

Transcript of the 59th Annual General Meeting of Raunaq International Limited
September 20, 2024, 11:30 AM IST

Management Team: Kalpana Singh - Link Intime India Private Limited
Neha Patwal - Company Secretary and (CFO)
Surinder Paul Kanwar - Chairman and Managing Director
Sanjeev Kumar - Non-Executive Independent Director
Rajiv Chandra Rastogi - Non-Executive Independent Director
Naresh Verma - Non-Executive Director
Preeti Goel - Non-Executive Independent Director

Presentation

Moderator: Good Morning, Honourable Chairman and Board of Directors, and shareholders of Raunaq International Limited. I, Kalpana Singh, on behalf of Link Intime, welcome you all to the 59th Annual General Meeting of Raunaq International Limited, through our audio and other visual facility called InstaMeet.

To enable us to conduct the meeting smoothly, members and other participants, are requested to keep their devices in mute mode throughout the session. The members who have pre-registered themselves as a speaker to speak during the meeting; they will only unmute their devices, to speak when their turn comes.

I now request to the Company Secretary Ms. Neha Patwal to proceed further. Over to you, ma'am.

Neha Patwal: Thank you so much, ma'am. Dear shareholders', good morning to everyone and a warm welcome to the 59th Annual General Meeting of Raunaq International Limited. Members' may please note that, this AGM is being held through video conference in accordance with the provision of Companies Act 2013, and the circulars issued by the Ministry of Corporate Affairs and SEBI.

As per the statutory requirements, the proceeding of the meeting is being recorded, the transcript as well as the recording will be uploaded on the website of the Company.

Facility for joining this meeting through video conference or other audio visual means is made available for the members on a first-come-first-served basis.

As the AGM is being held through video conference, the facility for appointment of proxies by the members was not applicable and hence the proxy Register for inspection is not available.

The Register of Members, Register of Directors, Key Managerial Personnel and the Register of Contracts and Arrangements have been made available electronically for inspection by the members during the AGM.

For the smooth conduct of the meeting all the members will be in the mute mode, audio and video mode shall be unmuted, for those who have registered themselves as speakers.

Members who have not registered as speakers can ask their queries to the panelists, via active chat-board during the meeting. Please remember your speaking serial number which will be appearing in the “voting registration message” once you mark your attendance for the meeting.

You are requested to speak only when you will be invited to speak as per the serial number.

Members who have not exercised their vote, through the remote e-voting may click the voting button, cast your vote, which is appearing on the right hand side of your VC meeting screen. You may enter demat account number, folio number and the OTP received on your registered mobile number/registered email Id) during registration for InstaMeet and vote.

Now, I request our Chairman sir, Mr. Surinder Paul Kanwar, to initiate the proceedings of the meeting. Please sir.

Surinder Paul Kanwar: Good morning everyone. It gives me a great pleasure to welcome you all to the 59th General Meeting of the Company. Pursuant to various circulars issued by the Ministry of Corporate Affairs, the 59th General Meeting is being conducted by electronic means, with VC/OAVM platform “InstaMeet” provided by Registrar and Transfer Agent, Link Intime India Private Limited.

The Notice and the Annual Report for the financial year '23-'24 was sent only by electronic mode, to the members whose e-mail address is registered with the Company/Depositories.

Now I introduce Directors, Key Managerial Personnel to the shareholders.

Dr. Sanjeev Kumar
**Non-Executive Independent Director,
(Chairman of Audit Committee, Stakeholders' Relationship
Committee and the Nomination and Remuneration Committee)**

Mr. Rajiv Rastogi
**Non-Executive Independent Director,
(Lead Independent Director)**

Mr. Naresh Verma
Non-Executive Director

Ms. Preeti Goel
Non-Executive Independent Director

Ms. Neha Patwal
Company Secretary and (CFO)

And Myself

Surinder Paul Kanwar

Neha, please confirm the quorum is present.

Neha Patwal: Yes sir, quorum is present, sir.

Surinder Paul Kanwar: The report of Statutory Auditors on Financial Statements and Secretarial Audit Report of the Company for the year ended 31st March 2024, does not contain any qualification, reservation or adverse remark, which needs to be explained or comment of the Board.

Dear shareholders, greeting to all of you. I'm pleased to present 59th Annual General Meeting of Raunaq International '23-'24. The past few years have been challenging, but Raunaq International has shown resilience, and is now focused on the diversifying for sustained growth. Despite global economic difficulties, Indian economy grew by 7.6% in financial year 2024, driven by strong domestic demand, supportive government policy, and foreign investment.

Infrastructure development cornerstone of India's growth strategy. The government is committed to building modern infrastructure that

enhances manufacturing competitiveness, and support economic expansion. Key initiatives such as national infrastructure pipeline and the Make in India program, are crucial in driving this growth.

These efforts are not only aimed at a traditional sectors like transportation and power but also at evolving need in the housing water sanitization, and digital infrastructure.

The power sector is central to India's infrastructure development and economic progress. Over recent years, India has moved from a power deficit to a surplus, largely due to significant investments in the reforms.

Our power sector is among the most diversified in the world, with energy generating with both conventional sources like coal, natural gas, nuclear power-and renewable sources, such as wind and solar power.

India's leadership in renewable energy in the noteworthy, and we are on track to meet our Paris Agreement targets, to feat unmatched by any other G20 nation. The government is also advancing new initiative, including a 'rent a roof' policy to boost solar power generation and plans to establish 21 nuclear reactors by 2031. As electricity demand continues to rise, ongoing investment in power infrastructure will be crucial for meeting future need, and sustaining economic growth.

One of the significant challenges we face in the engineering procurement and construction (EPC) sector is securing banking support, particularly in arranging banking guarantees. Strict banking norms for the EPC industry, have made it increasingly difficult to secure the necessary financial backing for large-scale projects. This has limited our ability to participate—in some tenders. However, we have successfully secured a key project in Madhya Pradesh worth ₹14.98 crores, which will contribute to our revenue in the coming year.

In financial year 2024, due to fewer ongoing projects, our total revenue decreased from ₹ 778.96 lakhs in financial '22-'23 to ₹465.11 lakhs. To sustain growth, we have diversified into the auto component trading business swhile continuing to bid selectively for EPC contracts. Simultaneously, the Company further has explored possibilities in the trading business which cater to the auto component business which would also add to the revenues of the Company.

We will constantly strive for timely execution of the jobs with best engineering capabilities available and we are also focusing on trading

business/machining activities along with the EPC project, which can be manageable with the available banking facilities.

I would like to spread out my sincere gratitude to our employees, customers, partners, business associates and our stakeholders for their undying faith and support. Each one has been a part of our exciting and enriching journey. We continue to seek value creation for our stakeholders and persevere in building a sustainable business. Here is hoping for a bright and strong future together.

Warm Regards

Now I'll take up the agenda item as per notice of the AGM for members to cast their votes by electronic means.

Item Number 01 Ordinary Resolution

To receive, consider, adopt financial statement of the company for the year ended 31st March 2024, together with the report of Directors and Auditors thereon.

Item Number 02 Ordinary Resolution

To consider the re-appointment of Mr. Naresh Kumar Verma, who retires by rotation and is eligible for re-appointment.

Item Number 03 Special Resolution

To consider re-appointment of Mr. Rajiv Chandra Rastogi as a Non-Executive Independent Director on the Board of the Company.

Member to cast their vote, by electronic means, before conclusion of meeting, and resolution passed shall be declared, within the prescribed time limit.

Now members who are registering themselves as speaker, may ask their queries and their speakers, and other members who have not registered as speaker, may ask their query by active chatbot. Company Executive will read the queries for the panelist to reply. Thank you.

Neha Patwal: Yes sir. Kalpana ma'am?

Moderator: Yes ma'am.

Neha Patwal: Now the meeting is open to take the queries from the shareholders. You can call out the name of speakers, as per their serial number.

Question-and-Answer Session

Moderator: Thank you, ma'am.

Neha Patwal: Yes ma'am, thank you.

Moderator: I now request to the first speaker, Mr. Toni Bhatia. Mr. Toni, you're on the panel, sir. Please unmute yourself and ask your query.

Toni Bhatia: Hello. Hello. Hello. Am I audible? Hello...

Surinder Paul Kanwar: Yes. Good morning.

Toni Bhatia: Okay. Good morning, sir. Respective Chairman sir. Very good morning. Respective Chairman sir. I mean, and Board of Directors and my friends. I hope you won't mind my speaking in Hindi? Chairman sir, first of all you gave a good Chairman speech. Our company working is not good, and you described the whole story and you also described about the future. I am 100% sure with God grace, our company will again touch the corner.

If you permit me, I am going to read out a few lines in this regard. If you permit me, during the financial year '23-'24, despite the Company difficulty to arrange the bank guarantees, due to strict banking norms for EPC industry. The company has quoted few tenders out of them. Company has successfully secured a work order for two multi, two times 800-megawatt Phase II Mahan Ultra this in Singrauli so amounting to ₹14.98 crores will reflect sir, in revenue in FY '24-'25.

So I am, Mr. Chairman I am 100% sure God grace company will again touch the corner, I have full faith in the management, in you, in the Board, in the employees. I have full faith. And further last, the Company will cautiously quoted for new tenders in EPC business going forward, and would utilize the long drawn experience of the EPC business.

Simultaneously, company further explore possibilities in that trading business, which title to the auto components business, which would also add to the revenue of the company. So, I am fully - I have with God's grace, I am sure company will again touch the corner. Chairman sir, I won't take much time, corporate governance, you have shown in such a good manner for this credit goes to our CFO, and our Company Secretary.

I'm sorry, the Company which sent a link, balance sheet was sent, I thank them very much. The link in which I can speak with them and balance sheet was sent to me well in time. I won't take much time once again to the Chairman sir, your full Board and all the employees, who have worked for this company very hard. I am sure company will again touch the corner. It's late, but it's not dark with these words, I support and seconded the balance sheet? God bless you, Mr. Chairman. Thank you, sir.

Surinder Paul Kanwar: Thank you, Mr. Bhatia. Thank you.

Moderator: Thank you, sir. Our next speaker Mr. Ankur Chanda, is not present with us. So I call speaker number three, Mr. Rakesh Kumar. Mr. Rakesh, you are on the panel, sir. Please unmute yourself and ask a query.

Rakesh Kumar: Sir, hello.

Surinder Paul Kanwar: Yes, yes hello, Mr. Kumar.

Rakesh Kumar: Chairman sir, Board of Directors, Company Secretary, co-shareholder. Sir, I thank you very much, for giving me this opportunity to speak on this platform. Sir, there is nothing to say, as in your speech you have given a clear picture of the future of the Company. Sir, I have one question, that to make this Company more bigger, will you have a right issue or if you will be taking some funds, please tell me about this. We the shareholder are with you, and if you have any requirement, you bring the right issue, and we will put money in that and we ready to put money.

We are bound with you for a very long time, and we know that we won't be losing our money. So I request you that if you require it at any time, so for us our doors are always opened for you. Thank you, sir. Remaining, your Company Secretary that's Khattryji and team and I would like to thank them, because they sent me the link on time, and I had asked for the Annual Report and that also I received at the right time. Thank you, sir. Thank you.

Surinder Paul Kanwar: Thank you, Mr. Kumar.

Moderator: Thank you, Mr. Rakesh. We have speaker number three. Sorry, we have speaker number four, Mr. Gaurav Kumar Singh. Mr. Gaurav, you are on the panel, sir. Please unmute yourself and ask your query.

Gaurav Kumar Singh: Hello, am I audible?

Surinder Paul Kanwar: Yes, please Mr. Gaurav.

Gaurav Kumar Singh: Okay. Thank you so much, sir. Thank you so much. Respected Chairman, sir, Board of Directors, and fellow shareholders, good morning to all of you. My name is Gaurav Kumar Singh joining this AGM from New Delhi. First of all, I would like to thank our Company Secretary, and the entire secretarial team, for giving me the opportunity to express my views on this platform. Sir, I'm the shareholder of this company for last 15 years, and it was really wonderful to be a part of - such a way from then.

Sir, I have just two questions for the management. First, is how many legal cases are on our Company, and what steps have been taken to reduce them? Next is how we are using artificial intelligence in our processing, and what will be its impact on profitability as well as employment in our Company.

As far as the agenda of this AGM is concerned, I support all the resolutions along with all my family members. Once again, I wish to thank our CFO, Company Secretary, and his entire secretarial team for maintaining high standard of corporate governance. In the end, I wish a great future for the Company and a great help for all of you. Thank you, sir, Jai Hind.

Surinder Paul Kanwar: Thank you, sir. Thank you, Mr. Gaurav.

Moderator: Thank you Mr. Gaurav. We have the next question from speaker number five, Mr. Gagan Kumar. Mr. Gagan, you are on the panel, sir. Please unmute yourself and ask your query.

Gagan Kumar: Am I audible?

Surinder Paul Kanwar: Yes sir.

Moderator: Yes, you're audible.

Gagan Kumar: Yes. Good morning Mr. Chairman, Board of Directors, and fellow shareholders, myself, Gagan Kumar. I'm joining this meeting from Delhi. First of all, I would like to mention that I had requested for a hard copy of Annual Report, which I received well in time. And if we see at the share price, it has touched from the bottom of rupees - low of ₹ 15 and the top of ₹ 28 last financial year. So share price is almost double.

My question to the management is that, how much time frame we can expect for dividend? And, what is our value creation road map for next two years? And what is the position of IEPF and particularly, how much shares of our company is transferred into IEPF fund? Rest, I support all the resolution, which we'll set out for the notice today. And my special thanks to the CS and entire secretarial team, for maintaining high standard of corporate governance. Thank you so much for this opportunity.

Surinder Paul Kanwar: Mr. Kumar, Neha can you answer about this? How many shares are in the IEPF?

Neha Patwal: There are approx. 1,50,000 shares in the IEPF Account.

Surinder Paul Kanwar: Okay.

Neha Patwal: Yes sir.

Surinder Paul Kanwar: Next question.

Neha Patwal: Kalpana ma'am.

Surinder Paul Kanwar: Madam Kalpana, is there any other....

Neha Patwal: Kalpana ma'am.

Moderator: Sir, speaker number six, Mr. Sanjay Kathpal is not present with us. So I request Ms. Neha, to proceed further, ma'am.

Surinder Paul Kanwar: Okay. And I can go as of now, we have no further queries to reply. Members are informed that the electronic voting option will remain open for the next 15 minutes member, and who have not exercised their vote may click the voting button, to cast their vote, which is appearing on the right hand side of the VC meeting screen and vote.

The result of resolutions passed at the AGM shall be declared within the prescribed time limits upon receiving the consolidation report of Remote E-voting and E-voting at the meeting by the scrutinizer.

Neha Patwal: No, sir. There is no other queries from the shareholders.

Surinder Paul Kanwar: Shall we close the meeting? Thank you, everybody.

Neha Patwal: Thank you, sir.

Gagan Kumar: Thank you, Chairman. Thank you, everyone.

Neha Patwal: Thank you, everyone.

Surinder Paul Kanwar: Thank you, sir.

Moderator: Sir, we have conducted this meeting in smoothly manner. Meeting is concluded now. I request you, everyone, please take exit from the panel. Thank you.

Surinder Paul Kanwar: Thank you.

Neha Patwal: Thank you so much.