

# **RUNIT INVESTMENTS COMPANY LIMITED**

(CIN:L65924WB1981PLC034400)

## **CORPORATE INFORMATION**

<b><u>BOARD OF DIRECTORS</u></b> 1. Mr. Navin Kumar Bhartia ( Director) 2. Mrs. Vineeta Bhartia (Director) 3. Mr. Sanjay Hirjee (Director) 4. Mr. Sougata Dey (Director)	<b><u>REGISTERED OFFICE</u></b> Diamond Heritage, Unit No. 1411, 14 <sup>th</sup> Floor, 16, Strand Road, Kolkata - 700001
<b><u>AUDITORS</u></b> Rustagi & Company 19, R. N. Mukherjee Road, Kolkata - 700001	<b><u>PRINCIPAL BANKER</u></b> Axis Bank Ltd. Shakespeare Sarani, Kolkata – 700071
<b><u>REGISTRAR AND TRANSFER AGENTS</u></b> Niche Technologies Private Limited 3A, Auckland Place, R.No.7A & 7B, 7 <sup>th</sup> Floor, Kolkata - 700017	HDFC Bank. B. B. D. Bag (East) Kolkata - 700001
<b><u>THIRTY SEVENTH ANNUAL GENERAL MEETING</u></b> Date : 30 <sup>th</sup> September, 2019 Time: 2 P.M. Venue: 16 Strand Road, Unit No. 1411, Kolkata - 700001	<b><u>BOOK CLOSURE</u></b> Date: 24/09/2019 to 30/09/2019 (Both Days Inclusive)

E-mail: info@sohamestates.com

Phone : 033 40044409  
033 66044832

## **RUNIT INVESTMENTS COMPANY LIMITED**

(CIN:L65924WB1981PLC034400)

Regd. Office :

**Diamond Heritage, Unit No. 1411,  
16, Strand Road, 14<sup>th</sup> Floor  
Kolkata – 700 001**

### **NOTICE**

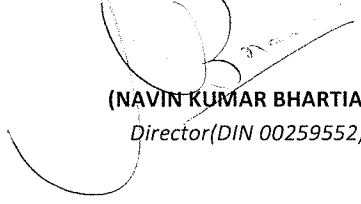
NOTICE is hereby given that the 37<sup>th</sup> Annual General Meeting of the members of **Runit Investments Company Limited** will be held at the Registered office at Diamond Heritage, Unit No.1411, 14<sup>th</sup> Floor, 16, Strand Road, Kolkata - 700001 on **Monday, the 30<sup>th</sup> day of September, 2019** at 2.00 p.m. to transact the following businesses:

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2019 and the Statement of Profit & Loss, Cash Flow Statement for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Navin Kumar Bhartia (DIN: 00259552), who retires by rotation and being eligible offers himself for re-appointment.

**Regd. Office:**  
Diamond Heritage, Unit No.1411  
16, Strand Road,  
Kolkata – 700001  
Dated: 30<sup>th</sup> May, 2019

By Order of the Board  
**For RUNIT INVESTMENTS COMPANY LIMITED**

  
**(NAVIN KUMAR BHARTIA)**  
Director(DIN 00259552)

**Notes:**

**A member entitled to attend and vote at the Annual General Meeting ("the meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and the proxy need not be a member of the Company. The instrument appointing proxy in order to be effective should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than forty-eight hours before commencement of the Meeting.**

2. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. In case of joint shareholder attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. All the Independent Directors have affirmed that they meet the requirements specified under Clause 52 of the listing agreement in respect of their position as an "Independent Director" of the Company.
5. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
6. Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of place of the meeting. Proxy/representative of a member should mark on the Attendance Slip as "Proxy" or "Representative" as the case may be.
7. Members who hold shares in dematerialized mode are requested to intimate any changes pertaining with their bank account details, ECS mandates, nominations, power of attorney, change of address/name etc. to their Depository Participant only and not to the Company's Registrar & Share Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrar & Share Transfer Agent to provide efficient and better service to the members.
8. Members holding shares in physical form are requested to intimate immediately to the Registrars & Share Transfer Agents of the Company, M/s Niche Technologies Pvt Ltd, 3A, Auckland Place, R. No. 7A & 7B, 7<sup>th</sup> Floor, Kolkata – 700017 quoting registered Folio No. (a) details of their bank account / change in bank account, if any, to enable the Company to print these details on the dividend warrants; and (b) change in their address, if any, with pin code number. The following information to be incorporated on the dividend warrants may be furnished:
  - I. Name of Sole/First joint holder and the folio number.
  - II. Particulars of Bank Account, viz.
  - III. Name of the Bank
  - IV. Name of the Branch
  - V. Complete address of the Bank with Pin Code number
  - VI. Bank Account Number allotted by the Bank and nature of the Account (Savings/Current etc.)
9. Register of Members and Share Transfer Books of the Company will remain closed from 24<sup>th</sup> September, 2019 to 30<sup>th</sup> September, 2019 (Both days inclusive).
10. Members desirous of having any information regarding accounts are requested to address their queries at the registered office of the Company at least seven days before the date of the meeting, so that the requisite information is made available at the meeting.
11. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
12. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices, and Circulars etc. from the Company electronically.

13. In terms of Section 72 of the Companies Act, 2013, the shareholders of the Company may nominate a person on whom the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit nomination in SH-13.
14. The Company has entered into agreements with CDSL to offer depository services to the Shareholders. Shareholders can open account with any of the depository participant registered with CDSL.
15. Pursuant to the requirement of the listing agreement, the Company declares that its equity shares are listed on the Calcutta stock exchange. The Company has paid the annual listing fee for the year 2014-15 to the above stock exchange.
16. As a part of "Green initiative in the Corporate Governance", The Ministry of Corporate Affairs vide its circular nos. 17/2011 and 1/2011 dated 21.04.2011 and 29.04.2011, respectively, has permitted the companies to serve the documents, namely, Notice of General Meeting, Balance Sheet, Statement of Profit & Loss, Auditors' Report, Directors' report, etc., to the members through e-mail. The shareholders holding shares in physical form are requested to register their e-mail address with the Registrar & Share Transfer Agents by sending duly signed request letter quoting their folio no., name and address. In case of shares held in demat form, the shareholders may register their e-mail addresses with their DPs (Depository Participants).
17. Members may also note that the Notice of the 37<sup>th</sup> Annual General Meeting and the Annual Report for 2019 will also be available at the Company's Registered Office in Kolkata for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost.

**Regd. Office:**  
Diamond Heritage,  
Unit No. 1411, 14<sup>th</sup> Floor,  
16, Strand Road,  
Kolkata - 700001  
Dated: 30<sup>th</sup> May, 2019

By Order of the Board  
For RUNIT INVESTMENTS COMPANY LIMITED

  
(NAVIN KUMAR BHARTIA)  
Director

## BOARD'S REPORT

To the Members,  
RUNIT INVESTMENTS COMPANY LIMITED,

Your Directors are pleased to present their report on the affairs of the company for the Financial Year ended March 31, 2019.

### FINANCIAL PERFORMANCE

(Audited)

(Amount in Rs. )

Particulars	Financial Year ended	Financial Year ended
	31.03.2019	31.03.2018
Total Revenue	1,30,79,560	1,16,66,136
Profit before Tax & Depreciation	(18,88,515)	67,66,856
Less: Depreciation	34,30,080	17,51,900
Profit before Tax	(53,18,595)	33,83,428
Less: Provision for Income Tax		
i) Current Tax	5,70,076	7,45,490
ii) MAT Credit entitlement	-	2,62,993
iii) Income Tax Paid for earlier years	-	1,02,726
iv) Deferred Tax	(3,56,351)	(3,29,768)
Net Profit/ (Loss)	(55,32,320)	26,01,987

### KEY HIGHLIGHTS

The Total Revenue for the year increased to Rs. 1,30,79,560 in 2018-19 from Rs 1,16,66,136 in 2017-18.

The Net Loss for the year is Rs. 55,32,320 in 2018-19 against profit of Rs. 26,01,987 in the previous year.

### STATE OF COMPANY'S AFFAIR

The Company is engaged in the NBFC business, registered with Reserve Bank of India.

### DIVIDEND

In order to meet the additional working capital requirements of the Company, no Dividend has been declared.

### TRANSFER TO RESERVES:

During the year under review, the company has not transferred any amount to the General Reserve.

### MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There is no Material changes Affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

### LISTING OF SHARES:

The Company's shares are listed on the Calcutta Stock Exchange.

### CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the Business during the Financial year under review.

### NUMBER OF MEETINGS OF THE BOARD

The Board met 10 (Ten) times during the Financial Year 2018-19

### DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL

As per the provisions of the Companies Act, 2013, Mr. Navin Kumar Bhartia retires at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment for approval of the members in the forthcoming Annual General Meeting.

#### **KEY MANAGERIAL PERSONNEL**

Mr. Navin Kumar Bhartia is the Executive Non Independent Director and Chief Executive Officer of the Company and Mr. Anil Kumar Lahoty is Chief Financial Officer of the Company.

#### **INDEPENDENT DIRECTORS**

In terms of sub-section (10) of section 149 of the Companies Act, 2013 (effective from 01-04-2014), every listed company shall appoint Independent Directors, who shall hold office for a term up to 5 (five) consecutive years on the Board of a company and sub section (11) of section 149 states that no Independent Director shall be eligible to be appointed for more than 2 (two) consecutive terms of 5 (five) years.

Further, it may be noted that sub-section (5) of section 149 of the Companies Act, 2013, provides for a transitional period of one year (from 01-04-2014) for re-appointment of the Independent Directors, if eligible, for a consecutive period of 5 (five) years (if it is intended so by the Board) subject to compliance with the eligibility and other prescribed conditions.

In compliance of Section 149 of the Companies Act, 2013, regarding appointment of independent directors, your board have decided to recommend the appointment of Mr. Sanjay Hirjee and Mr. Sougata Dey as independent directors for a further period of 1 year.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

The Independent directors have submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of Section 149 read with Schedule IV of the Companies Act, 2013. The Board confirms that the independent directors meet the criteria as laid down under the Companies Act, 2013.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departures;
- (b) they had 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 at the end of the financial year and of the profit of the company for that period;
- (c) they had 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) they had prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **EXTRACT OF THE ANNUAL RETURN**

The extracts of Annual Return in Form MGT-9 pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 are attached as **Annexure 'B'** to this Report.

#### **STATUTORY AUDITORS**

M/s. Rustagi & Company, Chartered Accountants (Firm Registration No. 301094E), were appointed as Statutory Auditors of the Company under section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, to hold office for a term of five consecutive years from the conclusion of 36<sup>th</sup> Annual General Meeting till the conclusion of the 40<sup>th</sup> Annual General Meeting of the Company to be held in the year 2022, subject to ratification by the Members at every Annual General Meeting.

The Ministry of Corporate Affairs has notified amendments in the provisions of Section 139 of the Companies Act, 2013 and Rules made there under with effect from May 7, 2018. Pursuant to the said amendments, the requirement for ratification of appointment of Statutory Auditors by the Shareholders at every subsequent Annual General Meeting till the conclusion of their tenure has been done away with. Accordingly, the matter is not taken up before members for consideration.

The Company has received a certificate from M/s Rustagi & Company, Chartered Accountants confirming their eligibility to continue as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules framed there under. Further M/s Rustagi & Company, have also confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI as required under the provisions of the regulations of the Regulation 33 of Securities And Exchange Board of India (listing Obligation & Disclosure Requirement)

### **AUDITORS REPORT**

The Auditors Report is self-explanatory and does not require any explanation.

### **SECRETARIAL AUDITORS**

M/s S. K. Kabra & Associates, Practicing Companies Secretaries, was appointed to conduct the secretarial audit of the Company for the financial year 2018-19, as required under Section 204 of the Companies Act, 2013 and Rules there under. The Secretarial audit report for FY 2018-19 forms a part of the Annual Report as Annexure "A" to the Board's Report.

### **SECRETARIAL AUDITORS REPORT**

The observations of the Secretarial Audit report are self explanatory and therefore do not call for any further comments under Section 134 of the Companies Act, 2013.

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

#### **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

**(A) Conservation of energy:**

- (i) Steps taken or impart on conservation of energy :-No such steps were required as the Company is not into any manufacturing activities.
- (ii) Steps taken by the company for utilizing alternate sources of energy:- No such steps were required as the Company is not into any manufacturing activities.
- (iii) Capital Investment on energy conservation equipments:-NIL

**(B) Technology absorption**

- (I) efforts made towards technology absorption:- As the Company is not using any borrowed technology no such steps are required.
- (II) benefit derived:- NA
- (III) In case of imported technology- N.A.
- a) The detail of technology imported
- b) The year of import
- c) Whether the technology been fully absorbed
- d) If not fully absorbed areas where absorption has not been taken place, and the reasons thereof
- (IV) Expenses incurred on R & D: NIL

#### **FOREIGN EXCHANGE EARNINGS AND OUTGO**

PARTICULARS	(Amount in Rs.)	
	CURRENT YEAR	PREVIOUS YEAR
Foreign Exchange Outgo	NIL	NIL
Foreign Exchange Earning	NIL	NIL

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

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

#### **INTERNAL FINANCIAL CONTROL**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

The Company's Internal Control Systems are commensurate with the nature of its business and the size and complexity of its operations.

#### **RISK MANAGEMENT**

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implement the Risk Management Policy for the Company including identification therein of elements of risk, if any, which is in the opinion of the Board may threaten the existence of the Company. These are discussed at the meeting of the Audit Committee and the Board of Directors of the Company.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

The company has not made any investment and given guarantee under Sec 186 of the Companies Act, 2013

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Pursuant to the provisions of Section 135 of the Companies Act, 2013, every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board and shall formulate a Corporate Social Responsibility Policy. Your Company is not falling under the preview of said section during the year.

#### **SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES**

Pursuant to the provisions of the Rule 8 of Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Company's subsidiaries, associates and joint venture companies in Form AOC-1 is attached as **Annexure C**.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

During the year under review, the Company has not entered into any related party transaction falling under sub-section (1) of Section 188 of the Companies Act, 2013. Form for disclosure of particulars of contracts/ arrangements as required under clause (h) of sub-section (3) of section 134 of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014) is provided in the Board Report in the form AOC- 2 as **Annexure D**.

#### **COMPOSITION OF COMMITTEES**

##### **Audit Committee**

As per the provisions of Section 177 of the Companies Act, 2013 your Company has Constituted an Audit committee. The Audit Committee comprises of majority of the Independent Directors. All the members of the Committee have experience in financial matters. The details of the composition of the committee are set out in the following table:

<b>S.No.</b>	<b>Name</b>	<b>Status</b>	<b>Designation</b>
1	Mr. Sougata Dey	Independent Director	Chairman
2	Mr. Sanjay Hirjee	Independent Director	Member
3	Mrs. Vineeta Bhartia	Non Executive and Non Independent Director	Member

##### **Nomination and Remuneration Committee**

Our Company has constituted a nomination and remuneration committee ("Nomination and Remuneration Committee"). The details of the composition of the Committee are set out in the following table:

<b>S. No.</b>	<b>Name</b>	<b>Status</b>	<b>Designation</b>
1.	Mr. Sougata Dey	Independent Director	Chairman
2.	Mr. Sanjay Hirjee	Independent Director	Member
3.	Mr. Navin Kumar Bhartia	Executive and Non Independent Director	Member

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE / INVESTORS GRIEVANCE COMMITTEE**

Our Company has constituted a Stakeholders relationship Committee / investors grievance committee ("Stakeholders relationship committee / Investors Grievance Committee") to redress the complaints of the shareholders.

<b>S. No.</b>	<b>Name</b>	<b>Status</b>	<b>Designation</b>
1.	Mr. Sanjay Hirjee	Independent Director	Chairman
2.	Mr. Sougata Dey	Independent Director	Member
3.	Mrs. Vineeta Bhartia	Non Executive Non Independent Director	Member



#### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Company has formulated a policy known as Nomination and Remuneration Policy to govern the appointment and payment of remuneration to directors and KMPs.

#### **ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES**

The Company has established a vigil mechanism for Directors and employees to report their genuine concerns, as approved by Board on recommendation of Audit Committee.

#### **FORMAL ANNUAL EVALUATION**

The Nomination and Remuneration Committee of the Company has formulated Evaluation Policy during the year, which was approved by the Board of Directors. The Policy provides for evaluation of the Board, the Committee of the Board and individual Directors, including the Chairman of the Board. The policy provides that evaluation of the performance of the Board as a whole, Board Committees and Directors shall be carried out on an annual basis.

#### **CORPORATE GOVERNANCE**

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several best corporate governance practices as prevalent globally. The report on Corporate Governance as stipulated under the Listing Agreement is prepared on the basis of current period applications which forms an integral part of this Report. As during the period under review Corporate Governance were not applicable, therefore Auditors Certification has not been obtained and Management Discussion and analysis report is also not attached. Basic information in the Corporate Governance is given for the sake of investors.

#### **DEPOSITS**

Your Company has neither accepted nor any fixed deposits was outstanding as of the Balance Sheet date.

#### **PARTICULARS OF EMPLOYEES**

Information in accordance with the provisions under section 197(12) of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment of Managerial Personnel) Rules, 2014 are not applicable.

#### **ACKNOWLEDGEMENTS**

The Board of Directors acknowledges with gratitude the co-operation extended by the Company's Bankers and also appreciates the continued trust and confidence reposed by the Shareholders in the management. They also place on record their appreciation for the valuable contribution and whole hearted support extended by the Company's employees at all levels.

By Order of the Board  
For Runit Investments Company Limited

(Navin Kumar Bhartia)

Director DIN: 00259552

Residential Address:  
25B Ballygunge Park,  
Kolkata - 700019, INDIA

*Vineeta Bhartia*

(Vineeta Bhartia)

Director DIN: 00259493

Residential Address:  
25B Ballygunge Park,  
Kolkata - 700019, INDIA

Place: Kolkata

Date: 30<sup>th</sup> May, 2019

# **S.K. KABRA & ASSOCIATES**

10, Ganesh Ch. Avenue  
4<sup>th</sup> Floor, Suite 24A,  
Kolkata-700 013  
Tel: 033-22366332  
Cell: 8013047475/9830747475  
Email: shaileshpooja2002@gmail.com

## **FORM NO. MR-3** **SECRETARIAL AUDIT REPORT** **(For the period FY 2018-19)**

[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 Board of Directors**  
**M/s RUNIT INVESTMENTS COMPANY LIMITED**  
**DIAMOND HERITAGE, 16, STRAND ROAD,**  
**14<sup>TH</sup> FLOOR, UNIT 1411,**  
**KOLKATA-700 001**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s RUNIT INVESTMENTS COMPANY LIMITED** (CIN:L65924WB1981PLC034400). 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 our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on **31<sup>st</sup> MARCH, 2019**, 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s RUNIT INVESTMENTS COMPANY LIMITED** ("The Company") for the period ended on **31<sup>st</sup> MARCH, 2019** according to the provisions of:
  - I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
  - II. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made thereunder;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;



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;

- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) wherever applicable & to the extent applicable to the Company :-
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (Upto 14<sup>th</sup> May, 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Effective 15<sup>th</sup> May, 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 (Share Based Employee Benefits) Regulations, 2014;
  - e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- VI. We have relied on the representation made by the Company & its' Officers for system & mechanism formed by the Company for the compliances under Income Tax Act, 1961.
2. We have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standards as issued by The Institute of Company Secretaries of India.
  - ii. The Listing Agreements entered into by the Company with the Calcutta Stock Exchange Limited and **SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015** made effective **1<sup>st</sup> December 2015**.
  - iii. Other Laws as may be specifically applicable to the Company.

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:-



- The Company has duly filed forms and returns however some forms have been filed with late fee.
  - The Company has did not provide the e-voting facility in the Annual General Meeting held on 29<sup>th</sup> September, 2018 as specified under Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) in consistency with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014.
  - The Company does not have proper website as mandated by the relevant Act.
  - The Company has appointed whole time Company Secretary on 01/11/2018 for the FY 2018-19.
  - The Company has obtained Directors' Disqualification Certificate for the year under reporting but not yet submitted the same to the concerned stock exchange.
3. We further report that the Company has, in our opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:
- a) maintenance of various statutory registers and documents and making necessary entries therein;
  - b) Closure of the Register of Members.
  - c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
  - d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
  - e) notice of Board meetings and Committee meetings of Directors;
  - f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
  - g) the 36<sup>th</sup> Annual General Meeting held on 29th September 2018;
  - h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
  - i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
  - j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors and Whole-time Directors;
  - k) payment of remuneration to Directors including Whole-time Directors,
  - l) appointment and remuneration of Auditors;
  - m) borrowings and registration, modification and satisfaction of charges wherever applicable;
  - n) investment of the Company's funds including investments and loans to others;
  - o) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
  - p) Directors' report;
  - q) contracts, common seal, registered office and publication of name of the Company; and
  - r) Generally, all other applicable provisions of the Act and the Rules made under the Act.

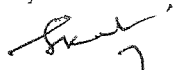


4. **We further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- The Company has obtained all necessary approvals under the various provisions of the Act; and
- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act, 2013, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers. However, an appeal was filed on 12/01/2018 in respect of income tax demand for the A.Y. 2011-12.

The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

For S.K. Kabra & Associates  
Practising Company Secretaries



Signature :

M.N. FCS 7580 (Shailesh Kabra)  
C.P. No. 8281 Proprietor

Place & Date : KOLKATA – 30/05/2019

**SHAILESH KUMAR KABRA**  
**M/s S.K. KABRA & ASSOCIATES**  
**Practising Company Secretaries**  
**Membership No.: FCS 7580**  
**Certificate of Practice No.: 8281**

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


To  
The Members  
**M/s RUNIT INVESTMENTS COMPANY LIMITED**  
**DIAMOND HERITAGE, 14<sup>TH</sup> FLOOR, UNIT 1411,**  
**16, STRAND ROAD,**  
**KOLKATA-700 001**

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

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

For S.K. Kabra & Associates  
Practising Company Secretaries

Signature

  
M.N. FCS 7580 (Shailesh Kabra)  
C.P. No. 8281 Proprietor

Place

: KOLKATA

Date

: 30/05/2019

**SHAILESH KUMAR KABRA**  
**M/s S.K. KABRA & ASSOCIATES**  
**Practising Company Secretaries**  
**Membership No.: FCS 7580**  
**Certificate of Practice No.: 8281**



c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	70000	5729	75729	37.86	70000	5729	75729	37.86	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	3301	3301	1.65	0	3301	3301	1.65	0
Total shareholding of Promoter (A)	91430	9030	100460	50.23	91430	18830	110260	55.13	+4.90
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	14000	14000	7.00	+7.00
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	99540	99540	49.77	0	75740	75740	37.87	-11.90
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	99540	99540	49.77	0	89740	89740	44.87	11.90
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	99540	99540	49.77	0	89740	89740	44.87	11.90
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	91430	108570	200000	100	91430	108570	200000	100	0



ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	
1	Navin Kumar Bhartia	21430	10.72	0	26430	13.22	0	+2.50
2	Vineeta Bhartia	0	0.00	0	4800	2.40	0	+2.40
3	Satyanarain Bhartia Family Trust	3301	1.60	0	3301	1.60	0	0
4	Navin Construction & Credit Pvt. Ltd.	75729	37.86	0	75729	37.86	0	0
		100460	50.18	0	110260	55.08	0	+4.90

iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>There is no change in Promoters Shareholdings</b>				
	At the beginning of the year	100460	50.23	100460	50.23
	Increase in shareholding	0	0	0	0
	At the end of the year	110260	55.08	110260	55.08

iv) 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
	<b>At the beginning of the year</b>				
1	Krishna Kumar Kothari	1000	0.500	0	0
2	Shyam Sundar Maheshwari	750	0.375	0	0
3	Raja Ram Bubna	700	0.350	0	0
4	Shyam Sundar Kothari	700	0.350	0	0
5	Umesh Chandra Gupta	700	0.350	0	0
6	Abhay Kumar Chitlangia	600	0.300	0	0
7	Binod Kumar Dugar	600	0.300	0	0
8	Annu Maheshwari	500	0.250	0	0
9	Bimlesh Chandra Gupta	500	0.250	0	0
10	Dipu Jain	500	0.250	0	0
	<b>TOTAL</b>	<b>6550</b>	<b>3.275</b>	<b>0</b>	<b>0</b>
	<b>At the end</b>				
1	Akshay Pasari	0	0	7500	3.75
2	Shivam Pasari	0	0	6700	3.35
3	Kamal K Karwa	0	0	7300	3.65
4	Saroj K Karwa	0	0	6300	3.15
5	Satya Narain Sharma	0	0	7200	3.60
6	Raj Gourav Debnath	0	0	6900	3.45
7	Jagmata Sales Pvt Ltd	0	0	7200	3.60
8	Swarn Enclave Pvt Ltd.	0	0	6800	3.40
9	Aditya Karwa	0	0	7000	3.50
10	Anjalika Karwa	0	0	6900	3.45
	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>69800</b>	<b>34.90</b>

v) **Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	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
	<b>At the beginning of the year</b>				
	<b>Directors</b>				
1	Navin Kumar Bhartia	21430	10.715	21430	10.715
2.	Vineeta Bhartia	1	0.0005	1	0.0005
	<b>KMP</b>	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	<b>At the end of the year</b>				
	<b>Directors</b>				
1	Navin Kumar Bhartia	26430	13.22	21430	10.715
2.	Vineeta Bhartia	0	0	1	0.0005
	<b>KMP</b>	Nil	Nil	Nil	Nil

V. **INDEBTEDNESS**

-Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	NIL	4,42,93,177.00	NIL	4,42,93,177.00
ii) Interest due but not paid	NIL	0	NIL	0
iii) Interest accrued but not due	NIL	12,94,957.00	NIL	12,94,957.00
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>4,55,88,134.00</b>	<b>NIL</b>	<b>4,55,88,134.00</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	NIL	1,62,97,214.00	NIL	1,62,97,214.00
* Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>	<b>NIL</b>	<b>1,62,97,214.00</b>	<b>NIL</b>	<b>1,62,97,214.00</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	NIL	6,08,75,621.00	NIL	6,08,75,621.00
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	10,09,727	NIL	10,09,727
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>6,18,85,348.00</b>	<b>NIL</b>	<b>6,18,85,348.00</b>

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 (in lacs)
1	Gross salary	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission - as % of profit - others, specify..	0	0
5	Others, please specify	0	0
	<b>Total (A)</b>	<b>0</b>	<b>0</b>

**B. Remuneration to other directors**

SN	Particulars of Remuneration	Name of Directors	NIL			Total Amount
1	Independent Directors		NIL			NIL
	Fee for attending board committee meetings		NIL			NIL
	Commission		NIL			NIL
	Others, please specify		NIL			NIL
	Total (1)					
2	Other Non-Executive Directors					
	Fee for attending board committee meetings		NIL			NIL
	Commission		NIL			NIL
	Others, please specify		NIL			NIL
	Total (2)		NIL			NIL
	Total (B)=(1+2)		NIL			NIL
	Total Managerial Remuneration (A+B)		NIL-			NIL


**C. Remuneration to Key Managerial Personnel other Than MD/Manager/WTD**

SN	Particulars of Remuneration	Key Managerial Personnel				Total
		NIL				
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
2	Stock Option		0			NIL
3	Sweat Equity		0			NIL
4	Commission		0			NIL
	- as % of profit					NIL
	Others, specify...		0			NIL
5	Others, please specify		0			NIL
	Total		0	0.00		NIL

**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)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**By Order of the Board  
For Runit Investments Company Limited**

  
(Navin Kumar Bhartia)  
Director DIN: 00259552  
Residential Address:  
25B Ballygunge Park,  
Kolkata - 700019, INDIA

*Vineeta Bhartia*

(Vineeta Bhartia)  
Director DIN: 00259493  
Residential Address:  
25B Ballygunge Park,  
Kolkata - 700019, INDIA

Place: Kolkata  
Date: 30<sup>th</sup> May, 2019

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	<b>NOT APPLICABLE</b>
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
4.	Share capital	
5.	Reserves & surplus	
6.	Total assets	
7.	Total Liabilities	
8.	Investments	
9.	Turnover	
10.	Profit before taxation	
11.	Provision for taxation	
12.	Profit after taxation	
13.	Proposed Dividend	
14.	% of shareholding	

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year. (remove this line)

**Part "B": Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of associates	North India Wires Ltd	North India LPG Cylinders Ltd.
<b>1. Latest audited Balance Sheet Date</b>	31/03/2019	31/03/2019
<b>2. Shares of Associate held by the company on the year end</b>		
No.	74,450	16,55,375
Amount of Investment in Associates	7,53,928	5,24,648
Extend of Holding%	24.82%	24.52%
3. Description of how there is significant influence	Ownership more than 20%	Ownership more than 20%
4. Reason why the associate is not consolidated	Not a Subsidiary	Not a Subsidiary
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Nil	Nil
6. Profit/Loss for the year		
i. Considered in Consolidation	Nil	Nil
ii. Not Considered in Consolidation	Nil	Nil

For & on behalf of Board

Director

**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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

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

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	N.A.
	Nature of contracts/arrangements/transaction	
	Duration of the contracts/arrangements/transaction	
	Salient terms of the contracts or arrangements or transaction including the value, if any	
	Date of approval by the Board	
	Amount paid as advances, if any	

By Order of the Board  
For Runit Investments Company Limited

(Navin Kumar Bhartia)

Director DIN: 00259552

Residential Address:  
25B Ballygunge Park,  
Kolkata - 700019, INDIA

*Vineeta Bhartia*

(Vineeta Bhartia)

Director DIN: 00259493

Residential Address:  
25B Ballygunge Park,  
Kolkata - 700019, INDIA

Place: Kolkata

Date: 30<sup>th</sup> May, 2019

Annexure-'E'

**PARTICULARS OF EMPLOYEES**

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

None of the Non- Executive Director received any remuneration.

Non-executive directors	Ratio to median Remuneration
Mrs. Vineeta Bhartia	NIL

- b. **The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:**

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mrs. Vineeta Bhartia	N.A.
Mr. Navin Kumar Bhartia	N.A.
Mr. Anil Kumar Lahoty	9%
Mrs. Shilpa Kabra	N.A.
Ms. Priyanka Sharma	N.A.

- c. **The percentage increase in the median remuneration of employees in the financial year:** N.A.

- d. **The number of permanent employees on the rolls of Company:** 2

- e. **The explanation on the relationship between average increase in remuneration and Company performance:**

On an average, employees received an annual increase of 10.00%. The increase in remuneration is in line with the market trends. In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

- f. **Comparison of the remuneration of the key managerial personnel against the performance of the Company:**

Aggregate remuneration of key managerial personnel (KMP) in FY19 (in Lacs)	NIL
Revenue (Lacs)	130.80
Remuneration of KMPs (as % of revenue)	7.64%
Profit/(Loss) before Tax (PBT) (Lacs)	(53.19)
Remuneration of KMP (as % of PBT)	N.A.

- g. **Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:** NIL

- h. **There is no change in the market capitalization of the Company as on 31<sup>st</sup> March, 2019. The Company has not made any public offer in the recent past and accordingly comparison of public offer price and the current market price of the Company's shares will not be relevant.**

- i. **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:**

Average Salary Increase for employees – 10.00%

Average Salary Increase for KMP's – 9%

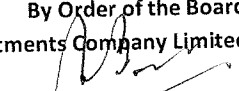
- j. Comparison of remuneration of the each key managerial personnel against the performance of the Company:

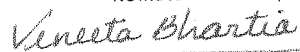
Directors	Remuneration in FY19 (Lacs)	Revenue (Lacs)	Remuneration as % of revenue	Profit/(Loss) before Tax (PBT) (Lacs)	Remuneration (as % of PBT)
Mrs. Vineeta Bhartia	NIL	130.80	N.A.	(53.19)	N.A.
Mr. Navin Kumar Bhartia	NIL	130.80	N.A.	(53.19)	N.A.

- k. The key parameters for any variable component of remuneration availed by the directors: N.A.
- l. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: N.A.
- m. Affirmation that the remuneration is as per the remuneration policy of the Company:

Note:- Calculation of remuneration is on the basis of Yearly remuneration which is calculated on the basis of monthly remuneration of the month of March.

By Order of the Board  
For Runit Investments Company Limited:

  
(Navin Kumar Bhartia)  
Director DIN: 00259552  
Residential Address:  
25B, Ballygunge Park,  
Kolkata - 700019,

  
Vineeta Bhartia

(Vineeta Bhartia)  
Director DIN: 00259493  
Residential Address:  
25B, Ballygunge Park,  
Kolkata - 700019,

Place: Kolkata  
Date: 30<sup>th</sup> May, 2019



## CORPORATE GOVERNANCE REPORT

Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to create enduring value for all.

### STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Governance policy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders.

#### Governance Structure

The Corporate Governance structure at RUNIT INVESTMENTS COMPANY LIMITED is as follows:

##### 1. Board of Directors:

The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's Management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.

##### 2. Committees of the Board:

The Board has constituted the following Committees viz, Audit Committee, Remuneration and Nomination Committee and Stakeholder Relationship Committee/Investors Grievance Committee. Each of the said Committee has been mandated to operate within a given framework.

### BOARD OF DIRECTORS

#### Size and Composition of the Board and Attendance Status

The composition of the board is in line with the Listing Agreement. The Board of Directors of the Company consists of 4 Directors; out of which 2 (Two) are Non Executive-Independent Directors, and 1 (One) is Non- Executive Non- Independent Director. The Chairman of the Board is an Executive Non Independent Director.

The composition of the Board, category of Directors and Attendance Status at the Board meetings and AGM are as under:

Name of the Director	Category	Designation	No. of membership in Boards of other companies	No. of Board Meetings Attended	Attendance of each director at last AGM
Mr. Navin Kumar Bhartia	Promoter & Executive Director	Director & CEO	17 and 8 LLP	10	Yes
Mrs. Vineeta Bhartia	Promoter and Non-Executive Director	Director	17 and 7 LLP	8	Yes
Mr. Sougata Dey	Independent Director	Independent Director	11	8	Yes
Mr. Jayvardha Kayan (Till 18.05.2018)	Independent Director	Independent Director	2	1	N. A.
Mr. Sanjay Hirjee (From 18.05.2018)	Independent Director	Independent Director	Nil	6	No

None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors.

#### Independent Directors

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Rules made there under and meet with

requirement of Clause 52 of the SME Equity Listing Agreement entered into with the Stock Exchanges.

#### **Board Meetings**

Ten Board Meetings were held during the financial year 2018-2019. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Agreement.

The details of Board meetings are given below:

<b>Date</b>	<b>Board Strength</b>	<b>No. of Directors Present</b>
April 03, 2018	4	4
May 18, 2018	4	3
June 30, 2018	4	3
July 31, 2018	4	3
August 14, 2018	4	3
August 27, 2018	4	3
October 31, 2018	4	3
January 31, 2019	4	4
February 18, 2019	4	3
March 11, 2019	4	4

#### **Meetings of Independent Directors**

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views. The Independent Director takes appropriate steps to present their views to the Chairman and Managing Director. One meeting of Independent Directors was held during the Financial Year 2018-19.

#### **Board's Procedures**

It has always been the Company's policy and practice that apart from matters requiring Board's approval by statute, all major decisions including quarterly results of the Company, financial restructuring, capital expenditure proposals, collaborations, material investment proposals in joint venture/promoted companies, sale and acquisition of material nature of assets, mortgages, guarantees, donations, etc. are regularly placed before the Board. This is in addition to information with regard to actual operations; major litigation feedback reports, information on senior level appointments just below the Board level and minutes of all Committee Meetings.

#### **CODE OF CONDUCT**

The Company has in place Code of Conduct (the Code) applicable to all the Directors & Senior Management. The Code is applicable to Directors & Senior Management to such extent as maybe applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company viz-Customer Value, Integrity and Excellence.

The Company has also placed a separate code for Independent Directors. It helps in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.

A copy of these Codes is available at the registered office of the company. The Codes has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

A declaration signed by the Director is published in this Report.

#### **BOARD COMMITTEE**

The Board of directors has constituted Board committees to deal with specific areas and activities which concern the company and need a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Board Committees play an important role in overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals, takes necessary steps to perform its duties entrusted by the Board. To ensure good governance, the Minutes of the Committee Meetings are placed before the Board for their noting.

Details of the Board Committees and other related information are provided hereunder:

#### **A. AUDIT COMMITTEE Composition**

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and clause 52 of the Listing Agreement, an audit committee comprising of majority of Independent Directors had been constituted to perform all such powers and functions as were required to be performed under the said provisions.

#### **Meetings & Attendance**

The Audit Committee met four times in the financial Year 2018-19. The constitution and attendance of Audit Committee is as given below:

<b>Name of Member</b>	<b>Designation</b>	<b>Nature of Directorship</b>	<b>Attendance</b>
Mr. Sanjay Hirjee	Chairman	Independent Director	Four
Mr. Sougata Dey	Member	Independent Director	Four
Mrs. Vineeta Bhartia	Member	Non- Executive Director & Non-Independent	Four

#### **Terms of Reference**

#### **Powers of Audit Committee**

The Audit Committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### **Role of Audit Committee**

The role of the Audit Committee shall include the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section

134 of the Companies Act, 2013

- Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  - Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  - Approval or any subsequent modification of transactions of the company with related parties;
  - Scrutiny of inter-corporate loans and investments;
  - Valuation of undertakings or assets of the company, wherever it is necessary;
  - Evaluation of internal financial controls and risk management systems;
  - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
  - Discussion with internal auditors of any significant findings and follow up there on;
  - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  - 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;
  - 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;
  - To review the functioning of the Whistle Blower mechanism;
  - 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 and background, etc. of the candidate;

- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Reviewing the following information:

The Audit Committee shall mandatorily review the following information:

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

## B. NOMINATION AND REMUNERATION COMMITTEE

### Terms of Reference

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing / Whole-time Director(s)/KMPs
- Reviewing the performance of the Managing / Whole-time Director/KMPs and recommending to the Board, the quantum of annual increments and annual commission.

### Composition

The Board of Directors constituted a Nomination and Remuneration Committee comprising three Non- Executive Directors on 27<sup>th</sup> March, 2015. The Nomination and Remuneration Committee met four times during the financial year 2018-19. The Committee and attendance is given below:

Name of Member	Designation	Nature of Directorship	Attendance
Mr.Sougata Dey	Chairman	Independent Director	Four
Mr. Sanjay Hirjee	Member	Independent Director	Four
Mrs. Vneeta Bhartia	Member	Executive Director & Non-Independent Director	Four

The function of the Nomination and Remuneration Committee includes recommendation of appointment of Whole-time Director(s)/ Managing Director/Joint Managing Director and recommendation to the Board of their remuneration.

### Remuneration Policy

The company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice. Nomination and Remuneration policy is available at the Company's Website.

### Equity Shares held by the Directors

Except as stated hereunder, none of the directors, held any shares in the Company as on March 31, 2019:

Name of the Director	No. of Shares Held	% of Shareholding
Mr. Navin Kumar Bhartia	26430	10.72%
Mrs. Vineeta Bhartia	4800	2.4%

The Company does not have any Stock Option Scheme for its employees.

### C. Stakeholder Relationship Committee/Investors Grievance Committee

The Stakeholders relationship Committee / Investors Grievance Committee was constituted vide resolution passed at the meeting of the Board of Directors held on 18th December, 2014. The Shareholder Grievance Committee, inter alia, oversees and reviews all matters connected with the investor services in connection with applications received and shares allotted in the Initial Public Offer, status of refund account, conversion of partly paid shares into fully paid shares, rematerialization and dematerialization of shares and transfer of shares of the Company.

The Committee oversees performance of the Registrar and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services.

The Board has delegated the power of approving transfer of securities to the officers of the Company.

Four meetings were held during the Financial year 2015-16. The constitution of the Committee and attendance of each member is as given below:

Name of Member	Designation	Nature of Directorship	No. of Meeting attended
Mr. Sanjay Hirjee	Chairman	Independent Director	Four
Mr. Sougata Dey	Member	Independent Director	Four
Mrs. Vineeta Bhartia	Member	Non Executive Director & Non Independent	Four

#### Compliance Officer

Mr. Navin Kumar Bhartia is the Compliance Officer w. e. f. June 1, 2014 and is complying with the requirements of the Listing Agreement with the Stock Exchanges and requirements of SEBI (Prohibition of Insider Trading) Regulation, 2015.

#### Complaints from Investors

No. of complaints pending at the beginning of the year	Nil
No. of complaints received by correspondence during the year ended 31.03.2019	Nil
No. of complaints received for Refund / Instrument correction during the year	Nil
No. of complaints received from BSE during the year	Nil
No. of complaints received from DSE during the year	Nil
No. of complaints received from SEBI during the year	Nil
No. of complaints resolved / replied during the year	Nil

No. of Investors complaints pending at the ending of the year 31.03.2019 Nil

We confirm that No complaints remained unattended / pending for more than 30 days.  
There were no share transfers pending for registration for more than 15 days as on the said date.

#### General Body Meetings

Annual General Meetings (AGM)

Year	Date, Time & Venue	Matters for Special Resolution passed
36 <sup>th</sup> AGM 2017-2018	29.09.2018, 02.00 PM Registered Office	NIL
35 <sup>th</sup> AGM 2016-2017	26.09.2017, 02.00 PM Registered Office	NIL

34 <sup>th</sup> AGM 2015-2016	30.09.2016, 02.00 PM Registered Office	NIL
33 <sup>rd</sup> AGM 2014-2015	30.09.2015, 04.00 PM Registered Office	NIL
32 <sup>nd</sup> AGM 2013-2014	30.09.2014 , 10.00 AM Registered Office	NIL

No Extraordinary General Meeting was held during the year 2018-19.

No Postal Ballot was made during the year 2018-19.

#### Subsidiaries

The Company has no subsidiary.

#### Disclosures

There are no materially significant related party transactions made by the Company with its Promoters, Directors or management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large. The transactions with related parties as per requirements of Accounting Standard (AS-18)-'Related Party Disclosures' are disclosed in Notes to Accounts Section in the Annual Report.

All mandatory requirement as per Clause 52 of the Listing Agreement have been complied with by the Company. There were no restriction and penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital market during the year under review.

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and there is no statutory audit qualification in this regard.

#### Vigil Mechanism/ Whistle Blower Policy

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

#### Adoption of Mandatory and Non-mandatory Requirements of Clause 52

The Company has complied with all mandatory requirements of Clause 52 of the Listing Agreement. The Company has not adopted any non-mandatory requirements of Clause 52 of the Listing Agreement.

#### Means of Communication

Quarterly/Half yearly report sent to each household of shareholders	No	
Quarterly/Half Yearly/Yearly results of the Company normally published in	News paper	
Any website where financial results and official news displayed	<a href="http://www.cse.india.com">www.cse.india.com</a>	
Whether any advertisement also displayed officials news releases And presentations made to institutions or investors/analysts	No presentation made	
Whether management discussions and analysis forms part of Annual Report	Yes	
Whether shareholders information section forms part of Annual Report	Yes	

### General Shareholders' Information

Scheduled AGM's Day, Date, Time & Venue	<b>37<sup>th</sup> ANNUAL GENERAL MEETING</b> 30 <sup>th</sup> September, 2019 Monday at 2.00 PM Diamond Heritage, Unit No. 1411, 14 <sup>th</sup> Floor, 16, Strand Road, Kolkata – 700001
Tentative Financial Year 2019-2020	<ul style="list-style-type: none"> <li>Financial reporting for the half year ending 30<sup>th</sup> September 2019: <b>By 31<sup>st</sup> October 2019 for UFR</b></li> <li>Financial reporting for the half year/year ending 31<sup>st</sup> March, 2020: <b>By 31<sup>st</sup> May 2020 for AFR.</b></li> </ul>
Book Closure Period	24 <sup>th</sup> September 2019 to 30 <sup>th</sup> September 2019 both days inclusive
Dividend	In order to meet the additional working capital requirements of the Company, No Dividend has been declared.

Registered Office	Diamond Heritage, Unit No. 1411, 14 <sup>th</sup> Floor, 16, Strand Road, Kolkata - 700001 Email id: info@sohamestates.com
Listing of Equity Shares on Stock Exchanges and Payment of Listing Fee	Calcutta Stock Exchange (CSE) Annual Listing fee for the year 2018-19, has been paid by the Company to Stock Exchange.
Registrar & Transfers Agents	<b>Niche Technologies Pvt. Ltd</b> 3A, Auckland Place, R.No.7A & 7B, 7 <sup>th</sup> Floor, Kolkata – 700017 Phone: 91-33-22806616/17/18, Email: nichetechpl@nichetechpl.com
Share Transfer System	Share Transfer in physical form can be lodged at Registered office of the Company.
ISIN for Equity Shares	INE559E01019
Scrip Code	N. A.

### Stock Market Price Data on Calcutta Stock Exchange:

Month	Calcutta Stock Exchange	
	High (Rs.)	Low (Rs.)
April, 2018	N.T.	N.T.
May, 2018	N.T.	N.T.
June, 2018	N.T.	N.T.
July, 2018	N.T.	N.T.
August, 2018	N.T.	N.T.
September, 2018	N.T.	N.T.
October, 2018	N.T.	N.T.
November, 2018	N.T.	N.T.
December, 2018	N.T.	N.T.
January, 2019	N.T.	N.T.
February, 2019	N.T.	N.T.
March, 2019	N.T.	N.T.

Note: N.T. denotes No Trading



Shareholding pattern as on 31 <sup>st</sup> March 2019:-CATEGORY		NO. OF SHARE HELD	% OF SHAREHOLDING
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>		
<b>1</b>	<b>Indian</b>		
(a)	Individuals/Hindu Undivided Family	31230	15.61
(b)	Bodies Corporate/ Trust	79030	39.52
	<b>Sub Total (A)(1)</b>	<b>110260</b>	<b>55.13</b>
<b>2</b>	<b>Foreign</b>	NIL	NIL
	<b>Sub Total (A)(2)</b>	<b>NIL</b>	<b>NIL</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>110260</b>	<b>55.13</b>
<b>(B)</b>	<b>Public Shareholding</b>		
<b>1</b>	<b>Institutions</b>		
(a)	Market Makers	0	0
	<b>Sub Total (B)(1)</b>		
<b>2</b>	<b>Non-Institutions</b>		
(a)	Bodies Corporate	14000	7.00%
(b)	Individuals	75740	0
i.	Individual shareholders holding nominal share capital up to Rs. 1 Lakh	75740	37.87
ii.	Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	0	
(c)	Other		
	<b>Sub Total (B)(2)</b>	<b>89740</b>	<b>44.87</b>
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>89740</b>	<b>44.87</b>
	<b>TOTAL (A)+ (B)</b>	<b>200000</b>	<b>100.00</b>
(C)	Shares held by Custodians and against which depository Receipts have been issued	0	0
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>200000</b>	<b>100.00</b>

#### Distribution of Shareholding

Share holding Range	No. of Shareholders	%	Total Shares	%
UP TO 500	165	92.18%	19940	9.97%
501 1000	0	0%	0	0%
1001 5000	2	1.12%	8101	4.05%
5001 & ABOVE	12	6.70%	171959	85.98%
<b>TOTAL</b>	<b>179</b>	<b>100.00%</b>	<b>200000</b>	<b>100.00%</b>

#### Dematerialization of shares and liquidity

45.715% of the Company's Paid up Equity Shares Capital is in the dematerialized form as on 31<sup>st</sup> March, 2019.

#### Address for Correspondence

**(a) Investor Correspondence:** For any query in relation to the shares of the Company.

##### For Shares held in Physical Form:

Secretarial Department,  
Runit Investments Company Limited  
Diamond Heritage,  
Unit No. 1411, 14<sup>th</sup> Floor,  
16, Strand Road,  
Kolkata - 700001, India  
T: +91 33 40044409

**For Shares held in Demat Form**

To the Investors' Depository participant(s) and / or **Niche Technologies Pvt. Ltd.** at the above address

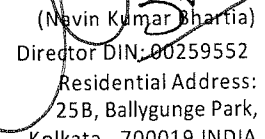
**For grievance redressal and any query on Annual Report**

Secretarial Department  
Runit Investments Company Limited  
Diamond Heritage,  
Unit No. 1411, 14<sup>th</sup> Floor,  
16, Strand Road,  
Kolkata - 700001, India  
T: +91 33 40044409  
Email: info@sohamestates.com

**Compliance Certificate of the Auditors/ Practicing Company Secretary**

Compliance Certificate for the Financial Year 2018-19 is attached.

**By Order of the Board  
For Runit Investments Company Limited**

  
(Navin Kumar Bhartia)  
Director DIN: 00259552  
Residential Address:  
25B, Ballygunge Park,  
Kolkata - 700019, INDIA

Vineeta Bhartia

(Vineeta Bhartia)  
Director DIN: 00259493  
Residential Address:  
25B, Ballygunge Park,  
Kolkata - 700019, INDIA

Place : Kolkata  
Date: 30<sup>th</sup> May, 2019

## **S.K. KABRA & ASSOCIATES**

10, Ganesh Ch. Avenue  
4<sup>th</sup> Floor, Suite 24A,  
Kolkata-700 013  
Tel: 033-22366332  
Cell: 8013047475/9830747475  
Email: shaileshpooja2002@gmail.com

### **FORM NO. MR-3** **SECRETARIAL AUDIT REPORT**

**(For the period FY 2018-19)**

[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 Board of Directors**  
**M/s RUNIT INVESTMENTS COMPANY LIMITED**  
**DIAMOND HERITAGE, 16, STRAND ROAD,**  
**14<sup>TH</sup> FLOOR, UNIT 1411,**  
**KOLKATA-700 001**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s RUNIT INVESTMENTS COMPANY LIMITED** (CIN:L65924WB1981PLC034400). 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 our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on **31<sup>st</sup> MARCH, 2019**, 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s RUNIT INVESTMENTS COMPANY LIMITED** ("The Company") for the period ended on **31<sup>st</sup> MARCH, 2019** according to the provisions of:
  - I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
  - II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;



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;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') wherever applicable & to the extent applicable to the Company :-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (Upto 14<sup>th</sup> May, 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Effective 15<sup>th</sup> May, 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 (Share Based Employee Benefits) Regulations, 2014;
- e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

VI. We have relied on the representation made by the Company & its' Officers for system & mechanism formed by the Company for the compliances under Income Tax Act, 1961.

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

- i. Secretarial Standards as issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with the Calcutta Stock Exchange Limited and **SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015** made effective **1<sup>st</sup> December 2015**.
- iii. Other Laws as may be specifically applicable to the Company.

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:-



- The Company has duly filed forms and returns however some forms have been filed with late fee.
  - The Company has did not provide the e-voting facility in the Annual General Meeting held on 29<sup>th</sup> September, 2018 as specified under Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) in consistency with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014.
  - The Company does not have proper website as mandated by the relevant Act.
  - The Company has appointed whole time Company Secretary on 01/11/2018 for the FY 2018-19.
  - The Company has obtained Directors' Disqualification Certificate for the year under reporting but not yet submitted the same to the concerned stock exchange.
3. We further report that the Company has, in our opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:
- a) maintenance of various statutory registers and documents and making necessary entries therein;
  - b) Closure of the Register of Members.
  - c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
  - d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
  - e) notice of Board meetings and Committee meetings of Directors;
  - f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
  - g) the 36<sup>th</sup> Annual General Meeting held on 29th September 2018;
  - h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
  - i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
  - j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors and Whole-time Directors;
  - k) payment of remuneration to Directors including Whole-time Directors,
  - l) appointment and remuneration of Auditors;
  - m) borrowings and registration, modification and satisfaction of charges wherever applicable;
  - n) investment of the Company's funds including investments and loans to others;
  - o) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
  - p) Directors' report;
  - q) contracts, common seal, registered office and publication of name of the Company; and
  - r) Generally, all other applicable provisions of the Act and the Rules made under the Act.

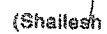


4. **We further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- The Company has obtained all necessary approvals under the various provisions of the Act; and
- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act, 2013, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers. However, an appeal was filed on 12/01/2018 in respect of income tax demand for the A.Y. 2011-12.

The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

For S.K. Kabra & Associates  
Practising Company Secretaries

Signature :  M.N. FCS 7580 (Shailesh Kabra)  
C.P. No. 8281 Proprietor

Place & Date : KOLKATA – 30/05/2019

**SHAILESH KUMAR KABRA**  
**M/s S.K. KABRA & ASSOCIATES**  
**Practising Company Secretaries**  
**Membership No.: FCS 7580**  
**Certificate of Practice No.: 8281**

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

**Annexure "A"**


To  
The Members  
**M/s RUNIT INVESTMENTS COMPANY LIMITED**  
**DIAMOND HERITAGE, 14<sup>TH</sup> FLOOR, UNIT 1411,**  
**16, STRAND ROAD,**  
**KOLKATA-700 001**

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

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

For S.K. Kabra & Associates  
Practising Company Secretaries

Signature

  
M.N. FCS 7580 (Shailesh Kabra)  
: C.P. No. 8281 Proprietor

Place

: KOLKATA

Date

: 30/05/2019

**SHAILESH KUMAR KABRA**  
**M/s S.K. KABRA & ASSOCIATES**  
**Practising Company Secretaries**  
**bership No.: FCS 7580**  
**Certificate of Practice No.: 8281**

## **S.K. KABRA & ASSOCIATES**

**Company Secretaries**

10, Ganesh Ch. Avenue,

4<sup>th</sup> Floor, Suite 24A,

Kolkata-700 013

Tel: 033-22366332

Email: shaileshpooja2002@gmail.com

### **Form No. MGT-8**

[Pursuant to section 92(2) of the Companies Act, 2013 and rule 11(2) of Companies (Management and Administration) Rules, 2014]

#### **CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE**

We have examined the registers, records and books and papers of **M/s RUNIT INVESTMENTS COMPANY LIMITED** (CIN: L65924WB1981PLC034400) (the Company) as required to be maintained under the Companies Act, 2013 (the Act) and the rules made there under for the financial year ended on **31<sup>st</sup> March, 2019**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that:

- A. The Annual Return states the facts as at the close of the aforesaid financial year correctly and adequately.
- B. During the aforesaid financial year the Company has complied with provisions of the Act & Rules made there under in respect of:
  1. Its status under the Act;
  2. Maintenance of registers/ records & making entries therein within the time prescribed therefore;
  3. Filing of forms and returns as stated in the annual return, with the Registrar of Companies, Regional Director, Central Government, the Tribunal Court or other authorities within/ beyond the prescribed time;
  4. Calling/convening/holding meetings of Board of Directors or its committees, if any, and the meetings of the members of the company on due dates as stated in the annual return in respect of which meetings, proper notices were given and the proceedings including the circular resolutions and resolutions passed by postal ballot, if any, have been properly recorded in the Minute Book/ registers maintained for the purpose and the same have been signed;
  5. Closure of Register of Members / Security holders, as the case may be;
  6. Advances/loans to its directors and/or persons or firms or companies referred in section 185 of the act;
  7. Contracts/arrangements with related parties as specified in section 188 of the Act;



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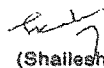
"2"

8. Issue or allotment or transfer or transmission or buyback of securities/redemption of preference shares or debentures/alteration or reduction of share capital/conversion of shares/securities and issue of security certificates in all instances;
9. Keeping in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act;
10. Declaration/ payment of dividend; transfer of unpaid/ unclaimed dividend/other amounts as applicable to the Investor Education and Protection Fund in accordance with section 125 of the Act;
11. Signing of audited financial statement as per the provisions of section 134 of the Act and report of directors is as per sub-sections (3), (4) and (5) thereof;
12. Constitution/ appointment/ re-appointments/ retirement/ filling up casual vacancies/ disclosures of the Directors, Key Managerial Personnel and the remuneration paid to them;
13. Appointment/ reappointment/ filling up casual vacancies of auditors as per the provisions of section 139 of the Act;
14. Approvals required to be taken from the Central Government, Tribunal, Regional Director, Registrar, Court or other authorities under the various provisions of the Act;
15. Acceptance/ renewal/ repayment of deposits;
16. Borrowings from its directors, members, public financial institutions, banks and others and others and creation/ modification/ satisfaction of charges in that respect, wherever applicable;
17. Loans and investments or guarantees given or providing of securities to other bodies corporate or persons falling under the provisions of section 186 of the Act;
18. Alteration of the provisions of the Memorandum and/ or Articles of Association of the Company;

For S.K. Kabra & Associates  
Practising Company Secretaries

Place: KOLKATA

Signature

  
M.N. FCS 7580 (Shailesh Kabra)  
C.P. No. 8281 Proprietor

Date: 30/05/2019

Name of PCS : SHAILESH KUMAR KABRA  
C.P. No. : 8281

Note: The qualification, reservation or adverse remarks; if any, may be stated at the relevant place(s).

**A N N U A L R E P O R T**

**2 0 1 8 - 2 0 1 9**

RUSTAGI & CO.  
Chartered Accountants  
19, R.N. Mukherjee Road  
1<sup>st</sup> Floor, Eastern Building  
Kolkata-700 001

**RUNIT INVESTMENTS COMPANY LTD.**



**INDEPENDENT AUDITORS' REPORT**

To the Members of

**M/S. RUNIT INVESTMENTS COMPANY LIMITED**

**Opinion**

We have audited the accompanying financial statements of **M/S. RUNIT INVESTMENTS COMPANY LIMITED** which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss for the year and Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and **Profit** for the year ended on that date.

**Basis for Opinion**

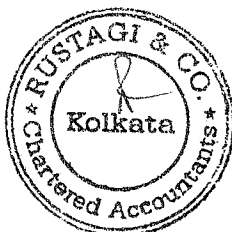
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key Audit Matters are those matters that, in our professional judgement, 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 informing our opinion thereon, and we do not provide a separate opinion on these matters.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, but does not include the financial statements and our auditor's report thereon.



Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

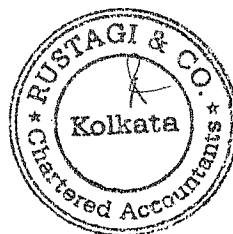
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. That Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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.

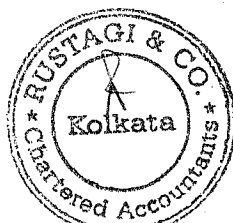
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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



2. As required by Section 143(3) of the Companies Act, 2013 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 appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of written representations received from the directors, as on 31st March, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of sub-section (2) of Section 164 of the Companies Act, 2013;
- 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 B";
- g) 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(16) of the Act, and
- h) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and information and according to the explanation given to us:-
  - 1) The Company does not have any pending litigations which would impact its financial position.
  - 2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

For RUSTAGI & Co.  
Chartered Accountants  
Firm Registration No. 301094E

*Ashish Rustagi*  
(ASHISH RUSTAGI)  
Partner  
Membership No. :062982



Place: Kolkata  
Date:30.05.2019

**Annexure - A to the Auditors' Report**

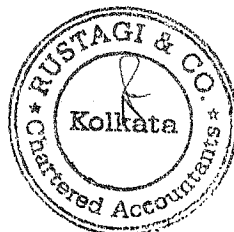
**ADDITIONAL INFORMATION ANNEXED TO THE INDEPENDENT AUDITORS' REPORT**

As required by the Companies (Auditor's Report) Order, 2016, issued by the Company Law Board in terms of section 143(11) of the Companies Act, 2013, and on the basis of such checks as we considered appropriate and as per the information and explanations given to us during the course of audit, we further state that:

- (i) In respect of fixed assets:
- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed Assets.
  - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) According to information and explanation given to us, the stock-in-Trade (securities) is kept in Demat form, hence the stock in trade are only reconciled/verified with the Demat account statements by the management at reasonable levels.
- (iii) In respect of loans, secured or unsecured, granted by the Company to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, according to the information and explanation given to us:
- (a) The Company has granted unsecured loans & advances to 2 (Two) body corporate covered in the register maintained under section 189 of the Companies Act, 2013.
  - (b) In our opinion, the rate of interest and other terms and conditions on which the loan have been granted to the body corporate listed in the register maintained under Section 189 of the Act is not, prima facie, prejudicial to the interest of the Company.
  - (c) In the case of the loan granted to the body corporate listed in register maintained under Section 189 of the Act, repayment of principal is as stipulated & payment of interest have been regular.
  - (d) There is no overdue amount in respect of the loan granted to the body corporate listed in the register maintained under section 189 of the Act.



- (iv) In our opinion and as per the information & explanations given to us, the company has not granted unsecured loans & advances to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and hence, the provisions of Section 185 and 186 of the Act are not applicable to the company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits. Hence the directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the company.
- (vi) The Central Government of India has not prescribed the maintenance of cost records under u/s 148 (1) of the Companies Act for any of the products of the company.
- (vii) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, and other material statutory dues applicable to it.
- a) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, and other material statutory dues were in arrears, as at 31<sup>st</sup> March, 2019 for a period of more than six months from the date they became payable.
- b) According to information and explanation given to us, amounts payable in respect of income tax and other material statutory dues were in arrears as at 31 March 2019.
- (viii) Based on our audit procedures and on the according to the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions and bank. The company does not have any borrowings by way of debentures.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, we report that no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanation given to us and based on the examination of records of the company, no managerial remuneration has been paid to the party covered under section 197. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanation 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, all transactions with related parties are in compliance with Section 177 & 188 of the Companies Act and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

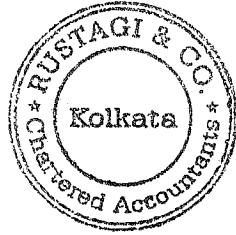




- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the company has not made private placement or preferential allotment of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information 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 him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is registered under section 45-IA of the Reserve Bank of India Act 1934.

For RUSTAGI & Co.  
Chartered Accountants  
Firm Registration No. 301094E

*Ashish Rustagi*  
(ASHISH RUSTAGI)  
Partner  
Membership No. :062982



Place: Kolkata  
Date:30.05.2019

**Annexure - B to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of **RUNIT INVESTMENTS COMPANY LIMITED** ("the Company") as of 31 March 2019 in conjunction with our audit of this standalone financial statements of the Company for the year ended on that date.

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

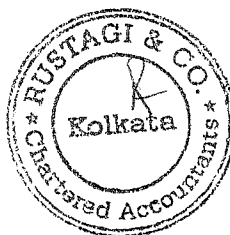
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For RUSTAGI & Co.  
Chartered Accountants  
Firm Registration No. 301094E

*Ashish Rustagi*  
(ASHISH RUSTAGI)

Partner  
Membership No. :062982

Place: Kolkata  
Date:30.05.2019



**RUNIT INVESTMENTS COMPANY LIMITED**

**Balance Sheet as at 31st March,2019**

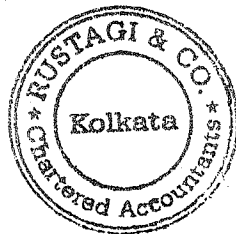
<i>Particulars</i>	<i>Note No.</i>	<i>As at 31.03.2019</i>	<i>As at 31.03.2018</i>
<b>EQUITY &amp; LIABILITIES</b>			
<b><u>Shareholder's Fund</u></b>			
(a) Share capital	2	2,000,000.00	2,000,000.00
(b) Reserve & Surplus	3	74,848,704.87	80,378,735.51
		<b>76,848,704.87</b>	<b>82,378,735.51</b>
<b><u>Non-current Liabilities</u></b>			
(a) Long Term Borrowings	4	3,202,708.53	4,586,256.60
(b) Other Long Term Liabilities	5	500,000.00	720,000.00
(c) Long Term Provision	6	1,240,635.00	1,194,686.00
		<b>4,943,343.53</b>	<b>6,500,942.60</b>
<b><u>Current Liabilities</u></b>			
(a) Short-term borrowings	7	66,732,560.00	56,009,727.00
(b) Other current liabilities	8	1,865,381.19	1,450,104.74
(c) Short-term provisions	9	364,602.00	358,806.00
		<b>68,962,543.19</b>	<b>57,818,637.74</b>
		<b>150,754,591.59</b>	<b>146,698,315.85</b>
<b>ASSETS</b>			
<b><u>Non-current assets</u></b>			
(a) Property Plant & Equipment:	10		
Tangible assets		28,140,614.00	24,986,003.00
Intangible assets		45,046.17	0.00
		28,185,660.17	24,986,003.00
(b) Non-current investments	11	39,623,703.68	31,460,335.04
(c) Deferred tax assets (net)	12	1,021,537.00	665,186.00
(d) Long Term Loans & Advances	13	2,950,537.00	8,501,625.00
		<b>71,781,437.85</b>	<b>65,613,149.04</b>
<b><u>Current Assets</u></b>			
(a) Inventories	14	52,210.00	52,210.00
(b) Cash & Bank Balances	15	656,184.04	947,883.65
(c) Short-term loans and advances	16	78,264,759.70	80,085,073.16
		<b>78,973,153.74</b>	<b>81,085,166.81</b>
		<b>150,754,591.59</b>	<b>146,698,315.85</b>

**Significant Accounting Policies** 1

The accompanying notes are an integral part of the financial statements  
As per our report of even date attached

**For RUSTAGI & Co.,**  
**Chartered Accountants**  
FRN: 301094E

*Ashish Rustagi*  
**ASHISH RUSTAGI**  
Partner  
Membership No.62982



Place: Kolkata  
Dated: 30th day of May,2019

**For & on behalf of the Board**

*Navin Kumar Bhartia*  
**Navin Kumar Bhartia**  
Director  
DIN: 00259552

*Vineeta Bhartia*  
**Vineeta Bhartia**  
Director  
DIN: 00259493

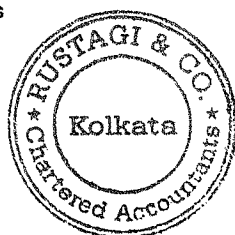
# RUNIT INVESTMENTS COMPANY LIMITED

## Statement of Profit & Loss for the year ended 31st March,2019

Particulars	Note No.	Year ended 31.03.2019	Year ended 31.03.2018
<b>REVENUE</b>			
Revenue from Operation	17	₹ 11,569,710.00	₹ 10,202,659.18
Other Income	18	₹ 1,509,850.00	₹ 1,463,477.00
<b>Total Revenue</b>		<b>₹ 13,079,560.00</b>	<b>₹ 11,666,136.18</b>
<b>EXPENSES</b>			
Change in inventories of Stock-in-Trade	19	-	-
Employee benefit expenses	20	₹ 1,254,412.85	₹ 1,185,636.00
Finance costs	21	₹ 6,581,431.26	₹ 4,442,656.34
Depreciation & Amortisation	10	₹ 3,430,080.00	₹ 1,751,900.00
Loss on sale of Investments		₹ 4,342,098.19	-
Other expenses	22	₹ 2,790,132.34	₹ 902,516.09
<b>Total Expenses</b>		<b>₹ 18,398,154.64</b>	<b>₹ 8,282,708.43</b>
<b>Profit Before Taxes</b>		<b>₹ (5,318,594.64)</b>	<b>₹ 3,383,427.75</b>
<b>Tax expense:</b>			
1) Current tax		₹ 570,076.00	₹ 745,490.00
2) MAT Credit (Entitlement)/ Utilised		0.00	₹ 262,993.00
3) Income Tax for earlier year		0.00	₹ 102,726.00
4) Deferred tax Assets		₹ (356,351.00)	₹ (329,768.00)
<b>Profit/(Loss) for the year</b>		<b>₹ (5,532,319.64)</b>	<b>₹ 2,601,986.75</b>
<b>Earning per equity share</b>			
1) Basic		(27.66)	13.01
2) Diluted		(27.66)	13.01

The accompanying notes are an integral part of the financial statements  
As per our report of even date attached

For RUSTAGI & CO.,  
Chartered Accountants  
FRN: 301094E  
*Ashish Rustagi*  
**ASHISH RUSTAGI**  
Partner  
(Membership No.62982)



For & on behalf of the Board

*Navin Kumar Bhartia*  
**Navin Kumar Bhartia**  
Director  
DIN: 00259552

*Vineeta Bhartia*  
**Vineeta Bhartia**  
Director  
DIN: 00259493

Place: Kolkata  
Dated: 30th day of May,2019

**RUNIT INVESTMENTS COMPANY LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019**  
(Pursuant to Clause 32 of Listing Agreement with the Stock Exchange)

	As at 31.03.2019	As at 31.03.2018
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and extraordinary items	(5,318,594.64)	3,383,427.75
<u>Adjustments for:</u>		
Depreciation	3,430,080.00	1,751,900.00
Dividend Received	(5000.00)	(450.00)
(Profit)/Loss on sale Fixed Assets	0.00	(22,777.00)
(Profit)/Loss on sale of Investments	4,342,098.19	(370,937.18)
Provision for Grauity & Bonus (Net)	54,034.00	283,903.00
Operating Profit before working Capital changes	<u>2,502,617.55</u>	<u>5,025,066.57</u>
<u>Adjustments for</u>		
(Increase) / Decrease in Short term loans & advance	1,820,313.46	(16117481.16)
Increase / (Decrease) Other Long Term Liabilities	(220,000.00)	0.00
Increase/ (Decrease) in Current liabilities	415,276.45	1,293,924.74
Cash generated from Operations	<u>4,518,207.46</u>	<u>(9,798,489.85)</u>
Direct Taxes Paid	<u>(844,928.00)</u>	<u>(1,136,591.82)</u>
Net Cash flow from/(used in) Operating Activities	<u>3,673,279.46</u>	<u>(10,935,081.67)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property Plant & Equipment	(6,629,737.17)	(1,263,042.00)
B Sale of Fixed Assets	0.00	185,000.00
(Increase) / Decrease Capital Advance	5,825,940.00	(5,825,940.00)
Dividend Received	5,000.00	450.00
Purchase of Investments	(51,480,766.20)	(70,603,319.06)
Sale of Investments	<u>38,975,299.37</u>	<u>73,686,340.06</u>
Net cash flow from/(used in) Investing Activities	<u>(13,304,264.00)</u>	<u>(3,820,511.00)</u>
	(9,630,984.54)	(14,755,592.67)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Receipt / (Repayment) of Long Term Borrowing	(1,383,548.07)	4,586,256.60
C Receipt / (Repayment) of Short Term Borrowing	<u>10,722,833.00</u>	<u>10,421,593.00</u>
Net Cash flow from/(used in) Financing Activities	<u>9,339,284.93</u>	<u>15,007,849.60</u>
Net Increase in Cash & Cash Equivalents	<u>(291,699.61)</u>	<u>252,256.93</u>
Cash & Cash Equivalents as at 01.04.2018 (Opening Balance)	947,883.65	695,626.72
Cash & Cash Equivalents as at 31.03.2019 (Closing Balance)	656,184.04	947,883.65

**AUDITOR'S CERTIFICATE**

We have examined the attached Cash Flow Statement of **M/s. Runit Investments Company Limited** for the year ended 31st March 2019. The statement has been prepared by the company with the requirement of Clause 32 of the Listing Agreement with the Stock Exchange and is based on and in agreement with the corresponding statement of Profit & Loss and Balance Sheet of the Company covered by our Report of 30th May, 2019 to the Members of the Company.

For **RUSTAGI & CO.,**  
Chartered Accountants  
Firm Registration No. 301094E

*Ashish Rustagi*  
**ASHISH RUSTAGI**  
Partner  
(Membership No.62982)



Date: 30th May 2019  
Place: Kolkata

For & on behalf of the Board

*Navin Kumar Bhartia*  
**Navin Kumar Bhartia**  
Director  
DIN: 00259552

*Vineeta Bhartia*  
**Vineeta Bhartia**  
Director  
DIN: 00259493

## RUNIT INVESTMENTS COMPANY LIMITED

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

(Significant accounting policies and notes on accounts annexed to and forming part of the accounts for the year ended on 31<sup>st</sup> March 2019)

#### **1. SIGNIFICANT ACCOUNTING POLICIES**

##### **A. Basis of Preparation of Financial Statements:**

The financial statements have been prepared as of a going concern on historical cost convention and on accrual method of accounting (unless specified otherwise as stated herein below on account of uncertainty / unascertainability ) in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013 as adopted consistently by the company.

##### **B. Use of Estimates:**

The preparation of financial statements is in conformity with generally accepted accounting principles which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ.

##### **C. Recognition of Income & Expenditure:**

The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.

##### **D. Property, Plant and Equipment:-**

Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation and impairment loss if any. Cost of Property, Plant and Equipment comprises purchase price, duties, levies and any directly attributable cost of bringing the assets to its working condition for the intended use.

##### **E. Depreciation:-**

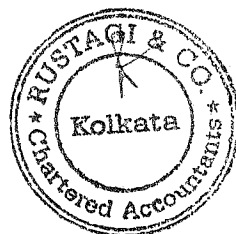
1. Depreciation has been provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 on the basis of Written Down Value Method.
2. Depreciation on assets added / disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal of the respective assets.

##### **F. Investments:-**

Long Term Investments are stated at cost, except where there is a diminution in value other than temporary in nature.

##### **G. Valuation of Closing Stock:-**

Inventory of share & securities are stated at cost or Market value whichever is lower of individual security.



#### H. Provision Employee Benefits:

Provision has been made in the books of accounts for accrued liability for future payments of gratuity payable to the employees as 30 days of last drawn salary by the employees for every completed stipulated period. Leave Encashment is accounted for as and when claimed by the employee and paid by the Company. Employers Contribution to Provident Fund is accounted on actual liability and is charged to revenue.

#### I. Taxes on Income:-

1. Current Tax is determined as the amount of tax payable in respect of taxable income for the period or in case of tax payable as per MAT under Section 115JB of the Income Tax Act, 1961. MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income tax during the specified period
2. In accordance with Accounting Standard 22 –‘Accounting for Taxes on Income’, issued by the Institute of Chartered Accountants of India, the Deferred Tax on timing difference between the book and tax profits for the year is accounted for using the tax rates and the laws that have been enacted or substantively enacted as at the Balance Sheet Date. Moreover, Deferred Tax is between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

#### J. Earning Per Share:

Basic Earnings per Share is calculated by dividing the net profit or loss after tax for the year attributable to the shareholders by the weighted average number of equity shares outstanding during the year. For purpose of calculating diluted earning per share, the net profit or loss for the year and weighted number of shares outstanding during the year are adjusted for the effects of dilutive potential equity shares.

#### K. Provisions and Contingent Liabilities:

Provisions are recognized when the company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of obligation.

Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

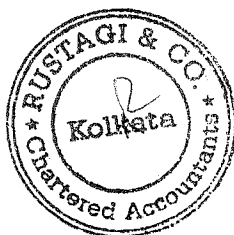
#### L. Impairment of Assets:

Impairment Loss is recognized whenever the carrying amount at each Balance sheet date is in excess of its recoverable amount and the same is recognized as an expense in the statement of profit and loss and the carrying amount of the assets is reduces to its recoverable amount.

#### M. Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

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





**RUNIT INVESTMENTS COMPANY LIMITED**

<b>2 <u>SHARE CAPITAL</u></b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
	Rs.	Rs.
<b>Authorised</b>		
2,00,000 (PY 2,00,000) Equity Shares of Rs. 10/- each	20,00,000	20,00,000
<b>Issued &amp; Subscribed fully paid</b>		
2,00,000 (PY 2,00,000) Equity Shares of Rs. 10/- each	20,00,000	20,00,000
<b>Reconciliation of number of shares</b>		
Opening Number of Fully Paid Shares	2,00,000	2,00,000
Closing Number of Fully Paid Shares	2,00,000	2,00,000

**No. of shares held by Share Holders holding more than 5% of the Share Capital**

Name	<b>31.03.2019</b>		<b>31.03.2018</b>	
	No. of Shares	% Holding	No. of Shares	% Holding
Navin Construction & Credit Pvt Ltd	75729	37.86%	75729	37.86%
Mr.Navin Kumar Bhartia	26430	13.22%	21430	10.72%

The company has issued one class of Equity Shares having a par value of Rs.10/-. Each holder of Equity Share is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholdings.

<b>3 <u>RESERVE &amp; SURPLUS</u></b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
<b>(i) Capital Reserve</b>	<b>6,277,025.50</b>	<b>6,277,025.50</b>
<b>(ii) Special Reserve</b>		
Opening Balance	14,639,562.00	14,119,165.00
Add: Transferred during the year	0.00	520,397.00
	<b>14,639,562.00</b>	<b>14,639,562.00</b>
<b>(iii) General Reserve</b>	<b>48,500,000.00</b>	<b>48,500,000.00</b>
<b>(iv) Surplus in Statement of Profit &amp; Loss</b>		
Opening Balance	10,962,148.01	8,918,349.26
Add: Profit/(Loss) during the year	(5,532,319.64)	2,601,986.75
Less: Transferred to Special Reserve	0.00	520,397.00
Less: Provision for Standard Assets Created/ (write Back)	(2,289.00)	37,791.00
Closing Balance	<b>5,432,117.37</b>	<b>10,962,148.01</b>
<b>TOTAL</b>	<b>74,848,704.87</b>	<b>80,378,735.51</b>

**4 LONG TERM BORROWINGS**

**Secured From Bank**

Deferred Payment Liabilities	4,586,256.60	5,875,621.34
Less: Current Maturity	1,383,548.07	1,289,364.74
	<b>3,202,708.53</b>	<b>4,586,256.60</b>

**4.1 Deferred Payment Liabilities**

Secured by way of hypothecation of Specific movable assets

Name	Amount of Loan	Non Current	Current	Installment Amount
HDFC Bank	697,000.60	502,589.53	194,411.07	20,517.00
YES Bank	3,889,256.00	2,700,119.00	1,189,137.00	122,652.00

**5 OTHER LONG TERM LIABILITIES**

Security Deposit	500,000.00	720,000.00
	<b>500,000.00</b>	<b>720,000.00</b>

**6 LONG TERM PROVISION**

Provision for Gratuity	1,240,635.00	1,194,686.00
	<b>1,240,635.00</b>	<b>1,194,686.00</b>

**7 SHORT-TERM BORROWINGS**

**Unsecured Loans**

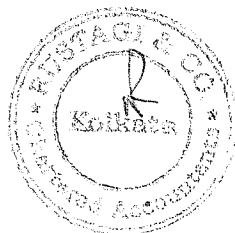
-from Directors	7,525,300.00	0.00
-from Body Corporates	59,207,260.00	56,009,727.00
	<b>66,732,560.00</b>	<b>56,009,727.00</b>

**8 OTHER CURRENT LIABILITIES**

Current Maturity of Long Term Debt	1,383,548.07	1,289,364.74
Statutory Liabilities	414,729.00	133,960.00
Other Liabilities	67,104.12	26,780.00
	<b>1,865,381.19</b>	<b>1,450,104.74</b>

**9 SHORT TERM PROVISIONS**

Provision for Bonus	170,779.00 <sup>x</sup>	162,694.00
Provision against Standard Assets	193,823.00 <sup>x</sup>	196,112.00
	<b>364,602.00</b>	<b>358,806.00</b>



**RUNIT INVESTMENTS COMPANY LIMITED**

Note No. 10

**PROPERTY, PLANT & EQUIPMENT**

Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	COST	Addition during the Year	Sales/ Adjusted during the Year	Up to 31.03.2018	For the year (on W.D.V.)	Adjustments during the year	Up to 31.03.2019	W.D.V. as on 31.03.2019	W.D.V. as on 31.03.2018	
<b>TANGIBLE ASSETS</b>										
Investment in Property	24,888,416.00	-	-	24,888,416.00	1,305,785.00	1,148,474.00	-	2,454,259.00	22,434,157.00	23,582,631.00
Motor Car	4,506,493.00	5,825,940.00	-	10,332,433.00	3,110,149.00	2,216,577.00	-	5,326,726.00	5,005,707.00	1,396,344.00
Furniture & Fixture	30,280.00	643,575.00	-	673,855.00	27,811.00	41,719.00	-	69,530.00	604,325.00	2,469.00
Colour Television	8,800.00	-	-	8,800.00	8,360.00	-	-	8,360.00	440.00	440.00
Air Condition Machine	56,000.00	-	-	56,000.00	51,881.00	756.00	-	52,637.00	3,363.00	4,119.00
Computer	-	26,000.00	-	26,000.00	-	4,544.00	-	4,544.00	21,456.00	-
Office Equipments	-	82,612.00	-	82,612.00	-	11,446.00	-	11,446.00	71,166.00	-
<b>29,489,989.00</b>	<b>6,578,127.00</b>	<b>-</b>	<b>-</b>	<b>36,068,116.00</b>	<b>4,503,986.00</b>	<b>3,423,516.00</b>	<b>-</b>	<b>7,927,502.00</b>	<b>28,140,614.00</b>	<b>24,986,003.00</b>
<b>INTANGIBLE ASSETS</b>										
Accounting Software	-	51,610.17	-	51,610.17	-	6,564.00	-	6,564.00	45,046.17	-
	-	51,610.17	-	51,610.17	-	6,564.00	-	6,564.00	45,046.17	-
<b>29,489,989.00</b>	<b>6,629,737.17</b>	<b>-</b>	<b>-</b>	<b>36,119,726.17</b>	<b>4,503,986.00</b>	<b>3,430,080.00</b>	<b>-</b>	<b>7,934,066.00</b>	<b>28,185,660.17</b>	<b>24,986,003.00</b>
Previous Year	29,246,604.00	1,263,042.00	1,019,657.00	29,489,989.00	3,606,520.00	1,751,900.00	857,434.00	4,503,986.00	24,986,003.00	25,637,084.00



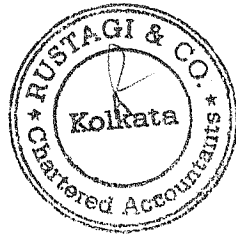
**RUNIT INVESTMENTS COMPANY LIMITED**

**NOTE NO. 11 :NON CURRENT INVESTMENT**

PARTICULARS	As at 31.03.2019		As at 31.03.2018	
	QUOTED EQUITY SHARES (Fully Paid up)	No. of Shares	Amount	No. of Shares
<b>(A) Investment in Equity Instruments</b>				
<b>(i) Quoted</b>				
Emami Infrastructure	-	-	10,000	2,074,582.56
Himadri Speciality Chemicals	-	-	50,000	9,220,195.55
Aptech Ltd	1,500	251,666.06	-	-
India Glycols Ltd	1,500	393,192.42	-	-
Udaipur Cement	50,000	635,907.72	-	-
		<b>1,280,766.20</b>		<b>11,294,778.11</b>
<b>(ii) Unquoted</b>				
<b>Fully Paid up of Rs. 10/- each</b>				
Minerva Holdings Ltd.	640	6,432.00	640	6,432.00
Ganges Steel Mfg. Co. (I) Pvt. Ltd.	7400	75,092.00	7400	75,092.00
Perfect Pen Pvt. Ltd.	1000	10,000.00	1000	10,000.00
Solarsons Industries Ltd.	36100	150,860.10	36100	150,860.10
Strand Properties Ltd.	3500	4,912,250.00	3500	4,912,250.00
		<b>5,154,634.10</b>		<b>5,154,634.10</b>
<b>(iii) Associates</b>				
North India Wires Ltd.	74450	404,029.75	74450	404,029.75
North India LPG Cylinders Ltd	1655375	524,647.75	1655375	524,647.75
		<b>928,677.50</b>		<b>928,677.50</b>
<b>(B) Investment in Government Securities</b>				
Deposit with IDBI BANK		<b>16,000.00</b>		<b>16,000.00</b>
<b>(c) Investment in Debenture</b>				
Darvesh Properties Pvt Ltd (18% Deb.) of 1000/- each	150	<b>7,885,948.00</b>	150	<b>12,936,036.00</b>
<b>(D) Investment in Mutual Fund</b>				
HDFC- Liquid Fund -Regular Plan - Growth	6733.743	<b>24,357,677.88</b>	317.040	<b>1,130,209.33</b>
Total		<b>39,623,703.68</b>		<b>31,460,335.04</b>

**Aggregate**

Quoted Investments  
Unquoted Investments  
NAV of Mutual Fund



	Cost	Market Value	Cost	Market Value
Quoted Investments	1,280,766.20	1,396,375.00	11,294,778.11	2,299,932.00
Unquoted Investments	13,985,259.60	---	19,035,347.60	---
NAV of Mutual Fund	24,357,677.88	24,647,512.77	1,130,209.33	1,071,350.38

**RUNIT INVESTMENTS COMPANY LIMITED**

	<i>As at</i> <b>31.03.2019</b>	<i>As at</i> <b>31.03.2018</b>		
<b>12 <u>Deferred Tax Asset (Net)</u></b>				
<b><u>Deferred Tax Asset/ (Liability)</u></b>				
-On Fixed Assets	698,972.00	354,568.00		
-On Proviison for Gratuity	322,565.00	310,618.00		
	<u>1,021,537.00</u>	<u>665,186.00</u>		
<b>13 <u>LONG TERM LOANS &amp; ADVANCES</u></b>				
Advance Tax & Tax Deducted at Source (Net of Provision)	1,166,852.00	441,744.00		
MAT Credit entitlement	1,233,428.00	1,233,428.00		
Income Tax Refundable	550,257.00	1,000,513.00		
Advance Against Capital Assets	0.00	5,825,940.00		
	<u>2,950,537.00</u>	<u>8,501,625.00</u>		
<b>14 <u>INVENTORIES</u></b>				
<b><u>Fully paid Equity Shares of Rs.10/- each</u></b>	<b>No. of Shares</b>	<b>As at 31.03.2019</b>	<b>No. of Shares</b>	<b>As at 31.03.2018</b>
(i) G. R. Magnet Ltd.	6900	5,520.00	6900	5,520.00
(ii) Solarson Industries Ltd.	20300	46,690.00	20300	46,690.00
		<u>52,210.00</u>		<u>52,210.00</u>
<b>15 <u>CASH &amp; BANK BALANCES</u></b>				
<b><u>Cash &amp; Cash Equivalent</u></b>				
(i) Balances with banks		650,131.97		946,134.18
(ii) Cash in hand		6,052.07		1,749.47
		<u>656,184.04</u>		<u>947,883.65</u>
<b>16 <u>SHORT TERM LOANS AND ADVANCES</u></b>				
(Unsecured - considered good)				
(a) Loans & Advances				
-related parties		25,600,878.00		18,286,841.00
-others		52,241,451.00		60,157,863.00
		<u>77,842,329.00</u>		<u>78,444,704.00</u>
(b) Staff Advance		0.00		58,000.00
(c) Prepaid Expenses		131,921.00		170,164.00
(d) Other Advances		52,811.00		1,412,205.16
(e) Balance with Govt. Authority- GST		237,698.70		0.00
		<u>78,264,759.70</u>		<u>80,085,073.16</u>
<b>17 <u>REVENUE FROM OPERATION</u></b>				
a) Interest Income		11,564,710.00		9,831,272.00
b) Other Financial services				
i) Profit on Sale of Investment		0.00		370,937.18
ii) Dividend Income		5,000.00		450.00
		<u>11,569,710.00</u>		<u>10,202,659.18</u>
<b>18 <u>OTHER INCOME</u></b>				
Office Rent Received		1,357,050.00		1,440,000.00
Car Rent Received		150,000.00		0.00
Profit on sale of Fixed Assets		0.00		22,777.00
Miscellaneous Income		2,800.00		700.00
		<u>1,509,850.00</u>		<u>1,463,477.00</u>
<b>19 <u>CHANGE IN INVENTORIES OF STOCK IN TRADE</u></b>				
Opening Stock (Shares & Securities)		52,210.00		52,210.00
Closing Stock (Shares & Securities)		52,210.00		52,210.00
		<u>0.00</u>		<u>0.00</u>
<b>20 <u>EMPLOYEES BENEFIT EXPENSES</u></b>				
Salary & Allowances		1,193,553.00		1,064,427.00
Gratuity		45,949.00		121,209.00
Staff Welfare		14,910.85		0.00
		<u>1,254,412.85</u>		<u>1,185,636.00</u>
<b>21 <u>FINANCE COST</u></b>				
Interest on Borrowings		6,581,431.26		4,442,656.34
		<u>6,581,431.26</u>		<u>4,442,656.34</u>



**RUNIT INVESTMENTS COMPANY LIMITED**

**22 OTHER EXPENSES**

Payment to Auditors

for Statutory Audit	23,600.00		23,600.00	
for Tax Audit	8,850.00		0.00	
in other capacity	<u>4,000.00</u>	36,450.00	<u>6,490.00</u>	30,090.00
Air Conditioning Charges		39,888.00		0.00
Electric Charges		28,136.00		0.00
Insurance Premium		160,874.88		38,865.00
Maintenance Charges		224,976.60		243,161.00
Miscellaneous Expenses		308,749.16		246,343.72
Motor Car Maintenance		221,593.00		253,665.00
Rates & Taxes		6,750.00		6,750.00
Repairing & Maintenance		1,431,351.90		0.00
Rent Paid		48,000.00		48,000.00
Security Transaction Tax		8,110.00		15,398.00
Travelling Expenses		248,147.00		0.00
Telephone Expenses		<u>27,105.80</u>		<u>20,243.37</u>
		<u>2,790,132.34</u>		<u>902,516.09</u>



**RUNIT INVESTMENTS COMPANY LIMITED**

**23 Earning Per Share:-**

<b>Particulars</b>		<b>2018-19</b>	<b>2017-18</b>
Profit after Tax	Rs.	(55,32,320)	26,01,987
Weighted Average number of Equity shares	Nos.	20,00,000	20,00,000
Earnings Per Share (Basic)	Rs.	(27.66)	13.01
Earnings Per Share (Diluted)	Rs.	(27.66)	13.01

**24 Related Party Disclosure**

Related Party disclosure as required as per AS - 18 on "Related Party Disclosures" issued by ICAI are as follows:

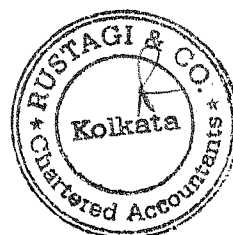
(i) **Name of the Related Parties and their relationship**

- a) **Key Managerial Personnel** Sri Navin Kumar Bhartia  
Smt. Vineeta Bhartia  
Sri Jayvardhan Kayan  
Sri Sougata Dey
- b) **Enterprise in which key Management Personnel have significant influence** Navin Space Housing LLP  
Diamond Heritage Enterprises  
Superdiamond Vatika LLP  
Vidhi Exports Pvt Ltd  
Decent Plaza Pvt. Ltd

<b>Description</b>	<b>Key Management personnel</b>	<b>Enterprise over which KMP &amp; their relatives have substantial interest</b>	<b>Total</b>
Interest Paid	28,111 (98,951)	-	28,111 (98,951)
Interest Received	-	20,15,597 (22,58,674)	20,15,597 (22,58,674)
Loan Given	-	55,00,000 (1,10,00,000)	55,00,000 (1,10,00,000)
Repayment of loan given	-	0 (2,80,74,423)	0 (2,80,74,423)
Loan taken	97,00,000 (81,40,000)	-	97,00,000 (81,40,000)
Repayment of Loan taken	22,00,000 (1,61,60,833)	-	22,00,000 (1,61,60,833)
Rent Received	-	9,07,050(-)	9,07,050(-)
Rent Paid	-	48,000(48,000)	48,000(48,000)
Balances outstanding (Cr)	75,25,300 (0)	-	75,25,300 (0)
Balances outstanding (Dr)	-	2,56,00,878 (1,82,86,841)	2,56,00,878 (1,82,86,841)

**Disclosure in respect of Material Transactions with related parties during the year (Included in (ii) above)**

		<b>Key Management personnel</b>	<b>Enterprise over which KMP &amp; their relatives have substantial interest</b>
Interest Paid	Navin Kumar Bhartia	28,111 (98,951)	
Interest Received	Navin Space Housing LLP Diamond Heritage Enterprises Superdiamond Vatika LLP		11,88,166(6,34,688) - (9,61,485) 8,27,431(6,62,501)
Loan Taken	Navin Kumar Bhartia	97,00,000 (81,40,000)	
Repayment of Loan taken	Navin Kumar Bhartia	22,00,000 (1,61,60,833)	
Loan Given	Navin Space Housing LLP Diamond Heritage Enterprises Superdiamond Vatika LLP		50,00,000 (45,00,000) 0 (35,00,000) 5,00,000 (30,00,000)
Repayment of loan given	Navin Space Housing LLP Diamond Heritage Enterprises Superdiamond Vatika LLP		0 (0) 0 (2,80,74,423) 0 (0)



RUNIT INVESTMENTS COMPANY LIMITED

Balance Outstanding

Loan Taken	Navin Kumar Bhartia	75,25,300(0)	
Loan Given	Navin Space Housing LLP		1,52,58,405(91,89,056)
	Superdiamond Vatika LLP		1,03,42,473(90,97,785)

Figures in bracket are for previous year.

25 Previous year figure has been regrouped and/or rearranged where ever necessary.

As per our Report of even date

For RUSTAGI & COMPANY

Chartered Accountants

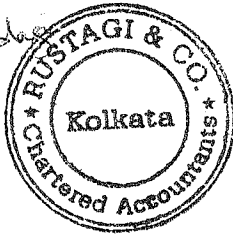
Firm Registration No. 301094E

*Ashish Rustagi*

(Ashish Rustagi)

Partner (M.No. 62982)

Date: 30th May 2019



*Navin Kumar Bhartia*

(Navin Kumar Bhartia)

Director(DIN 00259552)

*Vineeta Bhartia*

(Vineeta Bhartia)

Director(00259493)

**RUNIT INVESTMENTS COMPANY LIMITED**

**NOTE NO : 14**

**(Annexed to & forming part of Balance Sheet)  
DETAILS OF STOCK IN TRADE AS ON 31ST MARCH' 2019**

PREVIOUS YEAR		PARTICULARS	CURRENT YEAR	
No. of Shares	Amount		No. of Shares	Amount
<b><u>Fully paid Equity Shares of Rs.10/- each</u></b>				
6900	5,520.00	G. R. Magnet Ltd.	6900	5,520.00
20300	46,690.00	Solarson Industries Ltd.	20300	46,690.00
	<b><u>52,210.00</u></b>			<b><u>52,210.00</u></b>

