



RAUNAQ EPC INTERNATIONAL LIMITED

(AN ISO 9001: 2008 Company)

REIL/SEC/BSE/4/AUGUST 2019-2020

August 30, 2019

The Manager (Listing)

BSE Limited
1st Floor, New Trading Ring,
Rotunda Building
PJ Towers, Dalal Street
Fort, Mumbai-400001

STOCK CODE: 537840

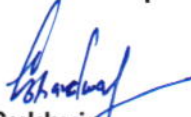
Sub: Compliance of Part-A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Part-A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the minutes of Annual General Meeting of the members of the Company, duly convened on 05th August, 2019.

You are requested to take the same on your records.

For Raunaq EPC International Limited


Sukhvir
Company Secretary



MINUTES OF 54TH ANNUAL GENERAL MEETING OF MEMBERS OF RAUNAQ EPC INTERNATIONAL LIMITED HELD ON MONDAY, THE 05TH AUGUST, 2019 COMMENCED AT 11:30 A.M. AND CONCLUDED AT 11:55 A.M. AT FARIDABAD INDUSTRIES ASSOCIATION, FIA HOUSE, BATA CHOWK, FARIDABAD – 121001, HARYANA

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PRESENT:

MEMBERS:

IN PERSON : 1246 (including 3 members from Promoters & Promoters Group)
(As per Attendance Slips received) (Holding 1735759 shares)

PROXIES (as per Proxy Register) : 49 (holding 191 shares)

DIRECTORS:

Mr. Surinder Paul Kanwar	Chairman & Managing Director
Mr. Sachit Kanwar	Joint Managing Director
Mr. P.K. Mittal	Director
Dr. Sanjeev Kumar	Director
Mr. Rajiv Chandra Rastogi	Director
Ms. Seethalakshmi Vekataraman	Director

IN ATTENDANCE:

Mr. Rajan Malhotra	Chief Executive Officer
Mr. Sachin Kumar Mittal	Manager – F & A & (CFO)
Mr. Sukhvir	Company Secretary

Dr. Sanjeev Kumar, Chairman of the Audit Committee & Nomination and Remuneration Committee and Mr. P.K Mittal, Chairman of the Stakeholders' Relationship Committee were present at the meeting to answer the shareholders queries.

Following registers were placed before the meeting:

1. Register of Members
2. Proxy Register
3. Register of Directors' Shareholding
4. Register of Investments
5. Register of Contracts and Arrangements in which Directors are interested
6. Auditor's Report for the year ended March 31, 2019
7. Secretarial Audit Report for the year ended March 31, 2019
8. Audited Financial Statements for the year ended March 31, 2019

The Chairman welcomed the members to the 54th Annual General Meeting of the Company. He introduced the Directors and others seated on the dais to the Shareholders. He declared that the necessary quorum was present and called the meeting to order.

The Chairman, after welcoming the shareholders present, gave his keynote address:

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CHAIRMAN
INITIALS

MINUTE BOOK

QUOTE:

Dear Ladies and Gentlemen,

On behalf of the Board of Directors, I am delighted to welcome you all to the 54th Annual General Meeting of your Company.

The Company continues to pass through tough times with the overall slowdown in the power sector especially thermal power and the Government's thrust is mainly on renewable fuel source of energy generation, resulting in your Company struggling to bag new orders in the thermal power sector. Moreover, the Company had to incur losses due to non recovery of debts from few customers who have either gone into liquidation under Insolvency Bankruptcy code in NCLT or are passing through financial crises due to the stagnant thermal power sector. This has a reflection on the Company's standalone results. **Sales and other income of the Company on Standalone basis was ₹ 52.05 Crores against ₹ 45.57 Crores in the previous year. There was a loss of ₹ 5.28 Crores against a loss of ₹ 0.98 Crores in the last year.**

The Company has been in the EPC business for more than 5 decades and has weathered such storms in the past. To overcome the sluggish scenario in the EPC business, the Company has already diversified into the auto ancillary business and has a foothold in it. Additionally, the Company is making efforts to make a breakthrough in the water distribution business.

The Government has been steadily increasing budgetary allocation for the water sector. Ministry of Jal Shakti Department of Water Resources, River Development and Ganga Rejuvenation is taking many initiatives to expand water resources for irrigation, drinking, and cleaning up the Ganga, interlinking the rivers. The ministry is implementing key projects such as Namami Gange, Pradhan Mantri Krishi Sinchayi Yojana and inter-linking rivers. The above steps have led to increased orders in the pipeline and we expect to benefit from the same in the coming year.

In order to enter in the water distribution segment and to overcome the ongoing financial crises, the Company requires fresh funds. Therefore, the Company has decided to offload its stake in Xlerate Driveline India Limited (XDIL), the wholly owned subsidiary Company to Bharat Gears Limited, a Group Company which is an established name in the auto component industry. The agenda for the same has been proposed to the Shareholders for their approval in this Annual General Meeting.

On the auto components front, the business exhibited a favourable growth in the backdrop of robust growth in commercial vehicles and passenger vehicles during last financial year. In FY 2018-19, XDIL's revenue touched ₹ 46.78 Crores in comparison to ₹ 33.45 Crores in FY 2017-18. The main reason for the growth is due to consistent rise in the OEM/OES Business and stable growth in the after-market segment. **There was a profit of ₹ 0.66 Crores against a loss of ₹ 0.49 Crores in the last year.**

The auto sector also has been passing through a slowdown for the past 10 months which has also affected the business of auto component industry; however, we believe that market will going to pick up from the 3rd quarter of the current financial.

We intend to fortify the market share in the commercial segment and diversify into Tractor and UV segment.

CHAIRMAN'S
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