1:** - The Company has obtained omnibus approval of audit committee in their meeting held on 22nd August, 2019. The board of directors has accorded consent to said related party transaction in their meeting held on 22nd August, 2019 as per recommendation of audit committee.

For R M DRIP AND SPRINKLERS SYSTEMS LIMITED

Shyam Sundar Dash
Managing Director
(DIN: 07502666)

Date: 25/08/2020
Place: Nashik



ANNEXURE VI**CEO & CFO COMPLIANCE CERTIFICATE****(Pursuant to Regulation 17 (8) of Listing Obligation and Disclosure Regulation)**

To,
The Board of Directors,
R M Drip and Sprinklers Systems Limited

We, **Mr. Shyam Sundar Dash**, Managing Director and **Mrs. Vijayeta Ravichandran Mudliar**, Chief Financial Officer (CFO) of the **R M Drip and Sprinklers Systems Limited**, to the best of our knowledge and belief, certify that:

- a. We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31st March, 2020 and to the best of our knowledge and belief ;
 - i. These Financial Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. These Financial Statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2020 are fraudulent, illegal or violative 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 the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit committee, wherever applicable, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee wherever applicable,
 - i. That there is no significant change in internal control over financial reporting during the year under reference;

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- ii. There is no significant change in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- iii. There is no significant fraud of which we have become aware and that the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For R M Drip and Sprinklers Systems Limited

Mr. Shyam Sundar Dash
Managing Director

Mrs. Vijayeta Ravichandran Mudliar
Chief Financial Officer

Date: 25/08/2020
Place: Nashik



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ANNEXURE - VII

ANNUAL REPORT ON SEXUAL HARASSMENT POLICY

Complaints Status for the period 01/04/2019 To 31/03/2020

Total Complaints Received	0
Total Resolved Complaints	0
Total Pending Complaints	0
Total Complaints Withdrawn	0

FOR R M DRIP AND SPRINKLERS SYSTEMS LIMITED

CS Anita Pagare
Presiding Officer

R M DRIP AND SPRINKLERS SYSTEMS LIMITED
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ANNEXURE VIII
LIST OF TOP 10 PUBLIC SHAREHOLDERS

UNIT: R M DRIP SPRINKLERS SYSTEMS LIMITED					
(NSDL- CDSL- Physical)	List of Top 10 Share Holders	AS ON DATE :	31/03/2020		
Sr.No	Category	FolioNo/ClientID	Shareholder's Name	Shares	Percentage Capital
1	PUBLIC	IN30302853024853	BRAJA GOPAL PAL	70000	1.0463
2	PUBLIC	IN30018312000674	CHANDRESH JASVANTLAL PAREKH	50000	0.7474
3	PUBLIC	IN30051313632987	BHARTI VIJAY KATARIA	48000	0.7175
4	PUBLIC	1203300000083838	AJIT DAMJI POKAR	46000	0.6876
5	PUBLIC	IN30302867193565	MAYANK SINHA	44000	0.6577
6	PUBLIC	IN30021420089383	RESHMA B SEQUEIRA	34000	0.5082
7	PUBLIC	1201320001770300	YANKIT BHARAT PATEL	30000	0.4484
8	PUBLIC	1201320001211273	CHANDANI AJIT POKAR	28000	0.4185
9	PUBLIC	IN30018311400185	AMITABH SINGH	28000	0.4185
10	PUBLIC	1208380000003910	MONIKA THUKRAL	28000	0.4185
			TOTAL	406000	6.0688

By Order of Board,
 For R M DRIP AND SPRINKLERS SYSTEMS LIMITED

Shyam Sundar Dash
Managing Director
(DIN: 07502666)

Arjun Ramji Makani
Director
(DIN: 00385450)

Date: 25/08/2020
 Place: Nashik

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RM DRIP AND SPRINKLERS SYSTEMS LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **RM Drip and Sprinklers Systems Limited** (Formerly known as R M Drip and Sprinklers Systems Private Limited) ("the Company"), which comprise of the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

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 Accounting Standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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 period. 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
Revenue Recognition: Accounting for Sales.		
1.	Key audit matters description	Sales are recognized when goods are transferred with risks and rewards of ownership to the buyer and are recorded net of Duties, Taxes, and Trade Discounts & Rebates.
2.	Principal Audit Procedure	Our Procedure involved: • Testing of the design and implementation of controls involved for determination of revenue from sales as well as their operating effectiveness. • Testing some sample of sales for appropriate identification of performance obligation. • Testing related information used in recording and disclosing the revenue in accordance with the Accounting Standard. • Obtaining the external confirmation for sample transaction selected and industry practice in the region. • Verifying Inventory records for confirming exclusion of soldstock from the total value of stock.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Accounting Standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives is 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during 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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit, and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the act, read with Rule 7 of the companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors as on March 31, 2020, none of the directors is disqualified from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - 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 explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our

opinion and to the best of our information and according to the explanations given to us:

- i. The Company has no pending litigations having impact on its financial position in its financial statements.
 - ii. The Company has doesnothaveanylong-term contractsincludingderivatives contracts for which there wereany material foreseeable losses.
 - iii. There were no amounts which were requiredto betransferredtotheInvestorEducationand Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

for Milind M Kulkarni & Associates
Chartered Accountants
FRN 126975W

CA Atul Deshpande
Partner
Membership No: 118218
UDIN:20118218AAAAEE7583

Place: Nashik
Date: August 10,2020

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **RM DRIP AND SPRINKLERS SYSTEMS LIMITED** as on 31st March, 2020.

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **RM DRIP AND SPRINKLER SYSTEMS LIMITED** (“the Company”) as of March 31, 2020 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were 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 control 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 controls based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the 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 internal financial control system over financial reporting of the Company.

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 controls 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 the 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.

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 controls 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal controls 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 Milind M Kulkarni & Associates
Chartered Accountants
FRN 126975W

Place: Nashik
Date: August 10, 2020

CA Atul Deshpande
Partner
Membership No: 118218
UDIN: 20118218AAAAEE7583

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **RM DRIP AND SPRINKLERS SYSTEMS LIMITED** as on 31st March, 2020.

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) As explained to us, all the fixed assets have been physically verified by the Management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
(c) All the title deeds of immovable properties are held in the name of the company.
- ii. The management has conducted physical verification of inventory at reasonable intervals and it was reported that no material discrepancies were noticed during verification.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, during the year, the Company has not granted unsecured loan to parties listed in the register maintained under Section 189 of the Companies Act.
(a) Paragraph 3(iii) (a) of the Order are not applicable to the Company.
(b) Paragraph 3(iii) (b) & (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits under section 73 to 76 of the Companies Act 2013.
- vi. According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under section 148 (1) of the Companies Act, 2013.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no dues of income tax, value added tax, wealth tax, service tax, duty of customs, duty of excise duty and Goods and service tax which have not been deposited with the appropriate authorities on account of any dispute.

- viii. Based on our audit procedures and according to information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution and bank during the year.
- ix. As per our verification of books and records and explanations given to us, there are no new term loans availed by the Company during the financial year 2019-20.
- x. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid /provided managerial remuneration in accordance with requisite approval mandated by the provision of Section 197 read with Schedule V to the Companies Act, 2013 and with reference to the special resolution passed in the Extra Ordinary General Meeting dated 10/07/2017.
- xii. In our opinion and according to the information and explanations given to us, 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 the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records 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.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934

for Milind M Kulkarni & Associates
Chartered Accountants
FRN 126975W

CA Atul Deshpande
Partner
Membership No: 118218
UDIN:20118218AAAAEE7583

Place: Nashik
Date: August 10,2020

R M Drip and Sprinklers Systems Limited
(Formerly known as R M Drip and Sprinklers Systems Private Limited)

Standalone Balance Sheet

As on 31st March, 2020

Particulars	Note No	As on 3/31/2020	As on 31/03/2019
I Equity and Liabilities			
Shareholders' Funds			
Share Capital	2	66,900,000	66,900,000
Reserves & Surplus	3	68,512,872	40,465,700
Non-Current Liabilities			
Long-term borrowings	4	26,256,479	38,119,959
Deferred Tax Liabilities (net)	5	-	929,055
Other long term liabilities	6	6,347,028	8,577,368
Long-term provisions	7	2,687,410	2,398,305
Current Liabilities			
Short-term borrowings	8	45,201,480	36,941,132
Trade payables	9		
- Micro, Small and Medium Enterprises		3,868,908	1,294,547
- Others		28,553,585	36,617,580
Other current liabilities	10	19,613,507	32,335,912
Short-term provisions	11	4,456,899	4,846,050
Total		272,398,168	269,425,608
II Assets			
Non-Current Assets			
Fixed assets	12		
- Tangible		62,217,106	72,923,439
- Intangible		664,624	14,375
- Capital WIP		-	1,789,707
Non-current investments	13	558,750	558,750
Deferred Tax Asset (net)	5	6,965,174	-
Long term loans and advances	14	2,238,641	1,948,795
Current Assets			
Inventories	15	31,630,866	35,993,113
Trade receivables	16	142,798,464	126,583,236
Cash and cash equivalents	17	4,601,816	5,569,736
Short-term loans and advances	18	8,679,193	12,493,198
Other current assets	19	12,043,533	11,551,259
Total		272,398,168	269,425,608

See accompanying notes to the Financial Statements

As per our report of even date

for Milind M Kulkarni & Associates

for and on behalf of the board of directors

Chartered Accountants

FRN 126975W

CA Atul Deshpande
Partner
Membership No: 118218

Shyam Sundar Dash
Managing Director
DIN : 07502666

Arjun Ramji Makani
Director
DIN : 00385450

Vijayeta Mudliar
Chief Financial Officer

Anita Pagare
Company Secretary

Place :- Nashik
Date :- August 10,2020

Place :- Nashik
Date :- June 25,2020

R M Drip and Sprinklers Systems Limited
(Formerly known as R M Drip and Sprinklers Systems Private Limited)
Standalone Statement of Profit & Loss
for the year ended 31st March, 2020

Particulars	Note No	As on 3/31/2020	As on 31/03/2019
Revenues			
Revenues from operations	20	232,363,582	222,909,257
Other income	21	4,848,662	8,384,869
Total Revenues		237,212,244	231,294,126
Expenses:			
Cost of materials consumed	22	116,490,562	151,855,627
Changes in inventories	23	(1,610,990)	20,508,272
Employee benefit expenses	24	20,848,237	26,492,429
Finance costs	25	9,612,265	13,312,551
Depreciation and amortization expenses	12	13,776,971	14,693,845
Other expenses	26	57,942,256	58,672,766
Total Expenses		217,059,302	285,535,490
(Loss)/Profit before tax		20,152,942	(54,241,364)
Tax expenses			
Current tax		-	-
Deferred tax expenses / (surplus)		(7,894,229)	170,601
(Loss)/Profit for the period		28,047,171	(54,411,965)
Earning per equity share			
Basic	29	4.19	(8.13)
Diluted		4.19	(8.13)

See accompanying notes to the Financial Statements

As per our report of even date
for Milind M Kulkarni & Associates
Chartered Accountants
FRN 126975W

for and on behalf of the board of directors

CA Atul Deshpande
Partner
Membership No: 118218

Shyam Sundar Dash
Managing Director
DIN : 07502666

Arjun Ramji Makani
Director
DIN : 00385450

Vijayeta Mudliar
Chief Financial Officer

Anita Pagare
Company Secretary

Place :- Nashik
Date :- August 10,2020

Place :- Nashik
Date :- June 25,2020

R M Drip and Sprinklers Systems Limited
(Formerly known as R M Drip and Sprinklers Systems Private Limited)
Cash Flow Statement
for the year ended 31st March, 2020

Particulars	As on 31/03/2020	As on 31/03/2019
<u>Cash Flow from Operating Activities</u>		
Net Profit/(Net Loss) Before Tax	20,152,942	(54,241,364)
Adjustments for-		
Depreciation	13,776,971	14,693,845
Provision for Gratuity and (Actuarial Gain)	473,740	(377,674)
Interest & Finance Cost	9,612,265	13,312,551
Interest Income	(262,841)	(208,924)
Dividend Income	(60,242)	(75,000)
Income Tax of Previous year	-	238,985
(Profit) / Loss on Sale of Asset	-	-
Other Non Operating income	(4,525,579)	(7,311,362)
Operating Profit/(loss) Before Working Capital Changes	39,167,257	(33,968,943)
Adjustments for Changes in Working Capital		
Increase/(Decrease) in Short-term Borrowings	8,260,349	(4,389,698)
(Decrease)/ Increase in Trade Payables	(5,489,634)	2,954,040
(Decrease)/ Increase in Short terms Provisions	(397,860)	1,484,245
(Decrease)/ Increase in Other Current Liabilities	(12,722,406)	14,006,146
(Decrease)/ Increase in Other Long Term Liabilities	(2,230,340)	3,591,409
(Decrease)/ Increase in Long Term Provisions	(175,925)	(86,215)
Decrease / (Increase) in Inventories	4,362,247	17,925,678
(Increase)/ Decrease in Trade Receivables	(16,215,229)	30,835,706
Decrease / (Increase) in Short Term loans & Advances	4,000,173	(9,209,267)
(Increase)/ Decrease in Long Term loans & Advances	(289,846)	1,239,505
(Increase) in Other Current Assets	(492,274)	(3,564,378)
Cash generated from Operations	17,776,511	20,818,228
Income Tax Paid	(186,168)	(5,287,365)
Net cash from Operating activities (A)	17,590,343	15,530,863
<u>Cash Flow from Investing Activities</u>		
Purchase of Fixed Assets	(1,931,180)	(6,906,293)
Sale of Fixed Assets	-	-
Interest Received	262,841	208,924
Sale of Non Current Investments	-	500,000
Other Non Operating Income	4,525,579	7,311,362
Dividend Received	60,242	75,000
Net cash from Investing activities (B)	2,917,482	1,188,993

R M Drip and Sprinklers Systems Limited
(Formerly known as R M Drip and Sprinklers Systems Private Limited)

Cash Flow Statement
for the year ended 31st March, 2020

Particulars	As on 31/03/2020	As on 31/03/2019
<u>Cash Flow from Financing Activities</u>		
Proceeds from Issue of Share Capital	-	-
Securities Premium received on Shares Issued	-	-
Expenses Directly Written off from Securities Premium	-	-
Net Proceeds from Long Term Borrowings	(11,863,480)	(10,276,226)
Interest Paid	(9,612,265)	(13,312,551)
Net Cash From Financing activities (C)	(21,475,745)	(23,588,777)
Net Increase in Cash and Cash equivalents (A+B+C)	(967,920)	(6,868,921)
Cash and Cash equivalents at the beginning of the year	5,569,736	12,438,657
Cash and Cash equivalents at the end of the year	4,601,816	5,569,736

As per our report of even date
for Milind M Kulkarni & Associates
Chartered Accountants
FRN 126975W

CA Atul Deshpande
Partner
Membership No: 118218

Place : Nashik
Date :- August 10,2020

for and on behalf of Board of Directors

Shyam Sundar Dash Arjun Ramji Makani
Managing Director Director
DIN : 07502666 DIN : 00385450

Vijayeta Mudliar Anita Pagare
Chief Financial Company Secretary
Officer

Place:- Nashik
Date :- June 25,2020

R M Drip and Sprinklers Systems Limited.
(Formerly known as R M Drip and Sprinklers Systems Private Limited)
Notes attached to and forming part of Financial Statements
For the year ended 31st March, 2020

1. Significant Accounting Policies

- a) Basis of preparation of Financial Statements & Accounts:** - The financial statements & accounts are prepared under historical cost convention in accordance with the mandatory Accounting Standards as specified under section 133 of the Companies Act 2013, read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and the relevant provisions of the Companies Act, 2013.

The Company has adopted accrual basis of accounting.

Accounting policies except specifically referred to, are consistent and in consonance with generally accepted accounting policies in India (Indian GAAP).

- b) Use of Estimates:** - The preparation and presentation of financial statements in conformity with the generally accepted accounting principles, requires estimate and assumptions to be made that affect the reported amounts of assets and liabilities, revenues and expenditures and disclosure of contingent liabilities. The estimates and assumptions used in accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as on the date of financial statements. Difference between the actual results and estimates are recognized in the period in which result materialize/ are known.

- c) Inventories:** - Inventories are valued at lower of estimated cost or net realizable value. Estimated cost of Inventories comprises of purchase cost and other cost incurred in bringing inventories to their present location and condition. The cost is determined as under.

- i. Raw materials, stores, spares on FIFO basis.
- ii. Finished Products – on raw material cost plus conversion cost
- iii. Work-in-Progress on raw material cost plus proportionate conversion cost up to stage of completion as on valuation date.

- d) Cash flow statement:** - Cash flows are reported using the indirect method as specified under Accounting Standard - 3, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

- e) Revenue Recognition:** Revenue is recognized as follows

- i. Sales are recognized when goods are transferred with risks and rewards of ownership to the buyer and are recorded net of Duties, Taxes, and Trade Discounts & Rebates.
- ii. Interest Income is recognised on a time proportion basis
- iii. Dividend Income is recognised on receipt basis.

R M Drip and Sprinklers Systems Limited.
(Formerly known as R M Drip and Sprinklers Systems Private Limited)
Notes attached to and forming part of Financial Statements
For the year ended 31st March, 2020

- f) **Tangible Assets and Depreciation:** - Tangible Assets are stated at cost of acquisition inclusive of freight, non refundable duties and taxes and incidental expenses. Depreciation on Tangible Assets is provided in such a manner so that the cost of asset (Net of realizable value) will be amortized over their estimated remaining useful life on W.D.V basis as per the useful life prescribed under Schedule II to the Companies Act 2013. Depreciation for assets purchased / sold during the period is proportionately charged.
Capital work-in-progress comprises of the cost incurred on fixed assets that are not yet ready for their intended use at the reporting date.
- g) **Foreign Currency Transactions:** -
- i. Foreign currency transactions are accounted for at the exchange rate prevailing on the date of transactions.
 - ii. The foreign currency assets or liabilities of monetary items are translated using the exchange rates prevailing on the reporting date.
 - iii. The Exchange differences on translation of foreign currency transaction on the reporting date are recognised as income or expense and adjusted to the statement of Profit and loss.
- h) **Government Grants:** - Grants and Subsidies from the government are recognized when there is a reasonable assurance that
- a. The company will comply with the conditions attached to them and
 - b. Grant / Subsidy will be received.
- i) **Investments:-** The company follows the accounting policy of valuing its current investments at cost or fair value whichever is lower and the long term investments are valued at cost except where there is a permanent decline in the value of investments.
- j) **Employee Benefits :** -
All Short term employee benefits are recognized at their undiscounted amount in the accounting period in which they are incurred.

Defined Contribution Plan

The Company is having defined contribution plan for post employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the company contributes to a Government administered Provident Fund on behalf of employees. The company has no further obligation beyond making the Contribution.

Defined Benefit Plan

R M Drip and Sprinklers Systems Limited.
(Formerly known as R M Drip and Sprinklers Systems Private Limited)
Notes attached to and forming part of Financial Statements
For the year ended 31st March, 2020

The Company has made provision for payment of Gratuity to its employees. This Provision is made as per the method prescribed under the Payment of Gratuity Act. The cost of providing gratuity under this plan is determined on the basis of actuarial valuation at each year end.

k) Borrowing Costs: - The Interest on cash credit and various term loans is charged to profit and loss account and classified under Finance costs. However, the interest on term loan and other borrowing costs that are attributable to acquisition, construction or production of qualifying assets are capitalised as a part of cost of such Assets.

l) Earnings Per Share: - Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period for all periods presented is adjusted for events, such as bonus shares, that have changed the number of equity shares outstanding, without corresponding change in the resources.

m) Taxes on Income: - Income Tax for the period is provided as per the provisions of the Income Tax Act, 1961 after considering various deductions available under the Act.

Deferred Tax Income is recognized for "timing differences" between the accounting income and the taxable income using the tax rates and laws that are enacted or substantially enacted as on the Balance Sheet date. The Deferred Tax Asset is recognized and carried forward only to the extent there is a reasonable certainty that the asset will be realized in future.

n) Intangible Assets: - Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a WDV basis commencing from the date the asset is available to the Company for its use. Software being intangible asset in the form of license to use the software is considered as integral part of computers and network. So management has decided to depreciate it as per the useful life of computer server and networks under WDV method as prescribed under schedule II of Companies Act 2013.

o) Impairment of Assets: - In accordance with (AS-28) – Impairment of Assets, the carrying amounts of the Company's assets including intangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indications exist, the assets recoverable amount is estimated, as the higher of the net selling price and the value in use. An impairment loss is recognized whenever the carrying amount of an asset or

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its cash generating unit exceeds its recoverable amount. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is assessed at the recoverable amount subject to a maximum of depreciable historical cost.

- p) Provisions and Contingent Liabilities:** - Provisions involving judgments and estimation in measurement of expenses are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.



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2 Share Capital

Particulars	As on 31/03/2020	As on 31/03/2019
A) Authorized Share Capital 100,00,000 Ordinary Equity Shares of Rs.10/- each	100,00,000	100,00,000
	100,00,000	100,00,000
B) Issued Subscribed & Paid-up Share Capital 66,90,000 Ordinary Equity Shares of Rs.10/- each	66,90,000	66,90,000
	66,90,000	66,90,000

C) Reconciliation of shares outstanding at the beginning & at the end of the reporting period

Particulars	As on 31/03/2020	As on 31/03/2019
Equity Shares		
Balance of number of ordinary equity shares at the beginning of the year	6,690,000	6,690,000
Add : Shares issued and subscribed during the year	-	-
Add : Bonus Shares issued	-	-
Balance of number of ordinary equity shares at the end of the year	6,690,000	6,690,000

D) The rights, preferences and restrictions attached to each class of shares - Equity Shares : The company has one class of equity share having par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. Further the ordinary equity Shares of the company have the rights and restrictions as prescribed in the Companies Act, 2013.

E) Details of shares held by its holding company in the Company - NA

F) Details of Equity shares held by shareholders holding more than 5 % of aggregate shares in the Company.

Particulars	As on 31/03/2020	As on 31/03/2019
Nivrutti Pandurang Kedar		
No. of Shares Held	547,027	547,027
Percentage of holding	8.18%	8.18%
Arjun Ramji Makani		
No. of Shares Held	549,027	547,027
Percentage of holding	8.21%	8.18%
Shubhangi Vijaykumar Kshirsagar		
No. of Shares Held	543,738	543,738
Percentage of holding	8.13%	8.13%
Vijaykumar Hanmant Kshirsagar		
No. of Shares Held	820,661	820,661
Percentage of holding	12.27%	12.27%
Shyam Sundar Dash		
No. of Shares Held	612,923	600,923
Percentage of holding	9.16%	8.98%

G) Terms and details of shares reserved for issue under options and contracts/commitments - Nil

H) Details of ordinary equity shares issued in immediately preceding five years as on the date of Balance sheet.

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a) Aggregate number of fully paid up shares pursuant to contract(s) without payment being received in cash.	-
b) Aggregate number of fully paid up shares by way of bonus.	2,430,000
c) Aggregate number of shares bought back.	-

3 Reserves & Surplus

Particulars	As on 31/03/2020	As on 31/03/2019
Securities Premium		
Opening Balance	77,607,043	77,607,043
For Shares issued during the year	-	-
Less: Utilised for Bonus Shares issued	-	-
Less: IPO Expenses Written Off (Refer Note no 3.1)	-	-
Balance at the end of the year	77,607,043	77,607,043
Surplus in Statement of Profit and Loss		
Balance of Surplus at the beginning of the year	(37,141,343)	17,270,623
Add: (Loss)/Profit for the year	28,047,171	(54,411,965)
Balance of (Deficit)/Surplus at the end of the year	(9,094,171)	(37,141,343)
Total Reserves and Surplus at the end of the year	68,512,872	40,465,700

4 Long-term borrowings

Particulars	As on 31/03/2020	As on 31/03/2019
A) Secured Term Loans from Banks		
State Bank of India Term Loan (Refer Note no 4.1)	25,985,053	36,592,743
Vehicle Loan HDFC Bank (Refer Note no 4.2)	-	528,654
ICICI Vehicle Loan (Refer Note no 4.3)	271,426	648,562
Total A	26,256,479	37,769,959
B) Loans and advances from related parties		
(a) Loan from Relatives of Directors	-	350,000
Total B	-	350,000
Total of Long Term Borrowing (A+B)	26,256,479	38,119,959

Term Loans

4.1. From State Bank of India	ROI	Terms of Repayment
State Bank of India Term Loan	10.25%	Repayable within 39 months to 75 months starting from June 2018.

Secured by hypothecation of Plant & machinery, mortgage of Land & Building of company and individual properties of directors and Personal Guarantee of Directors.

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4.2. From HDFC Bank	ROI	Terms of Repayment
Vehicle Loan HDFC Bank	8.25% to 11.00%	Repayable within 37 months.

(Secured against SML Isuzu Samrat Truck and Jeep Campus).

4.3. From ICICI Bank	ROI	Terms of Repayment
ICICI Vehicle Loan	9.25%	Repayable within 36 months starting from December 2018

5 Deferred Tax Liabilities (net)

The break-up of deferred tax assets and deferred tax liabilities into major components of the respective balances are as follows;

Particulars	As on 31/03/2020	As on 31/03/2019
On depreciation allowance on Fixed Assets	660,958	1,179,886
On others	(7,626,132)	(250,831)
	(6,965,174)	929,055

Deferred tax asset generated out of unabsorbed depreciation and carry forward of losses under tax laws were not recognised in FY 2018-19 on prudence basis. Now recognised.

6 Other long term liabilities

Particulars	As on 31/03/2020	As on 31/03/2019
(a) Creditors for Fixed Assets	-	43,989
(b) Security Deposits from Dealers	6,347,028	8,533,379
	6,347,028	8,577,368

The company collects Security Deposits from Dealers through whom it transacts its business. These are refundable at the time of end of business with the dealers.

7 Long-term provisions

Particulars	As on 31/03/2020	As on 31/03/2019
(a) Provision for Gratuity Payable (Refer note 24.1)	1,328,219	863,189
(b) Provision for warranty (Refer note 7.1)	1,359,191	1,535,116
	2,687,410	2,398,305

7.1 Management has estimated the cost of meeting the warranty obligation regarding micro irrigation systems sold at 0.25% of the sale value. Accordingly every year an amount of 0.25% of sale of materials (total sales minus scrap sale and transport charges recorded in sales bills) is set aside as a provision by debiting the statement of profit and loss. Since the warranty period is 5 years, the provision is carried as a liability over a period of 5 years. Every year 1/5th of the liability diminishes which is debited to the provision and written back to statement of profit and loss. Out of total provision, the amount related to immediately following period of twelve months from the reporting date is identified as short term provision and balance amount is shown as long term provision.

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8 Short-term borrowings

Particulars	As on 31/03/2020	As on 31/03/2019
A) Secured Loans repayable on demand from Bank State Bank of India.	45,201,480	36,941,132
Total of Short Term Borrowings	45,201,480	36,941,132

Particulars	ROI	Terms of Repayment
State Bank of India.	10.25% (Floating)	Repayable on Demand

Secured by hypothecation of Inventory and Book Debts, collateral of Land & Building of company and individual properties of directors and Personal Guarantee of Directors.

9 Trade payables

Particulars	As on 31/03/2020	As on 31/03/2019
Due to Micro, Small and Medium Enterprises	3,868,908	1,294,547
Due to Others	28,553,585	36,617,580
	32,422,493	37,912,127

9.1 As required by the provisions of MSMED Act, 2006 the management has classified Trade Payables as amounts due to MSME and amounts due to other suppliers. Out of the Total amounts payable to MSME the amount overdue as per identified and interest amounting to Rs.7,23,409 /- (31.03.2019 Rs. 2,78,755 /-) is payable on the provisions of the said act has been duly overdue amounts has been duly provided for.

9.2 Trade payables are subject to confirmation, reconciliation and consequential adjustments.

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10 Other current liabilities

Particulars	As on 31/03/2020	As on 31/03/2019
A) Current Maturities of secured Long Term Loans		
State Bank of India Term Loan (Refer Note no 4.1)	10,522,860	10,522,860
Vehicle Loan HDFC Bank (Refer Note no 4.2)	528,654	982,898
ICICI Vehicle Loan (Refer Note no 4.3)	377,136	343,938
Total A	11,428,650	11,849,696
B) Advances received from customers		
Advances from Customers- Uttar Pradesh	-	400,000
Advances from Customers- Karnataka	-	11,791,357
Advances from Customers- Madhya Pradesh	4,364,983	4,848,709
Total B	4,364,983	17,040,066
C) Other payables		
Statutory Liabilities		
Profession Tax	11,325	14,750
TDS Payable	804,734	627,154
GST Payable	1,265,882	1,154,885
Others		
Professional Fees Payable	87,440	92,311
Electricity Bill Payable	545,510	827,720
Telephone Bill Payable	-	6,859
Rent Payable	60,440	69,395
Grampanchayat property tax payable	-	315,462
MLWF Payable	-	2,016
Travelling Expenses Payable to Sales Employees	451,650	239,018
SBI CC Interest payable	420,074	96,580
Market Making fees Payable	88,767	-
BIS License Renewal Charges Payable	84,052	-
Total C	3,819,874	3,446,150
Total of other current liabilities (A+B+C)	19,613,507	32,335,912

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12. Fixed Assets

Sr. No.	Particulars	Gross Block				Depreciation					Net Block	
		01.04.2019	Additions	Sale/ Written Off/ Adjustment	31.03.2020	01.04.2019	Adjustment	2019-20	Written Back	31.03.2020	31.03.2020	31.03.2019
	Tangible Assets											
1	Land	6,376,914	-	-	6,376,914	-	-	-	-	-	6,376,914	6,376,914
2	Building	12,741,637	591,956	-	13,333,592	3,596,286	-	913,676	-	4,509,962	8,823,630	9,145,351
3	Plant and Machinery	87,659,392	950,804	-	88,610,196	36,301,327	-	9,473,400	-	45,774,727	42,835,469	51,358,065
4	Electrical Installations	5,964,274	-	-	5,964,274	3,910,740	-	531,588	-	4,442,328	1,521,945	2,053,533
5	Furniture	1,033,354	-	-	1,033,354	497,208	-	137,628	-	634,836	398,518	536,146
6	Office Equipments	1,202,074	12,737	-	1,214,811	802,047	-	185,228	-	987,275	227,536	400,027
7	Computers	1,276,290	62,682	-	1,338,973	938,053	-	237,331	-	1,175,384	163,588	338,237
8	Mobile	6,037	-	-	6,037	5,735	-	-	-	5,735	302	302
9	Vehicles	5,644,414	313,000	-	5,957,414	2,929,549	-	1,158,661	-	4,088,210	1,869,204	2,714,865
	Sub-Total	121,904,385	1,931,179	-	123,835,565	48,980,946	-	12,637,513	-	61,618,459	62,217,106	72,923,439
	Intangible Assets											
1	Tally Software	43,200	-	-	43,200	40,392	-	1,773	-	42,166	1,034	2,808
2	Website	74,787	-	-	74,787	63,219	-	7,306	-	70,525	4,262	11,568
3	Trade Mark	-	210,000	-	210,000	-	-	132,636	-	132,636	77,364	-
4	SAP Software	-	1,579,707	-	1,579,707	-	-	997,743	-	997,743	581,964	-
	Sub-Total	117,987	1,789,707	-	1,907,694	103,612	-	1,139,458	-	1,243,070	664,624	14,375

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12. Fixed Assets

Sr. No.	Particulars	Gross Block				Depreciation					Net Block	
		01.04.2019	Additions	Sale / Written Off/ Adjustment	31.03.2020	01.04.2019	Adjustment	2019-20	Written Back	31.03.2020	31.03.2020	31.03.2019
	Capital WIP											
1	Trade Mark WIP	210,000	-	210,000	-	-	-	-	-	-	-	210,000
2	SAP Software	1,579,707	-	1,579,707	-	-	-	-	-	-	-	1,579,707
	Sub-Total	1,789,707	-	1,789,707	-	-	-	-	-	-	-	1,789,707
	Total	123,812,079	3,720,886	1,789,707	125,743,259	49,084,558	-	13,776,971	-	62,861,529	62,881,730	74,727,521
	Previous Year	116,905,785	6,906,294	-	123,812,079	34,390,713	-	14,693,845	-	49,084,558	74,727,521	82,515,072

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11 Short-term provisions

Particulars	As on 31/03/2020	As on 31/03/2019
A) Provision for employee benefits		
Salary Payable	2,089,170	1,995,809
Director's Remuneration Payable	135,185	1,067,807
ESIC Payable	26,035	47,072
Provision for Gratuity - Current Obligation (Refer note 24.1)	24,878	16,168
Total A	2,275,268	3,126,856
B) Other Provisions		
Statutory Audit Fees Payable	100,000	250,000
Tax Audit Fees Payable	150,000	150,000
VAT / GST Audit Fees Payable	50,000	50,000
Internal Audit fees Payable	275,000	225,000
Provision for warranty - Current Obligation	755,011	639,194
Consultancy charges	-	405,000
Income Tax Payable AY 20-21	851,620	-
Total B	2,181,631	1,719,194
Total of short term provisions (A+B)	4,456,899	4,846,050

13 Non-current investments

Particulars	As on 31/03/2020	As on 31/03/2019
(a) Investments in Equity Instruments		
Investment in Shares of Samarth Sahakari Bank (4871 shares of face value Rs.100 each) (2422 shares of face value Rs.25 each)	547,650	547,650
Investment in Shares of Janlaxmi Bank	11,100	11,100
	558,750	558,750

14 Long term loans and advances

Particulars	As on 31/03/2020	As on 31/03/2019
Unsecured Considered Good		
A) Capital Advances (Advance for Fixed asset)	-	478,300
Total A	-	478,300
B) Security Deposits		
Deposits With Service Providers	1,016,895	1,370,495
Others	1,221,746	100,000
Total B	2,238,641	1,470,495
Total of long-term loans and advances (A+B)	2,238,641	1,948,795

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15 Inventories

Particulars	As on 31/03/2020	As on 31/03/2019
(a) Raw materials, Stores, Spares and Components	3,257,747	9,230,984
(b) Work-in-progress	2,691,115	2,958,327
(c) Finished goods	25,682,004	23,803,802
	31,630,866	35,993,113

16 Trade receivables

Particulars	As on 31/03/2020	As on 31/03/2019
A) Outstanding for a period exceeding six months		
(a) Unsecured, considered good	45,376,336	40,187,506
(b) Doubtful	47,848,478	43,498,544
B) Other		
Unsecured, considered good	49,573,650	42,897,186
	142,798,464	126,583,236

16.1 Trade receivables are subject to confirmation, reconciliation and consequential adjustments if any.

17 Cash and cash equivalents

Particulars	As on 31/03/2020	As on 31/03/2019
(a) Balances with banks		
Balance in Current Accounts	64,866	577,343
Margin Money for Guarantee/Letter of Credit	4,029,773	4,289,289
Bank Deposits with more than 12 months maturity	224,552	402,276
(b) Cash on hand	282,626	300,828
	4,601,816	5,569,736

18 Short-term loans and advances

Particulars	As on 31/03/2020	As on 31/03/2019
Unsecured considered good		
Advance Tax	-	1,500,000
VAT Refund Receivable 17-18	-	78,026
GST Receivable	1,476,418	6,353,383
GST Receivable but not due	1,261,776	-
TDS Receivable 18-19	-	22,607
TDS Receivable 19-20	186,168	-
TCS Receivable 18-19	-	30,870
Service Tax Refund Receivable	-	86,013
Employee Advances	97,296	131,020
Advances to Suppliers / Creditors	3,162,375	4,291,278
Income Tax refund for 2018-19	1,601,540	-
NSE Fees Refund Receivable	42,000	-
MAT Receivable	851,620	-
	8,679,193	12,493,198

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19 Other current assets

Particulars	As on 31/03/2020	As on 31/03/2019
Unsecured Considered Good		
Accrued Interest on FDs	68,741	53,962
Prepaid Expenses	1,936,192	2,377,697
Subsidy Receivable	10,038,600	9,119,600
	12,043,533	11,551,259

19.1 Under the package scheme of incentives 2013, the annual quantum of incentive is Rs. 55.58 lakh from 2015-16 to 2019-20. Total incentive is claimed amounting to Rs. 227.90 lakhs, out of that Rs.177.51 lakh is actually received. Remaining amount is shown as receivable.

20 Revenues from operations

Particulars	As on 31/03/2020	As on 31/03/2019
Sale of products	232,363,582	222,909,257
	232,363,582	222,909,257

21 Other income

Particulars	As on 31/03/2020	As on 31/03/2019
(a) Interest income		
Interest on Fixed deposits	262,841	208,924
(b) Dividend income		
Dividend on Shares of Samarth Sahakari Bank	60,242	-
Dividend on Shares of TJSB Sahakari Bank	-	75,000
(d) Other non-operating income		
Package Scheme of Incentives - Subsidy	3,454,778	6,721,054
Subsidy Received from MEDA	35,000	-
Other Income	1,035,801	590,308
Gratuity Actuarial assumption gains (Refer note 24.1)	-	789,583
	4,848,662	8,384,869

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22 Cost of materials consumed

Particulars	As on 31/03/2020	As on 31/03/2019
Opening Stock of Raw materials, Stores, Spares and Components	9,230,984	6,648,390
Add :- Purchases of Raw Materials, Stores, Spares and Components	110,517,325	154,438,221
Less :- Closing Stock of Raw Materials, Stores, Spares and Components	(3,257,747)	(9,230,984)
	116,490,562	151,855,627

23 Changes in inventories

Particulars	As on 31/03/2020	As on 31/03/2019
A) Finished Goods		
Opening Inventory of Finished Goods	23,803,802	41,555,464
Less :- Closing Inventory of Finished Goods	(25,682,004)	(23,803,802)
Decrease / (Increase) in Inventory Total (A)	(1,878,202)	17,751,662
B) Work-in-Progress		
Opening Inventory of Work-in-Progress	2,958,327	5,714,937
Less :- Closing Inventory of Work-in-Progress	(2,691,115)	(2,958,327)
Decrease / (Increase) in Inventory Total (B)	267,212	2,756,610
Total Changes in Inventories of Finished Goods		
Work-in- Progress (A+B)	(1,610,990)	20,508,272

24 Employee benefit expenses

Particulars	As on 31/03/2020	As on 31/03/2019
A) Labour		
Wages	3,794,042	2,666,501
Bonus	237,439	164,073
Total (A)	4,031,481	2,830,574
B) Staff		
Salary	13,063,279	19,704,984
Contribution to Provident Fund	424,509	230,180
Contribution to ESIC	256,371	230,083
MLWF Employer Cont	2,808	-
Staff Welfare	46,049	84,699
Total (B)	13,793,016	20,249,946
C) Directors' Remuneration	2,550,000	3,000,000
D) Gratuity Expenses (Refer note 24.1)	473,740	411,909
Total Employee Benefit Expenses (A+B+C+D)	20,848,237	26,492,429

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24.1 Gratuity Expenses:

Details of Gratuity Expenses	As on 31/03/2020	As on 31/03/2019
<u>Change in Present Value of Obligation</u>		
Opening Present Value of Benefit Obligation	879,357	1,257,031
Current Service cost	429,017	315,118
Interest cost	59,796	96,791
Actuarial losses (gains)	(15,073)	(789,583)
Closing Present Value of Benefit Obligation	1,353,097	879,357
<u>Experience Adjustment on Plan Liabilities</u>	-	(751,247)
<u>Changes in Fair Value of Plan Assets</u>	Not Applicable	Not Applicable
<u>Amount Recognised in Balance sheet</u>		
Liability as at the year end	1,353,097	879,357
Fair Value of Plan Assets as at the year end	-	-
Net Obligation as at the year end	1,353,097	879,357
<u>Net Gratuity Cost as at the year end</u>		
Current Service cost	429,017	315,118
Interest cost	59,796	96,791
Actuarial losses (gains)	(15,073)	(789,583)
Net Gratuity Cost (gain)	473,740	(377,674)
<u>Assumption used in Accounting for Gratuity Plan</u>		
Discount Rate	7.70%	7.70%
Salary Escalation Rate	7.50%	7.50%

Gratuity expenses are not recognised in respect of employees, who are not governed by provisions of Payment of Gratuity Act, 1972. The estimates of future salary increase, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

25 Finance costs

Particulars	As on 31/03/2020	As on 31/03/2019
Bank Interest Expenses	7,401,747	10,662,126
Other Interest Expenses	985,631	1,720,314
Other Borrowing Costs	1,224,887	930,112
	9,612,265	13,312,551

R M Drip and Sprinklers Systems Limited
(Formerly known as R M Drip and Sprinklers Systems Private Limited)
Notes attached to and forming part of Financial Statements
for the year ended 31st March, 2020

26 Other expenses

Particulars	As on 31/03/2020	As on 31/03/2019
A) Manufacturing		
Transport Inward	1,228,824	1,880,110
Packing Charges	2,047,358	1,364,476
Factory Expenses	1,330,936	1,543,853
Water Charges	92,500	447,750
Laboratory Expenses	186,375	33,070
Labour Charges	4,701,623	6,153,676
Drip Installation Expenses	7,034,448	3,351,287
	-	
B) Power	9,851,384	8,634,955
C) Rent	819,350	953,581
D) Repairs		
Warranty Expense	579,087	552,979
Maintenance Consumables	942,157	1,663,755
Factory Maintenance	237,607	358,520
Office Maintenance	448,583	540,259
Vehicle Maintenance	286,741	689,170
E) Insurance	615,882	263,378
F) Rates and Taxes		
Others	56,861	41,875
Income Tax Earlier Years	-	238,985
Gram Panchayat property tax	9,100	480,462
Disallowed Input Tax Credit of GST	164,039	-
G) Printing and Stationery	244,951	50,488
H) Transportation		
Transport Outward	5,961,736	7,305,110
I) Bad Debts		
Bad Debts and Balances Written off	231,073	2,594
J) Professional and Legal Expenses		
Consultancy Charges	2,116,796	4,356,411
Legal Expenses	195,245	1,371,903
K) Miscellaneous Expenses		
Telephone and Internet Charges	198,771	313,282
Petrol and Diesel Expenses	882,768	1,031,972
Travelling Expenses	3,724,572	5,252,181
Marketing Expenses	282,429	1,022,607
Business Registration and License Renewal Charges	1,006,836	1,019,447
Advertisement Expenses	211,567	1,262,889

R M Drip and Sprinklers Systems Limited
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Notes attached to and forming part of Financial Statements
for the year ended 31st March, 2020

26 Other Expenses continued

Particulars	As on 31/03/2020	As on 31/03/2019
Sales Commission Expenses	11,723,127	4,164,710
Project Expenses	-	1,564,646
Other Installation Charges	-	115,002
Other Miscellaneous Expenses	91,910	197,383
L) Payment to Auditors :		
Statutory Audit Fees	200,000	250,000
Tax Audit Fees	150,000	150,000
GST Audit Fees	50,000	50,000
for Other Services	37,621	-
	57,942,256	58,672,766

27 Related party disclosures :-

As per Accounting Standard 18 on Related party disclosures as notified under section 188 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 , the related parties of the Company are as follows:

- 1 Key Managerial Personnel - Vijaykumar Kshirsagar - Chairman and Whole time Director
Shyam Sundar Dash - Managing Director
Vijayeta Mudliar - Chief Financial Officer
Anita Pagare - Company Secretary

Related Party Transactions: -

Particulars	As on 31/03/2020	As on 31/03/2019
Key Managerial Personnel		
Managerial Remuneration		
Shyam Sundar Dash	2,550,000	2,400,000
Vijaykumar Kshirsagar	-	600,000
Interest on Unsecured Loan		
Shyam Sundar Dash	20,911	-
A.R Makani	4,611	-
Emoluments		
Chief Financial Officer	572,300	425,129
Company Secretary	148,819	29,375

R M Drip and Sprinklers Systems Limited
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Notes attached to and forming part of Financial Statements
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Related parties transaction Continued:

Particulars	As on 31/03/2020	As on 31/03/2019
Shareholders		
Unsecured Loan Repaid		
Shyam Sundar Dash	1,155,911	-
A.R Makani	704,611	-
Surekha Nivrutti Kedar	100,000	-
Vinod Arjun Makani	250,000	-
(Unsecured loans repaid of Surekha Kedar and Vinod Makani belongs to F.Y. 2015-16)		
Interest on Unsecured Loan		
Surekha Nivrutti Kedar	52,772	-
Vinod Arjun Makani	18,954	-
(Interest on Unsecured loans repaid of Surekha Kedar and Vinod Makani belongs to F.Y. 2018-19)		
Profession Fees Payable		
Arjun Ramji Makani	704,461	-
Nivrutti Pandurang Kedar	259,005	-
(Amount paid to Arjun Makani & Nivrutti Kedar is Profession Fees payable belongs to F.Y.2018-19)		
Remuneration Payable		
Vijaykumar Kshirsagar	783,365	-
(Amount paid to Vijaykumar Kshirsagar is Remuneration payable F.Y.2017-18 Rs.1,83,365/- & F.Y.2018-19 Rs.6,00,000/-)		
Arjun Ramji Makani	124,712	-
(Amount paid to Arjun Makani is Remuneration payable belongs to F.Y.2017-18)		
Consultancy Charges		
Bhairavi Kshirsagar	405,000	150,000
(Amount paid to Bhairavi Kshirsagar is Consultancy charges payable F.Y.2016-17 Rs.2,70,000/- & F.Y.2017-18 - Rs.1,35,000/-)		
Sitting Fees Paid		
Mr. Shyam Sundar Dash	24,000	-
Mr. Vijaykumar Kshirsagar	12,000	-
Mr. Nivrutti Kedar	18,000	-
Mr. Arjun Ramji Makani	12,000	-
Mr. Kewal Handa	24,000	30,000
Mr. Madhav Ganpule	27,000	27,500
Ms. Ulka Kulkarni	33,000	35,000
Professional fees- Non Executive Directors	-	1,200,000
Purchases		
Greaves Cotton Limited	-	1,065,550
Commission Expenses		
Greaves Cotton Limited	-	868,778

R M Drip and Sprinklers Systems Limited
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Notes attached to and forming part of Financial Statements
for the year ended 31st March, 2020

28 Events occurring after Balance sheet date

There are no events subsequent to the balance sheet date, which require adjustment of, or disclosure in the Financial statements.

29 Segment Reporting

The Company is operating only in one segment i.e. Micro Irrigation Systems

30 Earning per share

Particulars	As on 31/03/2020	As on 31/03/2019
Net (Loss) / Profit (considering extra ordinary items, if any)	28,047,171	(54,411,965)
Number of Equity Shares (Weighted Average)	6,690,000	6,690,000
Face Value of Equity	10	10
Basic and Diluted Earning Per share	4.19	(8.13)
Restated Earning Per share		
No. of shares	6,690,000	6,690,000
Diluted Earning Per share	4.19	(8.13)

31 Impaired Assets: -

The Board is of the opinion that there is no impairment loss in the Carrying Amounts of all the assets of the company at the Balance Sheet date. Hence during the financial year company has not provided for impairment loss in the carrying amount of assets.

32 Provisions and Contingent Liabilities: -

Provisions involving judgments and estimation in measurement of expenses are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent Liabilities

Particulars	As on 31/03/2020	As on 3/31/2019
Guarantees given by banks and counter guarantees given by the company	3,300,000	3,300,000
LCs outstanding	8,825,842	9,954,852

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for the year ended 31st March, 2020

33 Previous years figures have been re-grouped, rearranged and reclassified wherever necessary.

34 Financial Impact of Covid-19:

The business operations were hit substantially from 22nd March, 2020 till the end of the year March 2020 due to lockdown. Company experienced severe delays in the execution of new orders owing to the lockdown situation across the Country and the unavailability of all clients but expects normalcy to be achieved only after quarter.

Complete and Significant impact and effect of CoVID-19 on the capital and financial resources, profitability and liquidity position shall be more particularly viewed and disclosed in the Financial statement of March 31, 2021 as almost 2 months from the commencement of financial year has server hit of the COVID -19 and restriction but the brief information shall be given in financial results for the year ended on March 31, 2020 which are in stage of preparation.

Signatures to Notes 1 to 34

**As per our report of even date
for Milind M Kulkarni & Associates
Chartered Accountants
FRN 126975W**

for and on behalf of the board of directors

**CA Atul Deshpande
Partner
Membership No: 118218**

**Shyam Sundar Dash
Managing Director
DIN : 07502666**

**Arjun Ramji Makani
Director
DIN : 00385450**

**Vijayeta Mudliar
Chief Financial Officer**

**Anita Pagare
Company Secretary**

**Place :- Nashik
Date :- August 10,2020**

**Place :- Nashik
Date :- June 25,2020**