RUNGTA IRRIGATION LIMITED

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POLICY ON COMMUNICATION BETWEEN

STATUTORY AUDITORS AND

THOSE CHARGED WITH GOVERNANCE (TCWG)

Issued pursuant to NFRA Circular No. NF-25013/3/2025-NFRA dated 07 January 2026 on 'Effective Communication Between Statutory Auditors and Those Charged with Governance (TCWG), Including Audit Committees'

Policy Owner	Audit Committee / Board of Directors
Approving Authority	Board of Directors, on recommendation of the Audit Committee
Effective Date	11th August 2026
Date of Board Approval	11th August 2026

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1. Preamble

The National Financial Reporting Authority ('NFRA'), vide Circular No. NF-25013/3/2025-NFRA dated 07 January 2026 ('the Circular'), has drawn attention to recurring gaps in communication between statutory auditors and Those Charged with Governance ('TCWG'), including Audit Committees, of companies falling within NFRA's jurisdiction. The Circular reiterates the existing statutory and professional obligations under the Companies Act, 2013, and the Standards on Auditing, in particular SA 260 (Revised) — Communication with Those Charged with Governance, and SA 265 — Communicating Deficiencies in Internal Control to Those Charged with Governance and Management.

The Board of Directors of the Company, on the recommendation of the Audit Committee, has accordingly adopted this Policy to institutionalize a structured, transparent and well-documented framework for two-way communication between the Company's Statutory Auditors and TCWG.

2. Purpose

This Policy is issued pursuant to the Circular and is intended to:

- Ensure timely, transparent and structured two-way communication between the Statutory Auditor and TCWG throughout the audit lifecycle;
- Define the composition, roles and responsibilities of TCWG for the purpose of audit communication;
- Designate Nodal Person(s) to facilitate the flow of communication between the Statutory Auditor and TCWG;
- Prescribe a minimum meeting calendar, trigger-based communication obligations and documentation standards;
- Ensure compliance with SA 260 (Revised), SA 265, the Companies Act, 2013, SEBI (LODR) Regulations, 2015, and the Circular; and
- Promote audit quality, robust governance oversight and shared accountability for financial reporting integrity.

3. Scope and Applicability

This Policy applies to all statutory audit engagements of the Company (including, where applicable, limited reviews and other assurance engagements requiring communication with TCWG) and shall be binding on:

- The Statutory Auditor(s) of the Company appointed under Section 139 of the Companies Act, 2013;
- TCWG of the Company, as determined under Clause 5 of this Policy;
- The Nodal Person(s) designated under Clause 10 of this Policy; and
- The Chief Financial Officer, Company Secretary and other members of Management, to the extent they play a supporting or facilitative role in the communication process.

4. Regulatory Framework

This Policy draws upon and operates within the following regulatory and professional framework:

Instrument	**Relevant Provisions**
NFRA Circular No. NF-25013/3/2025-NFRA dated 07.01.2026	Effective communication between statutory auditors and TCWG; two-way communication framework and minimum meeting requirements.
SA 260 (Revised)	Communication with Those Charged with Governance — identification of TCWG, matters to be communicated at various stages of the audit.
SA 265	Communicating deficiencies in internal control to TCWG and Management, in writing.
Companies Act, 2013 — Sections 132, 139, 143, 177	NFRA's jurisdiction; appointment of auditors; auditor's reporting duties; constitution and functions of the Audit Committee.
SEBI (LODR) Regulations, 2015 — Regulation 18 and Part C of Schedule II	Composition, role and powers of the Audit Committee of a listed entity.
SA 200	Overall objectives of the independent auditor, including ethical requirements and professional skepticism underlying communication obligations.

5. Determination and Composition of TCWG

5.1 Determination

As per SA 260 (Revised), paragraph 10(a), TCWG refers to the person(s) or organization(s) with responsibility for overseeing the strategic direction of the entity and its accountability, including oversight of the financial reporting process. In compliance with the Circular, TCWG of the Company shall be determined as follows:

- The Audit Committee of the Board of Directors shall constitute TCWG for all matters relating to financial reporting, statutory audit and internal financial controls;
- Where a matter pertains to, or requires the attention of, the Board as a whole (including matters not delegated to the Audit Committee), the Board of Directors shall constitute TCWG for those specific matters;
- Identification of only Management or an Executive Director as TCWG shall not be regarded as compliant with SA 260 (Revised) or the Circular;
- The determination of TCWG shall be reviewed by the Board at least annually, and upon any change in the composition of the Board or the Audit Committee;
- The determination, and any change thereto, shall be formally recorded in the minutes of the Board or Audit Committee, as applicable; and
- Any change in the composition of TCWG shall be communicated to the Statutory Auditor in writing within 15 (fifteen) days of such change.

5.2 Composition

TCWG of the Company shall comprise the following members of the Audit Committee / Board of Directors:

Designation	**Role in TCWG**
Chairperson, Audit Committee	Chairperson, TCWG
Independent Director/Audit Committee Member	Member, TCWG
Non-Executive Director/Audit Committee Member	Member, TCWG

6. Guiding Principles

All communication between the Statutory Auditor and TCWG shall be governed by the following principles:

- ***Timeliness*** — communication shall occur at appropriate points during the audit so that TCWG can take prompt action where necessary;
- ***Completeness*** — all matters required under SA 260 (Revised), SA 265 and the Circular shall be covered;
- ***Two-way flow*** — communication is not a one-way reporting exercise; TCWG shall proactively communicate relevant matters to the Statutory Auditor;
- ***Written primacy*** — all significant communications shall be recorded in writing, including matters discussed orally;
- ***Confidentiality*** — communications shall be treated with appropriate confidentiality, save where disclosure is required by law or regulation;
- ***Transparency*** — neither the Statutory Auditor nor TCWG shall withhold matters that are significant to the other's responsibilities; and
- ***Accountability*** — each party's responsibilities under this Policy shall be discharged with due diligence and evidenced through documentation.

7. Matters to be Communicated by the Statutory Auditor to TCWG

7.1 At commencement of the audit

- The planned scope and timing of the audit, including significant risks identified;
- Significant areas of audit focus, including complex accounting estimates, unusual transactions and related party transactions;
- The planned audit approach, including reliance (if any) on the work of internal auditors or component auditors;
- Confirmation of the Statutory Auditor's independence and disclosure of relationships that may bear on independence; and
- Any concerns regarding the integrity or competence of Management, where applicable.

7.2 During the course of the audit

- Significant difficulties encountered during the audit, including restrictions on scope, unavailability of information or undue time pressure;
- Material misstatements identified, whether corrected or uncorrected;
- Significant matters requiring the exercise of professional judgement; and

- Circumstances that may affect the form and content of the auditor's report, including any proposed modification to the audit opinion.

7.3 Prior to finalization and approval of financial statements

- Views on significant qualitative aspects of the Company's accounting practices, including accounting policies, estimates and disclosures;
- Significant uncorrected misstatements and their potential effect on the auditor's report;
- Significant deficiencies and material weaknesses in internal financial controls, as required under SA 265; and
- Any other matter that, in the Statutory Auditor's professional judgement, is significant to TCWG's oversight of financial reporting.

8. Matters to be Communicated by TCWG to the Statutory Auditor

TCWG shall proactively communicate the following matters to the Statutory Auditor:

- The identity of TCWG members and Nodal Person(s), and any changes thereto;
- Significant matters affecting the Company's financial reporting or internal controls that have come to the attention of TCWG;
- Material pending litigation, contingent liabilities or regulatory proceedings;
- Significant transactions, events or Board/Audit Committee decisions arising since the last communication;
- Any fraud or suspected fraud involving Management or employees with a significant role in financial reporting;
- Known instances of non-compliance with laws and regulations that may materially affect the financial statements; and
- TCWG's views on, and responses to, audit findings, significant deficiencies and material weaknesses communicated by the Statutory Auditor.

9. Minimum Meeting Calendar

In compliance with the Circular, a minimum of two structured, formal meetings shall be held each financial year between the Statutory Auditor and TCWG, in addition to the Company's regular Audit Committee meetings:

Meeting	Timing	Key Agenda Matters	Documentation
Meeting 1 — Pre-Audit	Before commencement of audit fieldwork / substantive procedures	TCWG composition and Nodal Person confirmation Audit scope, strategy and materiality Significant risk areas and key estimates Auditor independence confirmation TCWG's key areas of concern for the year	Signed minutes; TCWG Communication Initiation Note; written audit plan

Meeting 2 — Pre-Approval	Before the Board approves the financial statements	Significant audit findings and Management's responses Uncorrected misstatements Significant deficiencies / material weaknesses (SA 265) Key judgements and critical estimates Any proposed modification to the audit opinion	Signed minutes; written TCWG response; management representation letter

Additional ad hoc meetings shall be held as necessitated by a Trigger Situation under Clause 11. Every meeting under this Clause shall be attended by the Engagement Partner (or a duly authorized Senior Audit Manager) and at least one member of TCWG, including the Chairperson or a designated member. Ad hoc meetings requested by the Statutory Auditor shall be formally responded to by TCWG — either accepted or declined, with written reasons — within 5 (five) business days.

10. Nodal Person — Designation and Role

In accordance with the Circular, the Company shall designate a Nodal Person to facilitate communication between the Statutory Auditor and TCWG. The Nodal Person shall be a member of the Board / Audit Committee, and may be assisted for coordination purposes by members of the finance function.

Role	**Designation**
Primary Nodal Person (on behalf of TCWG)	Chairperson, Audit Committee/Independent Director
Alternate Nodal Person (on behalf of TCWG)	[Name], [Designation]
Nodal Person (on behalf of the Statutory Auditor)	Engagement Partner

The Nodal Person shall:

- Receive formal communications from the Statutory Auditor and promptly forward them to TCWG;
- Forward TCWG's written responses and communications to the Statutory Auditor;
- Coordinate the scheduling, agenda preparation and documentation of TCWG-Auditor meetings; and
- Maintain a Communication Log recording all formal communications exchanged.

11. Trigger Situations Requiring Immediate Communication

The following circumstances shall trigger immediate written communication from the Statutory Auditor to TCWG, irrespective of the scheduled meeting calendar under Clause 9:

- Discovery of actual or suspected fraud involving Management or employees with a significant role in financial reporting;

- Identification of a significant deficiency or material weakness in internal financial controls not previously disclosed;
- Discovery of a material misstatement (corrected or uncorrected) that may affect the auditor's opinion;
- Information suggesting that previously issued financial statements may require restatement;
- Identification of material non-compliance with applicable laws and regulations;
- Circumstances that may lead the Statutory Auditor to modify the audit report (qualified opinion, emphasis of matter, adverse opinion or disclaimer); and
- Any other matter that, in the Statutory Auditor's professional judgement, requires the urgent attention of TCWG.

On receipt of any such communication, TCWG shall convene a special meeting within 7 (seven) business days and provide a written response to the Statutory Auditor within 15 (fifteen) business days thereof.

12. Documentation and Record Retention

- A 'TCWG Communication Initiation Note' shall be issued by the Company (through the CFO / Company Secretary) to the Statutory Auditor at the commencement of each statutory audit, setting out TCWG composition, Nodal Person details, preferred communication channels, status of prior-year open observations, and any matters TCWG wishes to bring to the Statutory Auditor's attention;
- All formal communications — written or oral — shall be documented and retained as part of the Company's records and the statutory audit working papers;
- Minutes of every meeting held under Clause 9 or Clause 11 shall be signed and retained;
- Records under this Policy shall be retained for a minimum period of 8 (eight) years, or such longer period as may be required under the Companies Act, 2013, SEBI (LODR) Regulations, 2015, or any other applicable law.

13. Roles, Responsibilities and Accountability

Party	**Obligation**	**Consequence of Non-Compliance**
Statutory Auditor	Initiate and maintain two-way communication; issue written communications as required under the SAs and the Circular	Non-compliance with SA 260 / SA 265; reportable to NFRA; potential adverse quality-review finding
TCWG (Audit Committee / Board)	Participate actively; attend scheduled meetings; provide written responses; review the TCWG Communication Initiation Note	Governance lapse; factored into the Audit Committee's annual performance evaluation
Nodal Person(s)	Facilitate communication; maintain the Communication Log; ensure timely issuance of the Initiation Note	Escalation to the Audit Committee
Company Secretary	Document communications; maintain records; coordinate meeting logistics; place	Internal review

	the Circular and this Policy before the Board	
CFO / Management	Support the Nodal Person; provide information required for TCWG communications on a timely basis	Internal review

14. Review and Monitoring

- The Audit Committee shall periodically review the functioning and effectiveness of this Policy;
- The Company Secretary / CFO shall prepare a TCWG Communication Compliance Report for each financial year, to be placed before the Audit Committee;
- The Statutory Auditor shall confirm compliance with SA 260, SA 265 and the Circular as part of the audit completion documentation;
- Any breakdown in communication or instance of non-compliance shall be reported promptly to the Chairperson of the Audit Committee; and
- The effectiveness of this Policy shall be considered as part of the Audit Committee's annual evaluation of the Statutory Auditor.

15. Amendment

This Policy may be amended by the Board of Directors, on the recommendation of the Audit Committee, as may be considered necessary from time to time, including to reflect changes in applicable law, the Standards on Auditing, or directions issued by NFRA. A change solely in the individuals comprising TCWG or the Nodal Person(s) shall not, by itself, require a formal amendment to this Policy and may be updated by way of an addendum approved by the Audit Committee.

Annexure A — TCWG Communication Initiation Note

To be issued by the Company to the Statutory Auditor at the commencement of each statutory audit:

- Full details of TCWG composition — names, designations and roles;
- Contact details and designation of the Nodal Person(s);
- Preferred communication channels and proposed schedule for TCWG-Auditor meetings for the year;
- Significant changes in the business, operations or financial reporting environment since the last audit;
- Status of prior-year audit observations and remediation actions taken;
- Areas of specific TCWG focus or concern for the current audit year;
- Pending regulatory inquiries, litigation or significant transactions of which the Statutory Auditor should be aware; and
- Names and designations of key managerial personnel responsible for financial reporting.