

CORPORATE GOVERNANCE REPORT

For the Year ended 31 March, 2020

[Pursuant to Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“The Regulations”)]

1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company’s Philosophy on Corporate Governance is to achieve Business Excellence, enhance long term values for its stakeholders, maintaining excellent relations across all levels and proper compliance with all applicable legal and regulatory requirements. We believe that Corporate Governance is a journey for constantly improving sustainable value creation and through the Governance mechanism in the Company, the Board alongwith its Committees undertake its fiduciary responsibilities to all its stakeholders by ensuring transparency, fairplay and independence in its decision making.

The Company not only adheres to the prescribed Governance practices under the Regulations but is constantly striving to adopt emerging best practices. It is our endeavor to achieve higher standards and provide oversight and guidance to management in strategy implementation and risk management and fulfillment of stated goals and objectives. The Company’s philosophy on Corporate Governance is based on the following principles:

- Accountability, independence, effective internal surveillance, voluntary legal compliance and governing rules and procedures.
- Empowering the management and employees to showcase strength, ownership, innovation and passion to excel and lead.
- Efficient resource management to enhance enterprise value and return on investment.
- Working for the society and community.
- Be transparent and maintain a high degree of disclosure levels.
- Legal and statutory compliances in its true spirit.
- Safeguard integrity in financial reporting.

The Company has established systems and procedures to ensure that its Board of Directors is well-informed and well-equipped to fulfill its overall responsibilities and to provide the management with the strategic direction needed to create long-term shareholder value.

The Board of Directors (“the Board”) is committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our corporate governance practices, under which we strive to maintain an effective, informed and Independent

Board. We keep our governance practices under continuous review and benchmark ourselves to best practices.

The Company recognizes communication as key element in the overall Corporate Governance framework and therefore, emphasizes on keeping abreast its stakeholders including investors, lenders, vendors and customers on continuous basis by effective and relevant communication through Annual Reports, quarterly results, corporate announcements and reflecting the same on the Company’s official website i.e. www.raunaqinternational.com.

2. GOVERNANCE STRUCTURE

The Company’s Governance comprises a twofold layer, the Board of Directors and the Committees of the Board at the apex level and the Management of the Company at an operational level. This brings about a homogenous blend in governance as the Board lays down the overall corporate objectives and provides direction and independence to the Management to achieve these objectives within a given framework. This professionally managed process results in building a conducive environment for sustainable business operations and value creation for all stakeholders.

3. BOARD OF DIRECTORS

Your Company has an optimum combination of Executive and Non-Executive Independent Directors on the Board which includes one Woman Director in compliance of Regulation 17(1) of the Regulations. As on 31 March, 2020, the Board consists of 8 (Eight) members, the Chairman of the Board is an Executive Director and one half of the strength of the Board consists of Non-Executive Independent Directors. The composition of the Board represents an optimal mix of professionalism, knowledge, expertise and experience that enables the Board to discharge its responsibilities efficiently and provide effective leadership to the business in line with the Company’s present requirements.

There is no nominee Director in the Company.

A brief profile of the members of the Board is also available on the Company’s official website i.e. www.raunaqinternational.com.

A. Board’s definition of Independent Director

Independent Director shall mean Non-Executive Director, other than a Nominee Director of the Company:

- a. who, in the opinion of the Board of Directors, is a person of integrity and possesses relevant expertise and experience;

- b. (i) who is or was not a promoter of the Company or its holding, subsidiary or associate Company or member of the promoter group of the Company;
- (ii) who is not related to Promoters or Directors in the Company, its holding, subsidiary or associate Company;
- c. who, apart from receiving Director's remuneration, has or had no pecuniary relationship or having transaction not exceeding ten per cent of his total income or such amount as may be prescribed, with the Company, its holding, subsidiary or associate Company, or their Promoters, or Directors, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their Promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. none of whose relatives—
- (i) is holding any security of or interest in the Company, its holding, subsidiary or associate Company during the two immediately preceding financial years or during the current financial year:
- Provided that the relative may hold security or interest in the Company of face value not exceeding fifty lakh rupees or two per cent of the paid-up capital of the Company, its holding, subsidiary or associate Company or such higher sum as may be prescribed;
- (ii) is indebted to the Company, its holding, subsidiary or associate Company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
- (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the Company, its holding, subsidiary or associate Company or their promoters, or directors of such holding Company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or
- (iv) has any other pecuniary transaction or relationship with the Company, or its subsidiary, or its holding or associate Company amounting to two per cent or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);
- f. who, neither himself/herself nor any of his/her relatives —
- (i) holds or has held the position of a Key Managerial Personnel or is or has been employee of the Company or its holding, subsidiary or associate Company in any of the three financial years immediately preceding the current financial year;
- Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.
- (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —
- (A) a firm of Auditors or Company Secretaries in Practice or Cost Auditors of the Company or its holding, subsidiary or associate Company; or
- (B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to ten per cent or more of the gross turnover of such firm;
- (iii) holds together with his relatives two per cent or more of the total voting power of the Company; or
- (iv) is a Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the Company, any of its Promoters, Directors or its holding, subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company;
- (v) is a material supplier, service provider or customer or a lessor or lessee of the Company;
- g. who is not less than 21 years of age.
- h. who is not a Non-Independent Director of another Company on the Board of which any Non-Independent Director of the Company is an Independent Director.
- It has been confirmed by all the Independent Directors of the Company that as on 31 March, 2020, they fulfill the criteria of being "Independent Director" as stipulated under Regulation 16 of the Regulations and are independent of the management. Further, the Independent Director(s) have declared that he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence.
- The **Table-1** gives Composition of the Board, Attendance record of the Directors at the Board Meetings and at the last Annual General Meeting (AGM); Number of their outside Directorships and their Memberships/Chairmanships in Board Committees.

Table-1

S.No.	Name of Director(s)	Category	No. of Board Meetings held/ attended	Attendance at last AGM	No. of outside Directorships held ^A	No. of Memberships/ Chairmanships in Board Committees ^B	
						Member	Chairman
1.	^C Mr. Surinder Paul Kanwar	Chairman and Managing Director	5/5	Present	2	2	-
2.	^C Mr. Sachit Kanwar	Joint Managing Director- Promoter	5/5	Present	1	1	-
3.	^C Mr. Sameer Kanwar*	Non-Executive Non Independent Director	1/0	NA	1	1	-
4.	^D Mr. P.K. Mittal	Non-Executive Independent Director	5/3	Present	-	1	1
5.	Dr. Sanjeev Kumar	Non-Executive Independent Director	5/2	Present	2	-	2
6.	Mr. Rajiv Chandra Rastogi**	Non-Executive Independent Director	5/5	Present	1	2	-
7.	Ms. Seethalakshmi Venkataraman	Non-Executive Independent Director	5/5	Present	-	1	-
8.	Mr. Naresh Kumar Verma***	Non-Executive Non Independent Director	1/1	NA	-	-	-

*Appointed w.e.f. 13 November, 2019.

**Appointed w.e.f. 22 April, 2019.

***Appointed w.e.f. 04 December, 2019.

During the Financial Year 2019-20, Mr. V.K. Pargal and Mr. N.V. Srinivasan have resigned from the Directorship of the Company w.e.f. 19 April, 2019. Mr. V.K. Pargal, the erstwhile Non-Executive Independent Director had stated that he has resigned due to personal reasons and confirmed in his resignation letter that there are no other reasons, material or otherwise other than those provided. The said confirmation as provided by Mr. V.K. Pargal, the erstwhile Non-Executive Independent Director had been disclosed to BSE Limited along with a copy of his resignation letter including the detailed reasons for such resignation.

The **Table-2** gives the details of Directorships of the Directors in other listed Companies and the category of directorship.

Table-2

S. No.	Name of Director(s)	Category	Name of other Listed Company	Category of Directorship in other listed Company
1.	Mr. Surinder Paul Kanwar	Chairman and Managing Director	Bharat Gears Limited	Chairman and Managing Director
2.	Mr. Sachit Kanwar	Joint Managing Director	NIL	N.A.
3.	Mr. Sameer Kanwar	Non-Executive Non Independent Director	Bharat Gears Limited	Joint Managing Director
4.	Mr. P.K. Mittal	Non-Executive Independent Director	NIL	N.A.
5.	Dr. Sanjeev Kumar	Non-Executive Independent Director	NIL	N.A.
6.	Mr. Rajiv Chandra Rastogi	Non-Executive Independent Director	NIL	N.A.
7.	Ms. Seethalakshmi Venkataraman	Non-Executive Independent Director	NIL	N.A.
8.	Mr. Naresh Kumar Verma	Non-Executive Non Independent Director	NIL	N.A.

^Aexcluding directorship in Private Limited Companies, Alternate Directorship, Companies registered under Section 8 of the Companies Act, 2013 and Foreign Companies.

^BFor the purpose of considering the limit of the Committees on which a Director can serve, all Public Limited Companies, whether listed or not, are included and all other Companies including Private Limited Companies,

Foreign Companies and the Companies under Section 8 of the Companies Act, 2013 are excluded and further, it includes Membership/Chairmanship of Audit Committee and Stakeholders' Relationship Committee only in terms of Regulation 26(1) of the Regulations. None of the Directors of your Company is a Member of more than 10 (Ten) Committees or is the Chairman of more than 5 (Five) Committees across all Public Limited Companies in

which they are Directors. The Membership/Chairmanship also includes Membership/Chairmanship in Raunaq EPC International Limited.

Mr. Surinder Paul Kanwar is the father of Mr. Sachit Kanwar and Mr. Sameer Kanwar. Mr. Sachit Kanwar has been appointed as Joint Managing Director with effect from 01 June, 2016 for a period of 5 (Five) years upto 31 May, 2021 and Mr. Sameer Kanwar has been appointed as the Additional Director in the capacity of Non Executive Director with effect from 13 November, 2019, to hold the office till the conclusion of the next Annual General Meeting (AGM) of the Company.

Mr. Praveen Kumar Mittal, relative of P.K. Mittal, Non-Executive Independent Director is also providing professional/consultancy service to the Company in his individual capacity. Professional fees paid to him for the year 2019-20 is ₹ 1,80,000/- (Rupees One Lakh Eighty Thousand Only). The Board is of the opinion that such payments in the context of overall expenditure by the Company, is not significant and does not affect independence of Mr. P.K. Mittal, Director.

Apart from this, no other Non-Executive Director is related to any other Director inter-se and has any material pecuniary relationships/transactions vis-à-vis the Company (other than the sitting fees for attending the Board/Committee meetings).

The terms of appointment of the Directors appointed at the Annual General Meeting of the Company held on 05 August, 2019 are available on the official website of the Company i.e. www.raunaqinternational.com.

In terms of Regulation 17(1A) of the Regulations, the consent of the members has been obtained at the Annual General Meeting (AGM) of the Company held on 05 August, 2019 for continuation of Non-Executive Director(s) who have attained the age of Seventy Five Years, upto their respective present tenure.

In terms of Regulation 25(7) of the Regulations, the Company has adopted a familiarization programme

for the Directors that covers familiarizing the Directors about the nature of the industry in which the Company operates, business model of the Company, their roles, responsibilities and other relevant details by way of:

- Circulation of an elaborated note on business operations with regard to the operations and financial position of the Company as at the end of each quarter with the Agenda of each Board Meeting.
- Apprising the Board members about the operations at the ongoing project sites of the Company, the various clients, the new projects awarded to the Company, the debtors position and other details of the ongoing project sites so as to provide the Board a brief idea of the various types of jobs carried upon by the Company and their periodic developments.
- Updating the Directors of any amendments in laws, rules and regulations as applicable on the Company through various presentations at the Board Meeting(s) in consultation with the Statutory Auditors, Internal Auditors and the Secretarial Auditors of the Company likewise the Companies Act, SEBI Laws and such other laws and regulations as may be applicable.
- Various presentations are conducted at meetings of the Board/Committees of the Board periodically to familiarize the Directors with the business performance, business strategy, operations and functions of the Company. Such presentations help Directors to understand the Company's Strategy, Operations, Market Competition, Organization Structure, Risk Analysis and such other areas.

The details of familiarization programme during the Financial Year 2019-20 are available on the official website of the Company i.e. www.raunaqinternational.com under the link: <https://www.raunaqinternational.com/pdf/DETAILS-OF-FAMILIARIZATION-PROGRAMME-FOR-INDEPENDENT-DIRECTORS-FY-19-20.pdf>

The **Table-3** gives the details of core skills/expertise/competencies identified by the Board of Directors as required in the context of Company's business(es) and sector(s) for Company to function effectively and those actually available with the Board.

Table-3

S.No.	Core skills/expertise/competencies	Available with the Board (YES/NO)	Name of Directors who have such Core skills/expertise/competencies
1.	Knowledge of Core Business i.e. EPC	YES	Mr. Surinder Paul Kanwar Mr. Sachit Kanwar Mr. Sameer Kanwar Dr. Sanjeev Kumar Ms. Seethalakshmi Venkataraman
2.	Strategic Planning	YES	Mr. Surinder Paul Kanwar Mr. Sachit Kanwar Dr. Sanjeev Kumar Mr. P.K. Mittal Mr. Naresh Kumar Verma
3.	Project Analysis and Marketing	YES	Mr. Surinder Paul Kanwar Mr. Sachit Kanwar Ms. Seethalakshmi Venkataraman
4.	Knowledge of Macro Environment vis-à-vis Industry	YES	Mr. Surinder Paul Kanwar Mr. Sachit Kanwar Mr. Sameer Kanwar Dr. Sanjeev Kumar Mr. P.K. Mittal

5.	Financial Literacy	YES	Mr. Surinder Paul Kanwar Mr. Sachit Kanwar Mr. Sameer Kanwar Dr. Sanjeev Kumar Mr. P.K. Mittal Mr. Rajiv Chandra Rastogi Ms. Seethalakshmi Venkataraman
6.	Ability to read Financial Statements	YES	Mr. Surinder Paul Kanwar Mr. Sachit Kanwar Mr. Sameer Kanwar Dr. Sanjeev Kumar Mr. P.K. Mittal Mr. Rajiv Chandra Rastogi Ms. Seethalakshmi Venkataraman Mr. Naresh Kumar Verma

B. Board Meetings

During the financial year 2019-20, 5(Five) Board Meetings were held on the following dates. The gap between any two meetings was not more than 120 (one hundred and twenty) days as mandated in Regulation 17(2) of the Regulations:-

- 22 May, 2019;
- 04 July, 2019;
- 05 August, 2019;
- 13 November, 2019; and
- 30 January, 2020

The Company Secretary prepares the agenda and explanatory notes, in consultation with the Chairman and Managing Director, Joint Managing Director and Chief Financial Officer and circulates the same in advance to the Directors. The Board meets at least once every quarter inter alia to review the quarterly results. Additional meetings are held, when necessary. Wherever it is not possible to convene a Board Meeting, resolutions are passed by circulation in order to meet the business exigencies. Presentations are made to the Board on the business operations and performance of the Company. The minutes of the proceedings of the meetings of the Board of Directors are noted and the draft minutes are circulated amongst the members of the Board for their perusal. Comments, if any received from the Directors are also incorporated in the minutes, in consultation with the Chairman and Managing Director. The Minutes are signed by Chairman of the Board at the next meeting and signed minutes are circulated amongst the members of the Board for their perusal. Senior management personnel are invited to provide additional inputs for the items being discussed by the Board of Directors as and when considered necessary.

Post Meeting Follow Up System: The Company has an effective post Board Meeting follow up procedure. Action Taken Report on the decisions taken in a meeting are placed at the immediately succeeding meeting for information of the Board.

C. Information supplied to the Board

The Board has complete access to all information with the Company. The information is provided to the Board on regular basis and the agenda papers for the meetings are circulated in advance of each meeting. The information supplied to the Board includes the following, extent to the applicability during the year as per Regulation 17(7) read with Schedule II of the Regulations.

- Annual Operating Plans and Budgets and any updates.
- Capital budgets and any updates.
- Quarterly, Half Yearly and Yearly Results of the Company.
- Minutes of the Meetings of Audit Committee and other Committees of the Board.
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
- The information on recruitment and remuneration of senior officers just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary.

The Board periodically reviews the compliance reports of all laws applicable to the Company prepared by the Company along with the declaration made by all the respective departmental heads and by the Joint Managing Director regarding compliance with all applicable laws.

4. BOARD COMMITTEES

A. Audit Committee

I. Constitution and Composition

In terms of Regulation 18 of the Regulations, the "Audit Committee" comprises of the following Non-Executive and Independent Directors, who have financial/accounting acumen to specifically look into internal controls and audit procedures. All the members are financially literate and have accounting and financial management expertise. The **Table-4** gives the composition of the Audit Committee and attendance record of members of the Committee:

Table-4

S.No.	Name of Member	Designation	No. of meetings Held/ Attended
1.	Dr. Sanjeev Kumar	Chairman	5/2
2.	Mr. P.K. Mittal	Member	5/3
3.	Mr. Rajiv Chandra Rastogi@	Member	5/5
4.	Ms. Seethalakshmi Venkataraman*	Member	1/1
5.	Mr. V.K. Pargal@	Member	NA

@Mr. V.K. Pargal ceased to be a member of the Audit Committee on 19 April, 2019 pursuant to his resignation and Mr. Rajiv Chandra Rastogi had been inducted as a member of the Committee w.e.f. 22 April, 2019 pursuant to his appointment. Accordingly, the Audit Committee had been reconstituted. During the tenure of Mr. V.K. Pargal, no meeting of the Audit Committee had been held.

*Ms. Seethalakshmi Venkataraman had been inducted as a member of the Audit Committee w.e.f. 30 January, 2020. Accordingly, the Audit Committee has been reconstituted. Pursuant to her induction, 1 (One) meeting of the Audit Committee has been held on 30 January, 2020 and she attended the said meeting.

Existing members of the Committee consist of Dr. Sanjeev Kumar, Mr. P.K. Mittal, Mr. Rajiv Chandra Rastogi and Ms. Seethalakshmi Venkataraman, Non-Executive Independent Directors of the Company.

In addition to the Members of the Audit Committee, the Chief Financial Officer, Internal Auditors and Statutory Auditors attended the meetings of the Committee as invitees. Members held discussions with Statutory Auditors during the meetings of the Committee. The Audit Committee reviewed the quarterly, half-yearly and year to date un-audited and annual audited financials of the Company before submission to the Board of Directors for its consideration and approval. The Committee also reviewed and evaluated the internal control systems, Enterprise Risk Management system and internal audit reports.

Pursuant to the resignation of Ms. Sukriti Manna w.e.f. 11 March, 2019, Mr. Sukhvir had been appointed as the Company Secretary of the Company w.e.f. 22 May, 2019 and he resigned from the post of Company Secretary w.e.f. 06 September, 2019. Mr. Sukhvir acted as Secretary to Audit Committee Meeting(s) held after his appointment upto his resignation. Pursuant to the resignation of Mr. Sukhvir w.e.f. 06 September, 2019, Ms. Vartika Malhotra had been appointed as the Company Secretary of the Company w.e.f. 13 November, 2019 and she acted as Secretary to Audit Committee Meeting(s) held after her appointment.

The Chairman of the Audit Committee was present at the last Annual General Meeting to answer the queries of the shareholders to their satisfaction.

II. Audit Committee Meetings

During the year, 5 (Five) meetings of the Audit Committee were held on the following dates in terms of Regulation 18 of the Regulations:

- 22 May, 2019;
- 04 July, 2019;
- 05 August, 2019;
- 13 November, 2019; and
- 30 January, 2020

III. Powers of Audit Committee

The Audit Committee has been empowered with the adequate powers as mandated in Regulation 18 of the Regulations which includes 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.

IV. Role of Audit Committee

The role of the Audit Committee in terms of Regulation 18 read with Part C of Schedule II of the Regulations includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. 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.
 - b. changes, if any, in accounting policies and practices and reasons for the same.
 - c. major accounting entries involving estimates based on the exercise of judgment by management.
 - d. significant adjustments made in the financial statements arising out of audit findings.

- e. compliance with listing and other legal requirements relating to financial statements.
 - f. disclosure of any related party transactions.
 - g. modified opinion(s) in the draft audit report.;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
 6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the Company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the Company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of Chief Financial Officer (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;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision i.e. 01 April, 2019.

The Audit Committee may also review such matters as may be referred to it by the Board or which may be specified as role of the Audit Committee under amendments, if any, from time to time, to the Regulations, Companies Act and other Statutes.

V. Review of Information by Audit Committee

The Audit Committee reviews the following information:

1. Management Discussion and Analysis of financial condition and results of operations;
2. Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by Management;
3. Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
4. Internal Audit Reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee; and
6. Statement of deviations, if required.

B. Nomination and Remuneration Committee

I. Constitution and Composition

In terms of Section 178 of the Companies Act, 2013 and Regulation 19 of the Regulations, the Nomination and Remuneration Committee constitutes of following Directors as members. **Table-5** gives the composition of the Nomination and Remuneration Committee and the attendance record of the members of the Committee.

Table-5

S.No.	Name of Member	Designation	No. of meetings Held/ Attended
1.	Dr. Sanjeev Kumar	Chairman	2/1
2.	Mr. Surinder Paul Kanwar	Member	2/2
3.	Mr. P.K. Mittal	Member	2/0
4.	Mr. Rajiv Chandra Rastogi*	Member	2/2
5.	Mr. V.K. Pargal*	Member	NA

*Mr. V.K. Pargal ceased to be a member of the Nomination and Remuneration Committee on 19 April, 2019 pursuant to his resignation and Mr. Rajiv Chandra Rastogi had been inducted as a member of the Committee w.e.f. 22 April, 2019 pursuant to his appointment. Accordingly, the Nomination and Remuneration Committee had been reconstituted. During the tenure of Mr. V.K. Pargal, no meeting of the Nomination and Remuneration Committee had been held.

Existing members of the Committee consist of Dr. Sanjeev Kumar, Mr. P.K. Mittal and Mr. Rajiv Chandra Rastogi, Non-Executive Independent Directors and Mr. Surinder Paul Kanwar, Chairman and Managing Director of the Company.

II. Nomination and Remuneration Committee Meetings

In terms of Regulation 19 of the Regulations, at least 1(One) meeting of the Nomination and Remuneration Committee is held in each Financial Year.

During the Financial Year 2019-20, 2(Two) meetings of the Nomination and Remuneration Committee were held. **Table-6** gives the details of the date and purpose of the meetings of Nomination and Remuneration Committee:-

Table-6

S.No.	Date of Meeting	Purpose
1.	22 May, 2019	<ul style="list-style-type: none"> Consideration and recommendation of the appointment of Mr. Sukhvir as Company Secretary and Compliance Officer of the Company. Consideration and recommendation of the appraisal of Key Managerial Personnel (KMP) and Senior Management Personnel of the Company to the Board of Directors. Consideration and recommendation of the payment of remuneration to Mr. Sachit Kanwar, Joint Managing Director for a period of 2 (Two) years w.e.f. 01 June, 2019 of his present tenure.
2.	30 January, 2020	Noting of the performance evaluation of Independent Directors carried on by the Board of Directors and performance evaluation by the Independent Directors in their separate meeting.

Pursuant to the resignation of Ms. Sukriti Manna w.e.f. 11 March, 2019, Mr. Sukhvir had been appointed as the Company Secretary of the Company w.e.f. 22 May, 2019 and he resigned from the post of Company Secretary w.e.f. 06 September, 2019. Pursuant to the resignation of Mr. Sukhvir w.e.f. 06 September, 2019, Ms. Vartika Malhotra had been appointed as the Company Secretary of the Company w.e.f. 13 November, 2019 and she acted as Secretary to Nomination and Remuneration Committee Meeting(s) held after her appointment.

The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting and replied to the queries of the shareholders to their

III. Role of Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee in terms of the Regulations includes the following:

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

Pursuant to Schedule V to the Companies Act, 2013, in case of no profits or inadequate profits, the Nomination and Remuneration Committee has been empowered to consider, approve and recommend the remuneration of Whole Time Director/Managing Director.

IV. Nomination and Remuneration Policy

Pursuant to the provisions of the Companies Act, 2013 read with Regulation 19 of the Regulations, the policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management as approved by the Board is available on the official website of the Company i.e. www.raunaqinternational.com.

The objectives and purpose of the said policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the Construction industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

While deciding the remuneration for Directors, Key Managerial Personnel and other employees, the Board and the Nomination and Remuneration Committee takes into consideration the performance of the Company, the current trends in the industry, the qualification of the appointee(s), positive attributes, their independence, expertise, past performance and other relevant factors. The Board/Committee regularly keeps track of the market trends in terms of compensation levels and practices in relevant industries. This information is used to review the Company's remuneration policy from time to time.

V. Policy on Board Diversity

In terms of Regulation 19 of the Regulations, the Nomination and Remuneration Committee formed the policy on Board Diversity to provide for having a broad experience and diversity on the Board. The said policy is a part of Nomination and Remuneration Policy.

VI. Succession Plans for Board, KMPs and Senior Management

The Nomination and Remuneration Committee has a diligence process to determine the suitability of every person who is being considered for appointment or re-appointment as a Director, KMP or Senior Management Personnel of the Company as the case may be based on his/her educational qualifications, experience and track record.

The Committee has formed a Nomination and Remuneration Policy in accordance with the applicable provisions of the Companies Act, the Listing Regulations and other laws as applicable to the Company to guide the Board in relation to the appointment, re-appointment or removal of the person at the Board, KMP and Senior Management level.

The Committee carries out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval.

Further, Audit Committee under the Risk Management frame work evaluates and reviews the succession planning, skill development process and training requirements for the Senior Management Personnel and KMPs on quarterly basis.

VII. Performance Evaluation

In terms of Regulation 17 of the Regulations, the Board of Directors during the Financial Year 2019-20 evaluated the performance of Independent Directors in terms of criteria of performance evaluation as laid down by Nomination and Remuneration Committee which covers the area relevant to their role as Independent Director in the Company, including but not limited to:

- (a) Performance of the Directors; and
- (b) Fulfillment of the independence criteria as specified in the regulations and their independence from the management.

In the above evaluation, the director(s) who were subject to evaluation did not participated respectively.

During the Financial Year 2019-20, a separate meeting of the Independent Directors of the Company was held on 30 January, 2020 in terms of Regulation 25 of the Regulations.

The Independent Directors in their separate meeting:

- i. reviewed the performance of Non-Independent Directors and the Board as a whole;
- ii. reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- iii. assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Remuneration of Directors for 2019-20**Table-7**

(₹ In lacs)

NON-EXECUTIVE DIRECTORS				
Name of Members	Sitting Fees#		Salaries and Perquisites	Total
	Board Meetings	Committee Meetings		
Dr. Sanjeev Kumar	0.20	0.25	NIL	0.45
Mr. P.K. Mittal	0.30	0.30	NIL	0.60
Mr. Rajiv Chandra Rastogi	0.50	0.60	NIL	1.10
Ms. Seethalakshmi Venkataraman	0.50	0.10	NIL	0.60
Mr. Sameer Kanwar@	0.00	0.00	NIL	0.00
Mr. Naresh Kumar Verma@@	0.10	0.00	NIL	0.10
			Sub-Total (A)	2.85
EXECUTIVE DIRECTORS				
Mr. Surinder Paul Kanwar Chairman and Managing Director			• Salary	0.00
			• Contribution to provident and other funds (*)	-
			• Monetary value of perquisites (**)	-
Mr. Sachit Kanwar Joint Managing Director (\$)			• Salary and allowances	62.50
			• Contribution to provident and other funds (*)	4.16
			• Monetary Value of perquisites (**)	11.49
			Sub-Total (B)	78.15
		Grand Total		81.00

GST as applicable paid directly by the Company.

*Excludes provision for gratuity which is determined on the basis of actuarial valuation done on an overall basis for the Company.

**Excludes provision for compensated absences which is made based on the actuarial valuation done on an overall basis for the Company.

@ Appointed w.e.f. 13 November, 2019.

@ @ Appointed w.e.f. 04 December, 2019.

Token remuneration of ₹ 1.00 per month.

There is no notice period or severance fee in respect of appointment of any of the above Managerial Personnel. Neither Mr. Surinder Paul Kanwar nor Mr. Sachit Kanwar is entitled for any performance linked incentives and the Company does not have any Stock Option Scheme.

The Company has paid remuneration to the Non-Executive Directors by way of sitting fees at the rate of ₹ 10,000/- (Rupees Ten Thousand Only) for attending each meeting of the Board and Audit Committee and ₹ 5,000/- (Rupees Five Thousand Only) for other Committees of the Board of Directors of the Company.

\$The remuneration payable to Mr. Sachit Kanwar, Joint Managing Director is subject to the approval of the shareholders by special resolution in general meeting, if the aggregate remuneration payable to him exceeds 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 and fresh approval of the shareholders is sought at the beginning of each tenure of their appointment. With effect from 01 June, 2019, 50 (Fifty) percent of the total remuneration to Mr. Sachit Kanwar, Joint Managing Director is being paid by Xlerate Driveline India Limited, wholly owned subsidiary Company.

C. Stakeholders' Relationship Committee**I. Constitution and Composition**

In terms of the provisions of the Companies Act, 2013 and Regulation 20 of the Regulations, the "Stakeholders' Relationship Committee" constitutes of following 3(Three) Directors as members. The **Table-8** gives the composition of the Stakeholders' Relationship Committee and the attendance record of Members of the Stakeholders' Relationship Committee:

Table-8

S.No.	Name of Member	Designation	No. of meetings Held/ Attended
1.	Mr. P.K. Mittal	Chairman	1/0
2.	Mr. Surinder Paul Kanwar	Member	1/1
3.	Mr. Sachit Kanwar	Member	1/1

Mr. P.K. Mittal is Non-Executive Independent Director, Mr. Surinder Paul Kanwar is the Chairman and Managing Director and Mr. Sachit Kanwar is the Joint Managing Director of the Company.

II. Role of Stakeholders' Relationship Committee

The role of the Stakeholders' Relationship Committee in terms of the Regulations includes the following:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

II. Stakeholder's Relationship Committee Meetings

In terms of Regulation 20 of the Regulations, at least 1(One) meeting of the Stakeholders' Relationship Committee is held in each Financial Year.

During the Financial Year 2019-20, 1 (One) meeting of the Stakeholders' Relationship Committee was held. **Table-9** gives the details of the date and purpose of the meeting of Stakeholders' Relationship Committee:-

Table-9

S.No.	Date of Meeting	Purpose
1.	22 May, 2019	Noting of status of grievances of the Shareholders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. during the Financial Year 2018-19.
		Review of measures taken for effective exercise of voting rights by shareholders.
		Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent i.e. Link Intime India Private Limited.
		Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The Chairman of the Stakeholders' Relationship Committee was present at the last Annual General Meeting and replied to the queries of the shareholders to their satisfaction.

III. Sub-Committee

In order to have speedy disposal of the Shareholders'/ Investors' requests for transfers and transmissions, a Sub-Committee consisting of the following Directors/Officers of the Company is in place for effecting transfer/transmission/split/consolidation of shares.

The Sub-Committee has also been empowered to approve the issue of Duplicate Share Certificates representing upto 500 Equity shares of the Company in lieu of those which are reported to be lost/misplaced by the shareholders upon the execution of the requisite Indemnity and other related documents.

- Mr. Surinder Paul Kanwar, Chairman and Managing Director
- Mr. Sachit Kanwar, Joint Managing Director
- Mr. Sukhvir, Company Secretary*
- Mr. Sachin Kumar Mittal, Chief Financial Officer**
- Ms. Vartika Malhotra, Company Secretary***

*Resigned w.e.f. 06 September, 2019.

** Resigned w.e.f. 30 September, 2019.

*** Appointed w.e.f. 13 November, 2019.

Any two of the above are authorised to consider and approve the transfer/transmission/split/consolidation of shares and to approve the issue of Duplicate Share Certificate(s) representing upto 500 Equity Shares of the Company.

The Sub-Committee is attending to above said formalities at least once in a fortnight.

However, the Securities and Exchange Board of India (SEBI) has prohibited the transfer of shares in physical form w.e.f. 01 April, 2019 except in case of transmission or transposition of securities. Therefore, the Sub-Committee addresses and disposes the aforesaid requests other than those prohibited by SEBI.

IV. Status of Investor Complaints/Requests

No. of Complaints received during financial year 2019-20	NIL
No. of Complaints resolved to the satisfaction of stakeholders during financial year 2019-20	Not Applicable

No. of pending requests for share transfers/transmissions (under permissible mode(s)), dematerialisations and rematerialisations as on 31 March, 2020.

Particulars	No. of Requests	No. of Securities
Transfers and Transmissions (Under Permissible Mode(s))	NIL	NIL
Dematerialisations and Rematerialisations	NIL	NIL

In terms of Regulation 13 of the Regulations, the Company has filed the status of investor complaints at the end of each quarter with BSE Limited (BSE) through BSE Listing Centre duly signed by the Compliance Officer of the Company.

D. Corporate Social Responsibility Committee ("CSR Committee")

I. Constitution and Composition

In terms of the provisions of Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee ("CSR Committee") constitutes of following 3 (Three) Directors as members to monitor the Corporate Social Responsibility Policy as approved by the Board, direct initiatives to be undertaken by the Company and recommend the amount of expenditure to be incurred on the activities referred to in the said policy.

A copy of the said policy is available on the official website of the Company i.e. www.raunaqinternational.com.

The **Table-10** gives the composition of the CSR Committee:

Table-10

S. No.	Name of Member	Designation	No. of Meeting Held/ Attended
1.	Mr. Surinder Paul Kanwar	Chairman	1/1
2.	Mr. Sachit Kanwar	Member	1/1
3.	Mr. P.K. Mittal	Member	1/0

Mr. Surinder Paul Kanwar is Chairman and Managing Director, Mr. Sachit Kanwar is Joint Managing Director and Mr. P.K. Mittal is Non-Executive Independent Director of the Company.

II. Role of Corporate Social Responsibility Committee

The role of the Corporate Social Responsibility Committee in terms of the Companies Act, 2013 includes the following:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy (CSR Policy) which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 (the Act).
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above.
- Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

III. CSR Committee Meetings

During the Financial Year 2019-20, 1 (One) meeting of CSR Committee was held. **Table-11** gives the details of the date and purpose of the meeting of CSR Committee:-

Table-11

S. No.	Name of Member	Designation
1.	22 May, 2019	Consideration and recommendation of spending on Corporate Social Responsibility (CSR) activities in terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014

E. Finance Committee

The "Finance Committee" of the Board of Directors of the Company is in existence which has been empowered to take care of the financing and other day to day requirements of the Company. The said Committee is authorised to borrow monies, make loans, issue Shares etc. and matters related or incidental thereto.

The **Table-12** gives the composition of the Finance Committee:

Table-12

S.No.	Name of Member	Designation
1.	Mr. P.K. Mittal	Chairman
2.	Mr. Surinder Paul Kanwar	Member
3.	Mr. Sachit Kanwar	Member
4.	Dr. Sanjeev Kumar	Member

Mr. P.K. Mittal and Dr. Sanjeev Kumar are the Non-Executive Independent Directors, Mr. Surinder Paul Kanwar is Chairman and Managing Director and Mr. Sachit Kanwar is Joint Managing Director of the Company.

During the Financial Year 2019-20, no meeting of Finance Committee was held.

F. Business Strategy Committee

The Business Strategy Committee of the Board of Directors has been constituted to minutely review the operations of the Company. The said Committee is also authorized to form a long term strategy of the Company, review risk and opportunities, SWOT Analysis, advise the Board to take strategic decisions and matters related or incidental thereto.

The **Table-13** gives the composition of the Business Strategy Committee:

Table-13

S.No.	Name of Member	Designation
1.	Dr. Sanjeev Kumar	Chairman
2.	Mr. P.K. Mittal	Member
3.	Mr. Surinder Paul Kanwar	Member
4.	Mr. Sachit Kanwar	Member

Dr. Sanjeev Kumar and Mr. P.K. Mittal are the Non-Executive Independent Directors, Mr. Surinder Paul Kanwar is Chairman and Managing Director and Mr. Sachit Kanwar is Joint Managing Director of the Company.

During the Financial Year 2019-20, no meeting of Business Strategy Committee was held.

Each of these Committees of the Board have requisite expertise to handle the issues relevant to their field and spend considerable time and give focused attention to the various issues placed before it and guidance by these Committees lend immense values and enhances the decision making process of the Board. The Board reviews the functioning of these Committees from time to time. The Meetings of each of the Committee are convened by the respective Chairman, who also informs the Board about the summary of discussion held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all the Directors individually and tabled at the respective Board/Committee Meeting.

5. SUBSIDIARY COMPANIES

Your Company has a 100% wholly owned subsidiary Xlerate Driveline India Limited (XDIL).

In terms of Regulation 16 of the Regulations, XDIL is "Material Unlisted Indian Subsidiary Company" of the Company in the preceding financial year 2018-19.

The Company has complied with the following requirements mandated in Regulation 24 of the Regulations:

1. Dr. Sanjeev Kumar and Mr. Rajiv Chandra Rastogi, Non-Executive Independent Directors of the Company are also the Non-Executive Independent Directors on the Board of Xlerate Driveline India Limited (XDIL) as on 31 March, 2020.
2. The Audit Committee periodically reviews the financial statements, in particular, the investments made by Xlerate Driveline India Limited (XDIL), if any.
3. The minutes of the Board Meetings of Xlerate Driveline India Limited (XDIL) are placed before the Board. The management periodically notifies to the Board of all significant transactions and arrangements entered into by Xlerate Driveline India Limited (XDIL).
4. The Company has formulated a policy on material subsidiary(ies) in accordance with the Regulation 16(1)(c) of the Regulations. The said policy has been posted on the official website of the Company i.e. [www.raunaqinternational.com](http://www.raunaqinternational.com/pdf/policy_on_material_subsidiaryies.pdf) under the link: http://www.raunaqinternational.com/pdf/policy_on_material_subsidiaryies.pdf

"Significant Transaction or Arrangement" shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the unlisted subsidiary for the immediately preceding accounting year.

6. COMPLIANCE OFFICER

Pursuant to resignation of Ms. Sukriti Manna w.e.f. 11 March, 2019, Mr. Sukhvir had been appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 22 May, 2019 and resigned w.e.f. 06 September, 2019.

Subsequently, Ms. Vartika Malhotra has been appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 13 November, 2019.

7. DIRECTORS

Appointment/Re-appointment of Non-Executive Directors

During the financial year 2019-20, the members of the Company, at their Annual General Meeting held on 05 August, 2019 approved:

- Continuation of Ms. Seethalakshmi Venkataraman as a Non-Executive Independent Director of the Company w.e.f. 01 April, 2019 till the end of her current tenure upto the conclusion of the 55th Annual General Meeting (AGM) of the Company in the Calendar Year 2020 in terms of the provisions of Section 149 of the Companies Act, 2013, the age of Ms. Seethalakshmi Venkataraman being more than seventy five years as on 01 April, 2019.
- Appointment of Mr. Rajiv Chandra Rastogi as a Non-Executive Independent Director of the Company for a period of 5 (Five) years upto the conclusion of the 59th Annual General Meeting (AGM) of the Company in the calendar year 2024 in terms of the provisions of Section 149 of the Companies Act, 2013.

The Board of Directors of the Company in its Meeting held on 13 November, 2019 approved:

- Appointment of Mr. Sameer Kanwar as an Additional Director in the capacity of Non-Executive Director till the conclusion of ensuing Annual General Meeting (AGM) of the Company.

Further, the Board of Directors of the Company vide its resolution passed through circulation on 04 December, 2019 approved:

- Appointment of Mr. Naresh Kumar Verma as an Additional Director in the capacity of Non Executive Director till the conclusion of ensuing Annual General Meeting (AGM) of the Company.

In terms of the provisions of Section 149 of the Companies Act, 2013, Dr. Sanjeev Kumar and Ms. Seethalakshmi Venkataraman had been appointed as Non Executive Independent Director at the Annual General Meeting (AGM) of the Company held on 30 July, 2015 for a period of 5 (Five) Years upto the conclusion of the 55th AGM of the Company in the Calendar year 2020.

Therefore, in terms of the provisions of Section 149 of the Companies Act, 2013, it has been proposed to appoint Dr. Sanjeev Kumar and Ms. Seethalakshmi Venkataraman as Non-Executive Independent Director at the ensuing Annual General Meeting (AGM) of the Company for a period of 5 (Five) Years upto the conclusion of the 60th AGM of the Company in the Calendar year 2025 by way of special resolution pursuant to the applicable provisions of the Companies Act, 2013 and the Regulations, in read with Regulation 17 of the Regulations as amended, as the age of Ms. Seethalakshmi Venkataraman being more than seventy five years at the commencement of her proposed tenure.

Further, in terms of Section 152 of the Companies Act, 2013, it has been proposed to appoint Mr. Sameer Kanwar and Mr. Naresh Kumar Verma as Non-Executive Director at the ensuing Annual General Meeting (AGM) of the Company, liable to retire by rotation.

As required under Regulation 36 of the Regulations, the information or details pertaining to the Director seeking appointment/re-appointment in the ensuing Annual General Meeting have been furnished in the Explanatory Statement to the Notice of the ensuing Annual General Meeting.

8. GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as detailed below:

Annual General Meetings

Table-14

Financial Year	Venue	Date & Time	Special Resolution Passed
2018-19	Faridabad Industries Association, FIA House, Bata Chowk Faridabad - 121001 (Haryana)	05.08.2019 11:30 A.M.	<p>Yes</p> <ul style="list-style-type: none"> Continuation of Ms. Seethalakshmi Venkataraman as a Non-Executive Independent Director on the Board of the Company till the end of her current tenure upto 55th Annual General Meeting in the Calendar Year 2020. Payment of remuneration to Mr. Sachit Kanwar, Joint Managing Director of the Company for a further period of 2 (Two) years w.e.f. 01 June, 2019 for his present tenure. Sale of equity shares held by the Company in Xlerate Driveline India Limited.
2017-18	Faridabad Industries Association, FIA House, Bata Chowk Faridabad - 121001 (Haryana)	02.08.2018 11:30 A.M.	No
2016-17	ARK Hall Hotel Saffron Kiran, 12/6, NH-2, Further to Sarai Metro Station, Near to Badarpur Toll Plaza, Sarai Khwaja, Faridabad-121003, (Haryana)	08.08.2017 03:00 P.M.	No

Extra- ordinary General Meetings

No Extraordinary General Meeting of the Company was held during the Financial Year ended 31 March, 2020.

Postal Ballot

There are no special resolutions passed during 2019-20 through postal ballot and no special resolution is proposed to be conducted through postal ballot.

9. MEANS OF COMMUNICATION

The Quarterly, Half Yearly and Annual Financial Results during the year were duly furnished to the stock exchange i.e. BSE Limited and the same were published by the Company as under:

Table-15

Financial Results	Name(s) Of Newspapers	Date(s) of Publication
Quarter/Year ended 31 March, 2019	Financial Express* Jansatta (Hindi)**	23 May, 2019
Quarter ended 30 June, 2019	Financial Express* Jansatta (Hindi)**	06 August, 2019
Quarter/Half Year ended 30 September, 2019	Financial Express* Jansatta (Hindi)**	14 November, 2019
Quarter/Nine Months ended 31 December, 2019	Financial Express* Jansatta (Hindi)**	31 January, 2020

* Financial Express- Mumbai & Delhi Edition

** Jansatta (Hindi)-Delhi Edition

COMPANY WEBSITE

Pursuant to Regulation 46 of the Regulations, the Company's website i.e. www.raunaqinternational.com contains a dedicated functional segment, named 'INVESTORS' where all the information meant for the shareholders is available, including information on Directors, shareholding pattern, quarterly reports, financial results, annual reports, press releases, details of unpaid/unclaimed dividends and various policies of the Company.

BSE CORPORATE COMPLIANCE AND LISTING CENTRE ('LISTING CENTRE')

The Listing Centre of BSE Limited is a web-based application designed for corporate filings. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on the Listing Centre.

Further, any interviews given by Company Executives/Management during the year are also displayed on the Company's official website i.e. www.raunaqinternational.com.

ANNUAL REPORT

The Annual Report containing, inter-alia, the Audited Financial Statements (Standalone and Consolidated), Board's Report, Auditors' Report, the Management Discussion and Analysis (MDA) Report and other important information is circulated to the shareholders and other stakeholders and is also available on the official website of the Company i.e. www.raunaqinternational.com.

REMINDER TO INVESTORS

Periodical reminders for unclaimed shares and unpaid dividends are sent to shareholders as per records of the Company. These details are also uploaded on official website of the Company at www.raunaqinternational.com.

Green Initiative

In support of the "Green Initiative" undertaken by the Ministry of Corporate Affairs (MCA), the Company had sent soft copies of Annual Report for the year 2018-19 to all those shareholders whose e-mail addresses were made available to the depositories or the Registrar and Transfer Agents (RTA). Physical copies were sent to only those shareholders whose e-mail addresses were not available and for the bounced e-mail cases.

Besides the above, no other presentations were made to any institutional investor or to the analysts.

10. GENERAL SHAREHOLDERS' INFORMATION

A. Company Registration Details:

The Company is registered under the Registrar of Companies, NCT of Delhi and Haryana.

The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L51909HR1965PLC034315.

B. Annual General Meeting Details:

The forthcoming AGM of the Company shall be held at 12:00 P.M. on Monday, the 31 August, 2020 at Faridabad.

C. Financial Year:

Financial year of the Company commences on 01 April and ends on 31 March. The four Quarters of the Company end on 30 June; 30 September; 31 December and 31 March respectively.

D. Listing on Stock Exchange and Stock Code:

The Shares of the Company are listed on the following Stock Exchange:

BSE Limited [BSE]
[Stock Code 537840]
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

The Annual Listing Fees for the year 2020-21 shall be paid to the BSE Limited.

E. Market Price Data:

High and Low prices during each month of Financial Year 2019-20 on BSE Limited are as under:

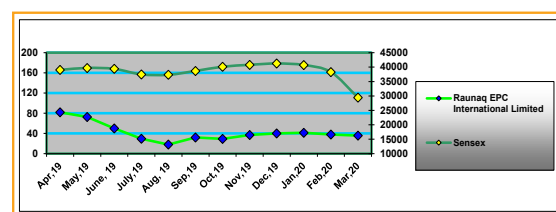
The Closing Price represents the price on the last trading day of each month of Financial Year 2019-20.

Table-16

Month	High (₹)	Low (₹)	Closing (₹)
April	84.00	66.10	81.95
May	86.80	66.00	72.80
June	78.00	49.90	49.90
July	49.90	29.60	29.60
August	29.60	18.00	18.00
September	34.15	17.15	31.95
October	33.20	28.90	29.25
November	37.00	28.75	36.95
December	42.00	35.10	40.00
January	42.00	37.95	41.50
February	41.45	38.00	38.00
March	39.00	34.30	35.95

The graphical presentation of movement of closing prices of the Company on BSE during the year is as under:

RAUNAQ EPC INTERNATIONAL LIMITED PRICES VERSUS SENSITIVITY AT BSE



F. Registrar and Transfer Agent:

Link Intime India Private Limited is the Registrar and Transfer agent for handling both the share registry work relating to shares held in physical and electronic form at single point. The Share Transfers were duly registered and returned in the normal course within stipulated period, if the documents were clear in all respects.

The Shareholders are therefore advised to send all their correspondences directly to the Registrar and Transfer Agent of the Company at the below mentioned address:

Link Intime India Private Limited
Noble Heights, 1st Floor, NH-2,
C1 Block LSC, Near Savitri Market,
Janakpuri, New Delhi-110058
Ph: 011-41410592-94
Fax: 011-41410591
E-mail: delhi@linkintime.co.in

However, for the convenience of Shareholders, correspondences relating to Shares received by the Company are forwarded to the Registrar and Transfer Agent for action thereon.

In terms of Regulation 7 of the Regulations, the Company has filed a compliance certificate with BSE Limited (BSE) through BSE Listing Centre duly signed by Compliance Officer of the Company and the authorized representative of Registrar and

Transfer Agent of the Company of the Company certifying that all activities in relation to both physical and electronic share transfer facility are maintained by the Registrar & Transfer Agent of the Company.

G. Share Transfer System:

The Securities and Exchange Board of India (SEBI) has prohibited the transfer of shares in physical form w.e.f. 01 April, 2019 except in case of transmission or transposition of securities.

The requests for the transfers of Shares under the aforesaid permissible mode(s) are accepted for registration at the Registered Office of the Company in addition to the office of Registrar and Transfer Agent (RTA), Link Intime India Private Limited. Link Intime India Private Limited is fully equipped to undertake the activities of Share Transfers and redressal of Shareholders grievances.

In order to have speedy disposal of the Shareholders'/ Investors' requests for transfers and transmissions, a Sub-Committee consisting of the following Directors/ Officers of the Company is in place for effecting transfer/transmission/split/consolidation of shares.

- Mr. Surinder Paul Kanwar, Chairman and Managing Director
- Mr. Sachit Kanwar, Joint Managing Director
- Mr. Sukhvir, Company Secretary*
- Mr. Sachin Kumar Mittal, Chief Financial Officer**
- Ms. Vartika Malhotra, Company Secretary***

*Resigned w.e.f. 06 September, 2019.

** Resigned w.e.f. 30 September, 2019.

*** Appointed w.e.f. 13 November, 2019.

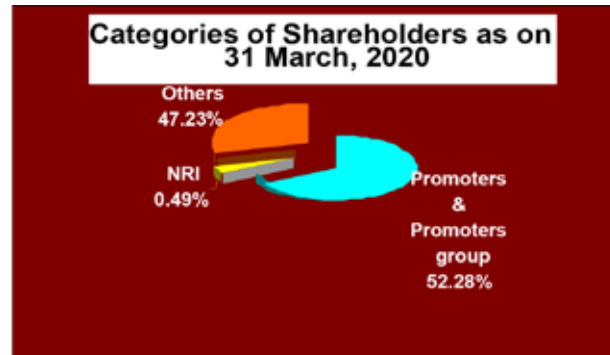
Any two of the above are authorised to consider and approve the transfer/transmission/split/consolidation of shares. The Sub-Committee is attending to above said formalities at least once in a fortnight.

After approval of the Sub-Committee, the Share Transfers are affected by the Registrar and Transfer Agent of the Company.

The Sub-Committee addresses and disposes the aforesaid requests other than those prohibited by SEBI.

As per the requirements of Regulation 40(9) of the Regulations, the Company has obtained the Half Yearly Compliance Certificate from a Company Secretary in Practice for due compliance of Share Transfer formalities and same has been filed with BSE Limited(BSE) through BSE Listing Centre.

H. Shareholding pattern of the Company as per category of shareholders as on 31 March, 2020



* Non Promoters Holdings are Negligible

Table-17

Category	No. of Shares Held	%age of Share holding
A. Promoters' holding		
1. Promoters		
- Indian Promoters	1747955	52.28
- Foreign Promoters	-	-
2. Persons acting in Concert	-	-
B. Non-Promoters' Holding		
3. Institutional Investors		
a. Mutual Funds and Unit Trust of India	-	-
b. Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Govt. Institutions)	130	0.00
c. Foreign Institutional Investor	-	-
4. Others		
a. Private Corporate Bodies	296683	8.87
b. Indian Public	1232380	36.86
c. Non Resident Indians/Overseas	16391	0.50
d. NBFCs registered with RBI	2227	0.07
e. Any Other	47477	1.42
Total	3343243	100.00

I. Distribution of Shareholding as on 31 March, 2020:

Table-19

No. of Equity shares held	Number of Shareholders	Number of Shares	%age to total shares
Up to 500	2681	152853	4.57
501 to 1000	162	121715	3.64
1001 to 2000	72	107370	3.21
2001 to 3000	19	51228	1.53
3001 to 4000	5	17459	0.52
4001 to 5000	15	67144	2.01
5001 to 10000	13	87479	2.62
10001 and above	28	2737995	81.90
Total	2995	3343243	100.00

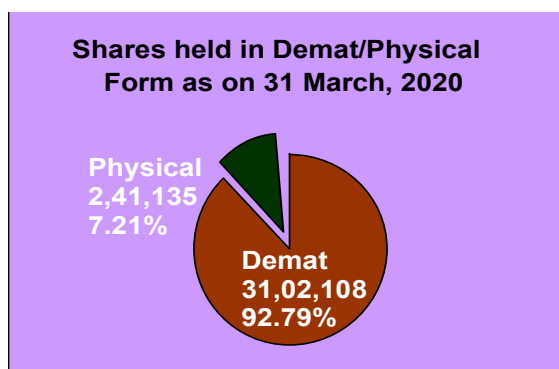
J. Share Dematerialisation System:

The requests for dematerialisation of shares are processed by Registrar and Transfer Agent (RTA) expeditiously and the confirmation in respect of dematerialisation is entered by RTA in the depository system of the respective depositories by way of electronic entries for dematerialisation of shares generally on weekly basis. In case of rejections, the documents are returned under objection to the Depository Participant with a copy to the shareholder and electronic entry for rejection is made by RTA in the Depository System.

In terms of Regulation 74(5) of the SEBI (Depositories and Participants) Regulations 2018, the Company has filed a compliance certificate with BSE Limited (BSE) through BSE Listing Centre and the Depositories concerned duly signed by the authorized representative of Registrar and Transfer Agent of the Company confirming that the securities received from the depository participants for dematerialization were confirmed (accepted/rejected) to the depositories by them and that securities comprised in the said certificates have been listed on the stock exchanges where the earlier issued securities are listed and further confirming that the securities certificates received for dematerialization have been mutilated and cancelled after due verification by the depository participant and the name of the depositories have been substituted in register of members as the registered owner within 15 days.

K. Dematerialization of Shares and Liquidity:

The Company's Equity Shares are compulsorily traded on BSE Limited in the dematerialized mode and are available for trading under both the Depository Systems in India i.e. National Securities Depository Limited and Central Depository Services (India) Limited.



As on 31 March, 2020 a total of 31,02,108 equity shares of the Company of ₹ 10/- each, which form 92.79 % of the paid up Equity Share Capital, stand dematerialized.

Table-19

PARTICULARS					
DEMAT				PHYSICAL	
NSDL		CDSL			
No. of shares	%	No. of shares	%	No. of shares	%
2704722	80.90	397386	11.89	241135	7.21

Outstanding ADRs/GDRs/Warrants or any convertible instruments, conversion date and likely impact on equity: Not Applicable

L. Transfer of Unclaimed Shares to Investor Education and Protection Fund:

In terms of the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") and further amendments thereto, the Company is required to transfer the equity shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Account established by the Central Government and a statement containing such details are required to be filed with the Ministry of Corporate Affairs (MCA).

In terms of above, pursuant to the transfer of the unclaimed dividend for the year 2011-12 to the IEPF on 23 August, 2019 i.e. upon completion of seven years from transfer of dividend into unclaimed dividend account, 3,366 (Three Thousand Three Hundred Sixty Six) Equity shares relating to such dividend on which the dividend has not been claimed for the consecutive seven years since 2011-12 have been transferred into demat account of IEPF Authority.

Pursuant to the transfer of aforesaid Equity Shares, 47,307 (Forty Seven Thousand Three Hundred Seven) Equity Shares of the Company in aggregate are being held in demat account of IEPF Authority. No such Shareholder whose Equity Shares are held in the demat account of IEPF Authority has approached the Company or IEPF Authority to claim their respective Shares during the Financial Year 2019-20.

Further, upon transfer of the unclaimed dividend for the year 2012-13 to the Investor Education and Protection Fund (IEPF) on 28 August, 2020 i.e. upon completion of seven years from the transfer of dividend into unclaimed dividend account, the equity shares relating to such dividend on which the dividend has not been claimed for the consecutive seven years since 2012-13 (net of the shares already transferred) shall also be transferred into IEPF.

In terms of the Rule 6(3) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the necessary communications have been made to the respective shareholders whose shares are required to be transferred to the IEPF during the Financial Year 2020-21 so as to enable them to claim their shares and the dividend attached to such shares before such dividend and shares are transferred to IEPF and further, the necessary information in this regard is available on the official website of the Company i.e. www.raunaqinternational.com for the convenience of the shareholders.

Investor Education and Protection Fund claim Guidelines

With reference to Rule 7 of the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, the Investors/Depositors whose unpaid dividends and shares have been transferred to IEPF under the Companies Act, 2013, can claim the amounts and shares from the IEPF authority as per the procedures/guidelines stated below:

- a. Download the Form IEPF-5 from the website of the IEPF Authority (<http://www.iepf.gov.in>) for filing the claim for the refund of dividend/shares. Read the instructions provided on the website/instruction kit alongwith the e-form carefully before filling the form.
- b. After filling the form, save it on your computer and submit the duly filled form by following the instructions given in the upload link on the IEPF website. On successful uploading, an acknowledgement challan will be generated indicating the SRN. Please note down the SRN details for future tracking of the form.
- c. Take a print out of the duly filled Form IEPF-5 and the acknowledgement challan issued after uploading the form.
- d. Submit an indemnity bond in original, copy of the acknowledgement and self attested copy of e-form IEPF-5 along with other necessary documents as mentioned in the Form IEPF-5 to the Nodal Officer (IEPF) of the Company at its Registered Office in an envelope marked "Claim for refund from IEPF Authority"/ "Claim for shares from IEPF" as the case may be. Kindly note that submission of documents to the Company is necessary to initiate the refund process.
- e. Claim form completed in all respects will be verified and submitted online by the Company along with the Verification Report and other necessary documents to the IEPF Authority. Subsequently, on the basis of Company's Verification Report and other documents submitted by the Company with the IEPF

Authority, refund will be released by the IEPF Authority in favour of claimants' Aadhar linked bank account through electronic transfer and/or the shares shall be credited to the demat account of the claimant, as the case may be.

In terms of the Rule 2 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the details of Nodal Officer appointed by the Company for the purposes of verification of claims and coordination with Investor Education and Protection Fund Authority (IEPF Authority) as communicated to the IEPF Authority are as follows:

Ms. Vartika Malhotra
Company Secretary and Compliance Officer
Raunaq EPC International Limited
20 K.M. Mathura Road
P.O. Amar Nagar, Faridabad – 121003
Phone: 0129-4288888
Fax No. 0129-4288822-23
Email: secretarial@raunaqintl.com.

Further, the necessary details of Nodal Officer are available on the official website of the Company i.e. www.raunaqinternational.com.

As per Part F of Schedule V of the Regulations, there are no unclaimed shares in the Company.

M. Corporate Benefits

Dividend History:

Dividend on Equity Shares

Table-20

Financial Year	Rate (%)	Amount (₹ in Lacs)
2019-20	NIL	NIL
2018-19	NIL	NIL
2017-18	NIL	NIL
2016-17	NIL	NIL
2015-16	12	40.12

N. Office locations:

The Company's Registered Office is located at 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad-121003, Haryana.

O. Addresses for Correspondence:

For Share transfer/demat/remat of shares or any other query relating to shares:

Link Intime India Private Limited, Noble Heights,
1st Floor, Plot No. NH-2, C1 Block LSC, Near Savitri
Market, Janakpuri, New Delhi-110058, Phone No.
011-41410592-94, Fax: 011-41410591.
Email: delhi@linkintime.co.in.

For Investor Assistance:

Ms. Vartika Malhotra, Company Secretary and Compliance Officer, Raunaq EPC International Limited, 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad–121003, Phone: 0129-4288888, Fax No. 0129-4288822-23.

Email: secretarial@raunaqintl.com.

P. Credit Ratings:

The details of the Credit Ratings assigned to the Company for its Bank Loan Facilities by various rating agency(ies) as on 31 March, 2020 and changes thereof during the Financial Year 2019-20 are as per following details:

Table-21

Instrument Description	Rating Agency(ies)	Rating Assigned as on 31 March, 2020	Changes in Rating during the Financial Year 2019-20*
Fund Based Bank Loan Facilities – Long Term	Brickwork Ratings	BB – Stable	Nil*
Non-Fund Based Bank Loan Facilities – Long Term			

* Downgraded to B+ Stable on 04 May, 2020.

11. OTHER DISCLOSURES
A. Related Party Transactions:

During the year 2019-20, there were no material individual transactions with related parties which are not in the normal course of business or are not on arm's length basis in terms of Regulation 23 of the Regulations. The statements in summary form of transactions with Related Parties in the ordinary course of business are placed periodically before the Audit Committee for its consideration and approval. All disclosures related to financial and commercial transactions where Directors are interested are provided to the Board and the interested Directors neither participated in the discussion nor did they vote on such matters. The details of the Related Party Transactions during the year are given in the Notes forming part of financial statements.

Further, the Company has formulated a policy on materiality of Related Party Transactions in accordance with the Regulation 23 of the Regulations

and the same is available on the official website of the Company i.e. [www.raunaqinternational.com](http://www.raunaqinternational.com/pdf/related_party_transactions_policy.pdf) under the link http://www.raunaqinternational.com/pdf/related_party_transactions_policy.pdf

In terms of Regulation 23(9) of the Regulations, the Company has filed the disclosures of related party transactions on a consolidated basis with BSE Limited (BSE) through BSE Listing Centre on a half yearly basis.

B. Disclosure of Accounting Treatment in preparation of Financial Statements:

Raunaq EPC International Limited has followed the guidelines of Accounting Standards as mandated by the Central Government in preparation of its financial statements.

C. Risk Management Framework:

In pursuance to the Companies Act, 2013 and Regulation 17(9) of the Regulations, the Company has in place mechanisms to inform Board Members about the risk assessment and minimization procedures and periodical review to ensure that executive management controls risk by means of a properly defined framework.

A detailed note on Risk Management is given in the Management Discussion and Analysis section forming part of the Board's Report

D. Management:

Management Discussion and Analysis forms part of the Annual Report to the Shareholders for the Financial Year 2019-20.

E. Compliance by the Company:

There were no instances of any non-compliance by the Company nor any penalties, strictures imposed on the Company by Stock Exchange or SEBI or any other Statutory Authority on any matter related to the Capital Markets, during the last three years.

F. Whistle Blower Policy/Vigil Mechanism:

The Whistle Blower policy/Vigil Mechanism of the Company has been formulated as per Regulation 22 of the Regulations and Section 177 of the Companies Act, 2013. The policy provides a channel to the employees, Directors and any other person who avail such mechanism to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism of policy provides for adequate safeguards against

victimization of employees, Directors and any other person who avails such mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The said policy has been communicated to all the personnel of the Company and is available on the official website of the Company i.e. www.raunaqinternational.com. Protected disclosure can be made by the whistle blower in a closed and secured envelope or sent through e-mail to the Compliance Officer.

During the year, no complaint has been received and no unethical behavior has been reported. Further, the Company has not denied any personnel access to the Audit Committee and it will provide protection to Whistle Blower, if any, from adverse personnel action.

Further, the Audit Committee, in its meeting held on 30 January, 2020 reviewed the functioning of the Whistle Blower Mechanism/Vigil Mechanism existing in the Company and found the same satisfactory and recommended few changes in the Whistle Blower Policy to the Board which had been approved by the Board in their meeting on the even date.

G. Policy on Preservation of Documents/ Archival Policy on Website Disclosure:

The Policy on Preservation of Documents/Archival Policy on Website Disclosure in accordance with the Regulation 9 and Regulation 30(8) of the Regulations respectively is in existence which provides the framework for preservation of documents and records of the Company for a specified period and the records of the Company which are no longer needed or are of no value are discarded after following the due process for discarding the same. This Policy aids the employees of the Company in understanding their obligations in retaining and preserving the documents and records which are required to be maintained as per the applicable statutory and regulatory requirements. The said policy is available on the official website of the Company i.e. www.raunaqinternational.com.

H. Policy on criteria for Determining Materiality of Events:

The Policy on criteria for Determining Materiality of Events has been framed in accordance with Regulation 30 of the Regulations which defines the criteria for determining the materiality of events or information related to the Company, provides that

such information should be adequately disseminated in pursuance with the Regulations and further provides for the overall governance framework for such determination of materiality. The said policy is available on the official website of the Company i.e. www.raunaqinternational.com.

I. CEO/CFO certification:

Certificate from Mr. Rajan Malhotra, Chief Executive Officer and Mr. Himanshu Goyal, Chief Financial Officer in terms of Regulation 17(8) of the Regulations for the Financial Year ended 31 March, 2020 was placed before the Board of Directors of the Company in its meeting held on 30 June, 2020.

J. Code of Conduct and Corporate Ethics:

Code of Business Conduct and Ethics

Raunaq EPC International Limited believes that Good Corporate Governance is the key to the Conduct of Company's Business in a transparent, reliable and vibrant manner. It is of paramount importance for any Company to create an atmosphere of faith, integrity, accountability, responsibility and financial stability by adhering to commitment, ethical business conduct, a high degree of transparency thereby unlocking the individual intellectual capabilities and enabling its Board of Directors to conduct its duties under a moral authority, which ultimately leads to enhance legitimate needs and value of the stake holders. A copy of this code formulated in terms of Regulation 17 of the Regulations has been posted at Company's official website i.e. www.raunaqinternational.com.

Code of Conduct for Prevention of Insider Trading

The Company has a comprehensive Code of Conduct for its Management, Staff and Directors for prevention of Insider Trading in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The code lays down the guidelines and procedures to be followed and disclosures to be made while dealing with the Shares of the Company and cautioning them on the consequences of non-compliance. The pieces of the price sensitive information are disseminated to the Stock Exchange timely, adequately and promptly on continuous basis for prevention of Insider Trading. The Company Secretary has been appointed as Compliance Officer and is responsible for adherence to Code for prevention of Insider Trading. A copy of same has been posted at the official website of the Company i.e. www.raunaqinternational.com.

Further, in terms of provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements as stipulated in the said regulations. During the year under review, the Audit Committee, in its meeting held on 30 January, 2020 reviewed the same and verified that the systems for internal control for prevention of Insider Trading are adequate and are operating effectively.

K. Legal Compliance Reporting:

The Board of Directors reviews in detail, on a quarterly basis, the reports of compliance to all applicable laws and regulations in terms of Regulation 17 of the Regulations. The Company has developed a very comprehensive Legal compliance manual, which drills down from the Senior Management Personnel to the executive-level person (who is primarily responsible for compliance) within the Company. Any non-compliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance.

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

Pursuant to Section 21 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has constituted Internal Complaints Committee (ICC) where any grievance of sexual harassment at workplace can be reported.

The Company has also adopted a policy on Prevention of Sexual Harassment at workplace. The objective of the policy is to provide its women employees, a workplace free from harassment/discrimination and every employee is treated with dignity and respect. The said policy is available on the official website of the Company i.e. <http://www.raunaqinternational.com> under the link http://www.raunaqinternational.com/pdf/prevention_of_sexual_harassment.pdf

During the Financial Year 2019-20, ICC of the Company has not received any complaint pertaining to sexual harassment of women at workplace.

Status of Complaints as on 31 March, 2020:

Table-22

No. of Complaints filed during Financial Year 2019-20	NIL
No. of Complaints disposed of during Financial Year 2019-20	NOT APPLICABLE
No. of Complaints pending as on 31 March, 2020	NOT APPLICABLE

M. Certificate of Non-disqualification of Directors:

Certificate from a Company Secretary in practice to the effect that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by SEBI/Ministry of Corporate Affairs or any such Statutory Authority is annexed to this report.

N. Fees paid to Statutory Auditor:

The details of fees paid by the Company to the Statutory Auditors of the Company and all entities in the network firm/network entity of which the statutory auditors are a part for the Financial Year 2019-20 are as follows:

Table-23

Fees paid to Statutory Auditor		₹ lacs
Particulars	For the Year Ended 31 March, 2020	
Statutory Audit Fee	2.50	
Limited Review and other certifications	1.91	
Reimbursement	0.09	
Total	4.50	

Fees paid to Network firm/network entity

₹ lacs

Particulars	For the Year Ended 31 March, 2020	
NIL	NIL	

O. Mandatory Requirements:

The Company has complied with all the mandatory requirements of Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of the Regulations. Details of compliances are given below:

I. Disclosure on website in terms of Listing Regulations	Compliance status (Yes/No/NA)
Item	
Details of business	Yes
Terms and conditions of appointment of Independent Directors	Yes
Composition of various Committees of Board of Directors	Yes
Code of conduct of Board of Directors and Senior Management Personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to Non-Executive Directors	Yes
Policy on dealing with Related Party Transactions	Yes
Policy for determining 'Material' subsidiaries	Yes
Details of familiarization programmes imparted to Independent Directors	Yes
Contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances	Yes
Email address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	NA
Schedule of analyst or institutional investor meet and presentations made by the listed entity to analysts or institutional investors simultaneously with submission to stock exchange	NA
New name and the old name of the Company	NA
Advertisements as per regulation 47 (1)	Yes
Credit rating or revision in credit rating obtained	Yes
Separate audited financial statements of each subsidiary of the listed entity in respect of a relevant financial year	Yes
Whether company has provided information under separate section on its website as per Regulation 46(2)	Yes
Materiality Policy as per Regulation 30	Yes
Dividend Distribution policy as per Regulation 43A (as applicable)	NA
It is certified that these contents on the website of the listed entity are correct	Yes

II. Annual Affirmations		
Particulars	Regulation Number	Compliance status (Yes/No/NA)
Independent Director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)17(1A) & 17(1B)	Yes
Meeting of Board of Directors	17(2)	Yes
Quorum of Board meeting	17(2A)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Recommendation of Board	17(11)	Yes
Maximum number of Directorships	17A	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of Nomination & Remuneration Committee	19(1) & (2)	Yes
Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
Meeting of Nomination and Remuneration Committee	19(3A)	Yes
Composition of Stakeholders' Relationship Committee	20(1),(2) & 20(2A)	NA
Meeting of Stakeholders' Relationship Committee	20(3A)	Yes
Composition and role of Risk Management Committee	21(1),(2),(3),(4)	NA
Meeting of Risk Management Committee	21(3A)	NA
Vigil Mechanism	22	Yes
Policy for Related Party Transaction	23(1) (1A),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all Related Party Transactions	23(2),(3)	Yes
Approval for material Related Party Transactions	23(4)	NA
Disclosure of related party transactions on consolidated basis 23(9)	23(9)	Yes
Composition of Board of Directors of unlisted Material Subsidiary	24(1)	Yes

Other Corporate Governance requirements with respect to subsidiary of Company	24(2),(3),(4),(5) & (6)	NA
Annual Secretarial Compliance Report	24(A)	Yes
Alternate Director to Independent Director	25(1)	NA
Maximum Tenure	25(2)	Yes
Meeting of Independent Directors	25(3) & (4)	Yes
Familiarization of Independent Directors	25(7)	Yes
Declaration from Independent Director	25(8) & (9)	Yes
D & O Insurance for Independent Directors	25(10)	NA
Memberships in Committees	26(1)	Yes
Affirmation with compliance to Code of Conduct from members of Board of Directors and Senior Management Personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of Directors and Senior Management	26(2) & 26(5)	Yes

P. Non-Mandatory Requirements:

The Company has set up a Finance Committee and Business Strategy Committee, details whereof are given in the Board Committee section of this report.

Q. Investor Relations:

The growing requirements of disclosure, transparency and corporate governance have made it imperative for Companies to manage information flow and communicate more effectively with shareholders. Investor Relations at REIL aims at seamless two way communication with the Investor Community. It is based on the tenets of transparency, accuracy and timeliness of disclosures. There is a conscious effort towards the effective dissemination of information to the shareholders to communicate the Company's long term vision and goals.

R. E-mail for investors:

The Company has designated secretarial@raunaqintl.com as e-mail address especially for investors' grievances.

SEBI has commenced processing of investor complaints in a centralised web based complaints redressal system i.e. SCORES. The Company has supported SCORES by using it as a platform for communication between SEBI and the Company.

S. Nomination facility:

The Shareholders holding Shares in physical form may, if they so want, send their nominations in prescribed Form SH-13 of the Companies (Share Capital and Debentures) Rules, 2014, to the Company's RTA. The said form can be obtained from the Company's RTA or downloaded from the Company's Website http://www.raunaqinternational.com/pdf/form_sh_13_nomination.pdf.

The Shareholders who wish to change or cancel their nominations, if already made, may send their requests in prescribed Form SH-14 of the Companies (Share Capital and Debentures) Rules 2014, to the Company's RTA which can be obtained from the Company's RTA or downloaded from the Company's Website http://www.raunaqinternational.com/pdf/form_sh_14_variation-or-nomination.pdf. Those holding shares in dematerialized form may contact their respective Depository Participant (DP) to avail the nomination facility or further change in nominations.

T. Updation of Shareholders information:

The Shareholders of the Company are requested to intimate their latest Residential Address along with the details of their Shareholding in "Updation of Shareholder's Information Form" (which can be obtained from the Registered Office of the Company or downloaded from the Company's Website <http://www.raunaqinternational.com/pdf/proforma-for-updation-of-shareholders-information.pdf>). The duly filled form for Updation of information may either be sent to the Company at its Registered Office or be hand-delivered at the Annual General Meeting of the Company.

On Behalf of the Board of Directors



Surinder Paul Kanwar
Chairman and Managing Director

Dated: 30 June, 2020

DIN:00033524

COMPLIANCE CERTIFICATE AS PER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We have reviewed financial statements and the cash flow statement for the year 2019–20 and that to the best of our knowledge and belief:

- 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- 2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- 3) No transaction entered into by the Company during the above said period, which is fraudulent, illegal or violative of the Company's Code of Conduct.

Further, we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial statements and we have disclosed to the Auditors and the Audit Committee, wherever applicable:

- 1) Deficiencies in the design or operation of internal controls, if any, which came to our notice and the steps we have taken or propose to take to rectify these deficiencies;
- 2) Significant changes in internal control over financial reporting during the year 2019–20;
- 3) Significant changes in accounting policies during the year 2019–20 and that the same have been disclosed in the notes to the financial statements;
- 4) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Raunaq EPC International Limited



Himanshu Goyal
Chief Financial Officer



Rajan Malhotra
Chief Executive Officer

Dated: 30 June, 2020

COMPLIANCE WITH CODE OF CONDUCT

The Company has adopted "Code of Business Conduct and Ethics" pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations"). This code deals with the Good Governance and ethical Practices, which the Company, the Board members and the Senior Management of the Company are expected to follow.

It is hereby affirmed that during the year 2019-20, all the Directors and Senior Managerial personnel have complied with the Code of Conduct and have given a confirmation in this regard.

For Raunaq EPC International Limited



Vartika Malhotra
Company Secretary



Surinder Paul Kanwar
Chairman and Managing Director

Dated: 30 June, 2020

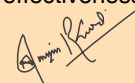
CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i)
of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
 The Members,
Raunaq EPC International Limited
20 K.M. Mathura Road, P. O. Amar Nagar,
Faridabad, Haryana - 121003

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Raunaq EPC International Limited having CIN: L51909HR1965PLC034315 and having registered office at 20 K.M. Mathura Road, P. O. Amar Nagar, Faridabad, Haryana - 121003 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31 March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.



CS Nitin Rawat
Partner

AGB & Associates
 Membership No.: F9050
 CP No.: 10554

Place: Faridabad
 Dated: 01 June, 2020
 UDIN: F009050B000307612

CERTIFICATE ON CORPORATE GOVERNANCE

To
 The Members,
 Raunaq EPC International Limited
 (CIN: L51909HR1965PLC034315)
 20 K.M. Mathura Road, P.O. Amar Nagar
 Faridabad – 121003
 Haryana

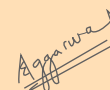
I have examined the compliance of the conditions of Corporate Governance by Raunaq EPC International Limited ('the Company') for the year ended 31 March, 2020, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations during the year ended 31 March, 2020.

I state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For ETIKA AGGARWAL & ASSOCIATES
COMPANY SECRETARIES



(Etika Aggarwal)

Membership No. 42749
CP No. 18788

UDIN NO.: A042749B000405837

Place: Delhi
 Dated: 30 June, 2020