

Value Focused



RAUNAQ EPC INTERNATIONAL LIMITED

Annual Report 2015-16

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Cautionary Statement Regarding Forward-Looking Statement

Statements in this Annual Report describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those in such forward looking statements. Important developments that could affect the Company's operations include a downtrend in the infrastructure sector, significant changes in political and economic environment in India or key financial markets abroad, tax laws, litigation, exchange rate fluctuations, interest and other costs.



Value Focused

All our strategies have always been aligned with creating sustainable value for all our stakeholders. Over the last few years, adjusting to the dynamic macro environment, we have enhanced our focus on more revenue accretive and diverse projects.

We have delivered diverse pipeline and storage projects across Power, Oil & Gas, Petrochemicals and other Industries. Our impeccable record of timely completion, within given cost over the past four decades is a benchmark for the industry. Navigating through the slowdown prevailing in the EPC segment in India, our strategy has been selective bidding. We have been very prudent in undertaking projects which are margin accretive.

Having made strong inroads in the replacement market for our automotive clutches business segment, we have increased our focus towards Original Equipment Manufacturers (OEMs). We have significantly augmented our product portfolio with new additions in the commercial vehicle segment. In order to increase our market reach, we are exploring export opportunities on the back of our Value for Money proposition.



Snapshot 2015-16

Operational Highlights

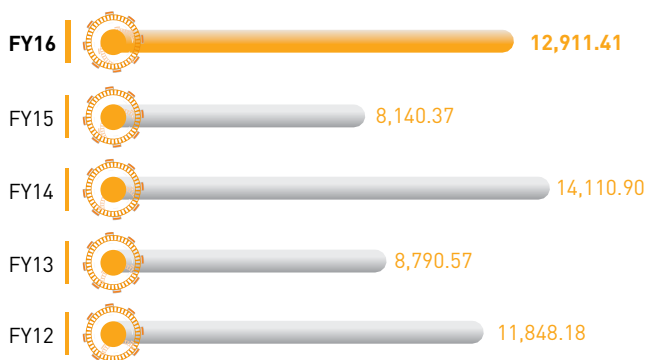
- Won a contract from Bharat Heavy Electricals Limited for its 2x660 MW super critical thermal power plants at Suratgarh, Rajasthan. The contract comprises erection, testing and commissioning of River/Canal Water, LP Piping and Fire Water Piping for this project.
- Added the Delhi Metro Rail Corporation (DMRC) in the client list and executing orders for Line – 8 of Janakpuri West to Kalindi Kunj.
- Augmented product portfolio in the automotive clutches business segment by adding clutches catering to heavy commercial vehicles.



Financial Highlights

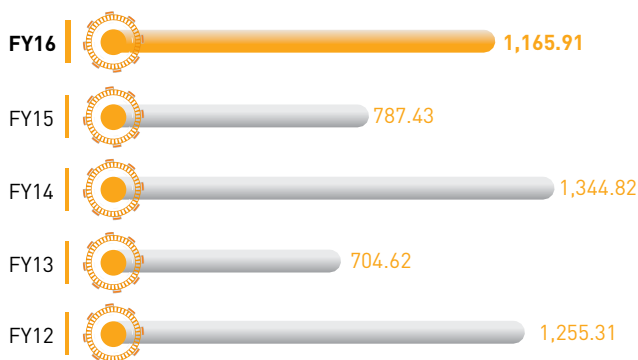
Total Income

(₹ in Lacs)



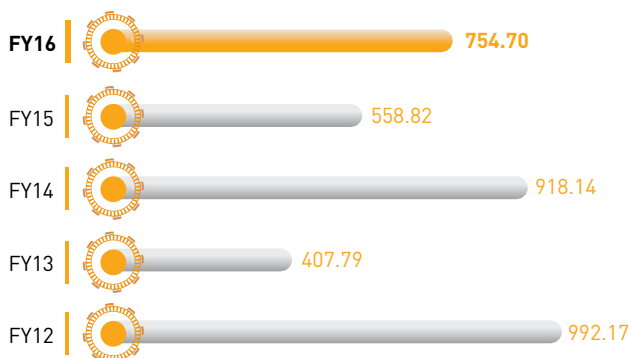
EBITDA

(₹ in Lacs)



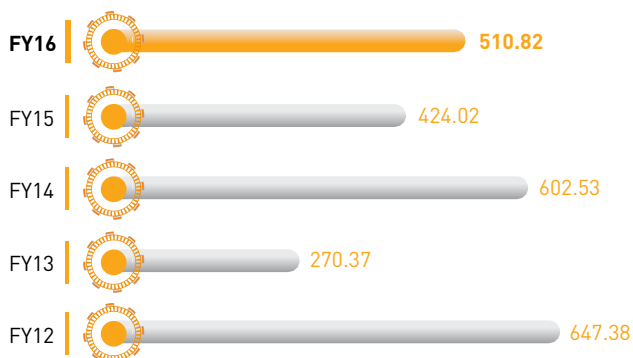
Profit Before Tax

(₹ in Lacs)



Profit After Tax

(₹ in Lacs)

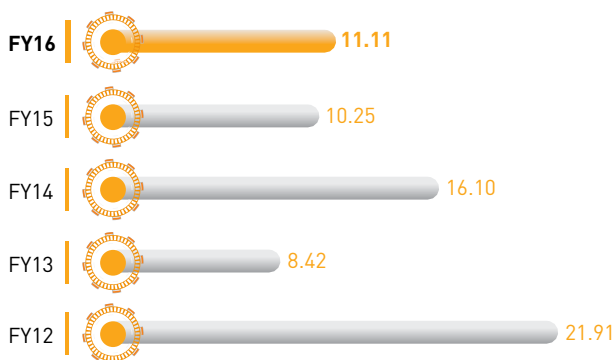


Executed Projects

Sl. No.	Client	Project	Job Description
1.	M/s Mahagenco (Maharashtra Generation Company)/Lanco Infratech Ltd., Gurgaon	3 x 660 MW coal based thermal power project at Koradi, Nagpur, Maharashtra	Supply, Erection, Testing & Commissioning of Low Pressure Piping (LP) & Fuel Oil Handling System (FOHS)
2.	National Thermal Power Corporation Ltd., Noida	2 x 250 MW coal based thermal power project at Rihand, Uttar Pradesh	Supply, Erection, Testing & Commissioning of LP Piping System & FOHS
3.	Reliance Energy Limited, Mumbai/Damodar Valley Corporation, Kolkata	2 x 600 MW coal based thermal power project at Raghunathpur, Purulia, West Bengal TPP	Supply, Erection, Testing & Commissioning of Cooling Water (CW)/LP Piping and Misc. Tanks Package including Equipment Erection
4.	Orient Cement Limited	Raw water intake and supply system at the Cement Plant at Chittapur (Near Gulbarga), Karnataka	Raw water piping, civil, mechanical and electrical systems on a turnkey basis

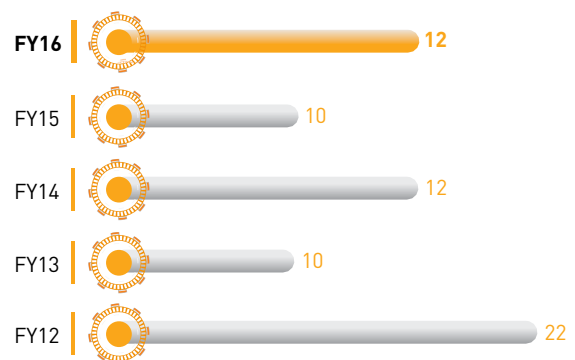
Return on Networth

(In %)



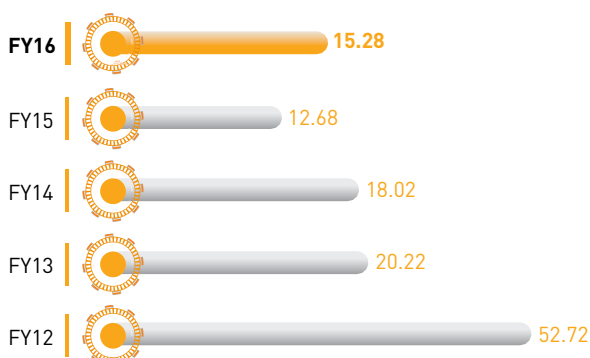
Dividend

(In %)



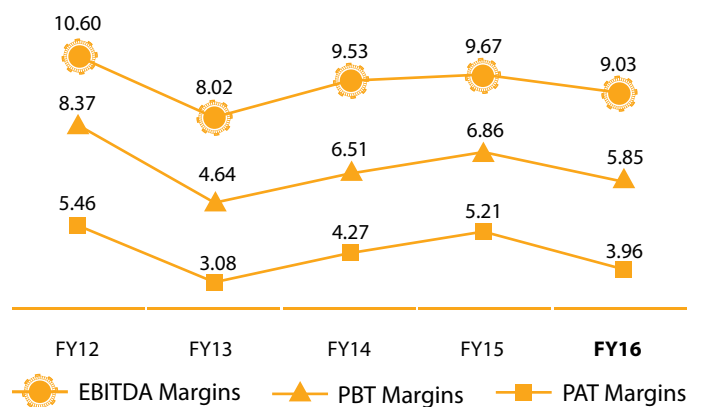
Earnings Per Share

(In ₹)



Profitability Margins

(In %)












Raunaq EPC International in brief

Raunaq EPC International Limited (REIL) is a flagship company of the esteemed 'Surinder P. Kanwar Group'. We are a diversified company with two broad business segments; EPC & Auto components. We have been providing pipeline and storage infrastructure solutions since the past four decades. We also undertake medium-sized projects for the core infrastructure and industrial sectors in India, including power, chemicals, hydro-carbon, metal, cross country pipelines and automobiles.

REIL has a 100% wholly owned subsidiary named Xlerate Driveline India Limited (XDIL). XDIL is engaged in the manufacture of automotive clutches for commercial vehicles catering to the after-markets segment.



Operational Fields

-  Industrial Piping System
-  Cross Country Pipeline and Piping Systems
-  Storage Tanks and Oil Handling Systems
-  Ash Water Recirculation Systems
-  Compressed Air Systems
-  Fire Water Systems
-  Site Fabrication and Equipment Erection Works





Key Differentiators

- Niche segment of mechanical works related to industrial plants, power plants and hydro carbon sectors.
- Strong engineering strength which helps to undertake complete system engineering solutions for pipeline and storage projects.
- Four decades of experience in executing piping and storage projects.
- Amicable relationship with the clients which helps to get repeat orders.
- Timely execution of projects.



Our Clients





Focus on quality EPC assignments



In our four decade journey, we have enabled seamless movement of fluids across farms, forest, deserts, etc. Our strength lies, not only in the execution of turnkey engineering projects, but in delivering the projects on schedule. This differentiates us from the rest.

The focus on quality is our business mantra for future growth. With concerted efforts on qualitative earnings, we are now bidding selectively for the EPC projects which have decent profitability margins and contribute well to our bottom-line.

We are shifting our focus on bidding for projects which are offered by financially sound companies which have satisfactory paying capabilities. We have reduced our aggression for winning projects as many EPC players in the industry have burn their hands by doing so. With years of experience and a good client data base, we have been meticulously analyzing the projects before going the whole hog to bag them. Carefully analyzing and working with a planned and well synchronized schedule has been our key strength. This has enabled us to deliver quality projects on schedule.

Going forward, we will continue to leverage our impeccable record to win good projects.





Focus on maximizing automotive prospects

With the objective of diversifying our base and leveraging our group company's experience and reach, we have ventured into the auto ancillary segment. We started our automobile clutches business in year 2013 and it has been showing good traction. In a short span of time, it has started to contribute 1/5th of our total revenue.

The auto ancillary business is being operated under our 100% wholly owned subsidiary, Xlerate Driveline India Limited and it currently caters to the replacement market for automobile clutches in India. After a successful initial stint with a few products, we are now focusing on strengthening the automotive clutches business by adding more products to our portfolio which can cater to the different sizes of Heavy Commercial Vehicles.

Having achieved sustained revenue growth in the replacement market over the past three years, we are now focusing on generating revenue from the OEM segment. Our immediate focus will be to bring technological improvements and advancement in our manufacturing facility which is prerequisite criteria for OEMs.

The division is focusing on leveraging its strength to provide very good quality automotive products at cheaper rates to venture into the overseas markets. We are currently engaging with many foreign based auto component manufacturers and the extent of interest shown by many global players is quite encouraging.





From the desk of Chairman

Dear Shareholders,

The year 2015-16 has been the second year of revived business sentiments. It started on a positive note with a stable rupee and decline in inflation on account of sharp moderation in global commodity prices. Negative WPI inflation encouraged the Reserve Bank of India to reduce the REPO rate by 75 bps. However, banks are still reluctant to pass on the entire rate cut benefit to customers due to higher delinquencies. We hope that in the near future banks will reduce the interest rates, which will reduce the debt burden of infrastructure companies.

During the year 2015-16, the Central Government has initiated various policy measures to revive economic growth. The Prime Minister's Office (PMO) has taken over the Project Monitoring Group (PMG) to oversee the progress of the sanctioned projects and take corrective action for stalled projects. In the calendar year 2015, the PMG has resolved more than 149 projects involving an investment close to ₹ 5,00,000 crores. The Central Government has also announced various projects like "Power to all: by 2019", "175 GW of clean energy: by 2022", "100 Smart Cities", "Make in India", "Sagar Mala: to modernize India's Port" and "Delhi - Mumbai Industrial Corridor". We believe that these projects will not only improve the infrastructure of the country, but will also bring substantial business opportunities for the EPC players like your Company.

During the year, the execution of various projects under implementation peaked to a higher level as compared to last year, leading to a healthy growth. In order to diversify our client base and generate a new stream of revenue we have started to explore global opportunities and have bid for various projects overseas. This would open new vistas of growth. Your Company is also exploring opportunities in the water distribution business. This segment holds great potential going forward with the government's initiatives such as '100 smart cities' which would emphasize on modern infrastructure facilities for

water recycling, conservation and waste water treatment.

During the year 2015-16, your Company has increased its automotive clutch business portfolio. Our clutch portfolio is now capable to cater to all categories of commercial vehicles in the secondary market. Your Company is making efforts to add couple of OEMs in the next financial year, which would significantly enhance the revenue in the automotive clutch business segment. The Central Government is trying to make India an export hub especially in the auto component sector, which will have a positive impact on our clutch business going forward.

In 2015-16, the standalone total income of your Company stood at ₹ 129.11 crores compared to the previous year of ₹ 81.40 crores, a year on year growth of 58.61%. The Profit after tax stood at ₹ 5.11 crores as against ₹ 4.24 crores of the previous fiscal year.

The consolidated income of your Company grew by 52.23% and reached ₹ 151.42 crores in 2015-16, compared to ₹ 99.47 crores of the previous year. PAT grew by 78.40% and reached ₹ 3.80 crores against the previous year figure of ₹ 2.13 crores.

I would also like to take this opportunity to thank all our stakeholders for believing in us and partnering us through the challenging journey. I would like to specially thank our employees, our biggest strength that have worked with great dedication in achieving our vision and would like to acknowledge their steadfastness against all odds.

Best Regards,



Surinder P. Kanwar
Chairman & Managing Director



Corporate Social Responsibility Initiatives

In FY15, the Company's Board of directors approved the Corporate Social Responsibility (CSR) policy on the recommendation of the CSR committee in terms of provisions of Section 135 of the Companies Act, 2013. The said policy is available on the website of the Company i.e. www.raunaqinternational.com/pdf/corporate-socialresponsibility-policy.pdf. The broader activities proposed to be undertaken by the Company are incorporated under the CSR policy in line with the activities prescribed under the Schedule VII of the Companies Act, 2013. These include:

- ❁ Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.
- ❁ Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- ❁ Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- ❁ Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.
- ❁ Protection of national heritage, art and culture, including the restoration of building and sites of historical importance and works of art and setting up of public libraries.
- ❁ Measures for the benefit of armed forces veterans, war widows and their dependents.
- ❁ Training to promote rural sports, nationally recognized sports, Paralympic and Olympic sports.
- ❁ Rural Development projects.

The Company during FY 2015-16 has not decided upon the project under CSR wherein the funds can be spent in order to benefit the society at large. The Company shall soon figure out the projects to be undertaken for CSR activities and spend accordingly.

Though over the past decades, REIL has voluntarily been contributing to the lives of all its stakeholders in many different ways. This forms an integral part of the activities as enumerated in the CSR policy of the Company which it adopted after the enactment of the Companies Act, 2013. The Company has also contributed to the society, especially the needy persons, in special ways and through various NGOs.

Supporting the cause of Autism

Autism is a complex lifelong neurological disability which affects a person's communicative and imaginative skills and the ability to relate to people. Its symptoms range from a mild learning and social disability to a severe impairment. A number of autistic children do not ever develop speech while others do but rarely use language to communicate. There are nearly two million autistic persons in India and the diagnosis of autism is now growing at a steep rate.

Action for Autism (AFA) is the largest non-profit non-government organization providing support and services to persons with autism and their families. REIL has been an active corporate contributor to the cause supported by AFA.





Corporate Information

BOARD OF DIRECTORS

Mr. Surinder P. Kanwar
Chairman & Managing Director
Mr. Sachit Kanwar
Joint Managing Director
Mr. V.K. Pargal
Dr. Sanjeev Kumar
Mr. P.K. Mittal
Mr. Gautam Mukherjee
Mr. Satya Prakash Mangal
Mr. N.V. Srinivasan
Ms. Seethalakshmi Venkataraman

AUDIT COMMITTEE

Dr. Sanjeev Kumar
Mr. P.K. Mittal
Mr. V.K. Pargal
Mr. Satya Prakash Mangal

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. P.K. Mittal
Mr. Surinder P. Kanwar
Mr. Sachit Kanwar

NOMINATION & REMUNERATION COMMITTEE

Dr. Sanjeev Kumar
Mr. Surinder P. Kanwar
Mr. P.K. Mittal
Mr. Gautam Mukherjee

FINANCE COMMITTEE

Mr. P.K. Mittal
Mr. Surinder P. Kanwar
Mr. Sachit Kanwar
Dr. Sanjeev Kumar

SHARE ISSUE COMMITTEE

Dr. Sanjeev Kumar
Mr. Surinder P. Kanwar
Mr. Sachit Kanwar
Mr. P.K. Mittal

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Surinder P. Kanwar
Mr. Sachit Kanwar
Mr. P. K. Mittal
Mr. Satya Prakash Mangal

SENIOR MANAGEMENT

Mr. Rajan Malhotra (CEO)
Mr. A.D. Jain
Mr. Ashwani Chaswal
Mr. Shalesh Kumar

AUDITORS

M/s V. P. Jain & Associates

COMPANY SECRETARY

Mr. Kaushal Narula

BANKERS

State Bank of India
ICICI Bank Ltd.
Kotak Mahindra Bank Ltd.
IndusInd Bank Ltd.

REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited
44, Community Centre,
2nd Floor, Naraina Industrial Area,
Phase-I, Near PVR Naraina,
New Delhi- 110 028

REGISTERED OFFICE

20 K.M., Mathura Road,
P. O. Amar Nagar,
Faridabad - 121 003 (Haryana)

OTHER OFFICES

- 1009, Surya Kiran Building, 19, Kasturba Gandhi Marg, New Delhi- 110 001
- 14th Floor, Hoechst House, Nariman Point, Mumbai-400 021
- Mukherjee House, 17, Brabourne Road, Kolkata-700 001



Board of Directors



Mr. Surinder P. Kanwar, Chairman and Managing Director

Mr. Surinder P. Kanwar, aged 63 years, is a Commerce Graduate from the University of Delhi. He has in-depth knowledge of the core business of the Company i.e. EPC contracting. He has had a wide exposure to all aspects of the business of the Company and is engaged in supervising and conducting the business of the Company, along with a team of senior management personnel, who assist him in carrying out his activities, subject to the overall supervision and control of the Board. He has been affiliated with the Company as a member of the Board of Directors since 1990. He is also the past President of the Automotive Components Manufacturers Association of India (ACMA).

Mr. Sachit Kanwar, Joint Managing Director

Mr. Sachit Kanwar, aged 33 years, is the youngest son of Mr. Surinder P. Kanwar. He has a Bachelor's Degree in Administrative Studies from York University, Atkinson Faculty of Liberal & Professional Studies, Toronto, Ontario, Canada. After completing his graduation in 2004, he worked as a Corporate Sales/Lease Portfolio Manager, Airport Kia, Toronto, Ontario, Canada, for four years, where he gained experience in fields such as dealership sales, lease portfolio management, fleet management sales and service management, etc. He joined the Company as the Executive Director on April 01, 2008 and had been appointed as the Joint Managing Director w.e.f. June 01, 2011.



Dr. Sanjeev Kumar, Director

Dr. Sanjeev Kumar, aged 57 years, is a Non-Executive Independent Director of the Company since May 25, 2006. He is a Post Graduate in Commerce, Ph.D., LL.B., and PGDIPRL. He is also the fellow member of "The Institute of Company Secretaries of India" and "Institute of Cost and Works Accountants of India". He has over 31 years of experience in corporate and economic laws, corporate finance, accounts, costing, budgeting, MIS, systems, corporate affairs, merchant banking, mutual funds, etc.

Mr. Gautam Mukherjee, Director

Mr. Gautam Mukherjee, aged 59 years, is a Non-Executive Independent Director of the Company since March 23, 2009. He is a Graduate from the Punjab University, Chandigarh. He has a vast experience in the field of banking, having worked with SBI, ICICI Bank & ING Vysya Bank. He also worked closely with Government of India agencies for promotion of awareness of futures trading among farmers as a tool for price discovery mechanism of food grains.



Ms. Seethalakshmi Venkataraman, Director

Ms. Seethalakshmi Venkataraman, aged 72 years, has done Masters in Economics from the University of Delhi. She was a research associate with All India Management Association and Faculty Research Associate in Indian Institute of Management, Ahmedabad. She has also researched on the Introduction of Management Education in India (a Ford Foundation Project). She has also worked as Senior Manager (HRD) with NTPC Limited for over 20 years and also worked on Non Profit Management Modules for a Project for Getty Foundation, USA. She was a Member Secretary with the Sanskrit Foundation, New Delhi.

Mr. V.K. Pargal, Director

Mr. V.K. Pargal, aged 83 years, is a Non-Executive Independent Director of the Company since July 22, 2010. He is a qualified Chartered Engineer from England. Presently, he is also managing a consultancy company specializing in Business Strategies and Structures.





Mr. N.V. Srinivasan, Director

Mr. N.V. Srinivasan, aged 72 years, is a Non-Executive Director of the Company since October 30, 2006. He is a Graduate in Mechanical Engineering. He has done MS in Industrial Engineering from the University of Illinois and is a MBA from the Graduate School of Business of the University of Pittsburgh in USA. He has a vast experience of 45 years.

Mr. P.K. Mittal, Director

Mr. P.K. Mittal aged 62 years, is a Non-Executive Independent Director of the Company since July 31, 2003. He is a Commerce Graduate and LLB from the University of Delhi. He is also the fellow member of the Institute of Company Secretaries of India. He has over 33 years of experience in Central Excise Laws, Customs, Company Law, FEMA etc.



Mr. Satya Prakash Mangal, Director

Mr. Satya Prakash Mangal, aged 56 years, is a Non-Executive Independent Director of the Company since November 02, 2011. He is a practicing Chartered Accountant, founder partner M/s Satya Prakash Mangal & Co. based at New Delhi. He has also served in various Companies as Member/Chairman of various Board Committees. He has rich experience in the matters related to Company Law, Income Tax, Project Appraisal, Management Audit, Risk Management etc.



Senior Management



Mr. Rajan Malhotra
Chief Executive Officer



Mr. A. D. Jain
Vice President (Construction)



Mr. Ashwani Chaswal
Vice President
(Sales & Marketing)



Mr. Shalesh Kumar
Chief Financial Officer



Management Discussion and Analysis

Economic Overview

Global

As per IMF's World Economic Outlook, Global growth rate in 2015 moderated to 3.1% against 3.4% in 2015 largely due to ongoing slowdown in the Emerging and Developing Economies (E&DEs). E&DEs which account for more than 65% of global growth grew by 4.0% in 2015 compared to 4.6% in 2014 in the midst of difficult economic environment in China, Russia & Brazil. Advance economies grew by 1.9% in 2015 which is marginal improvement over 2014 growth rate of 1.8% on the back of gradual improvement in Europe. IMF is positive for 2016 and 2017 growth rate and projected that world economy will grow by 3.2% and 3.5% respectively on the back of strengthening of advance economies and increasing growth rate of emerging and developing economies.

Indian Economy

The GDP growth as per CSO's estimates stood at 7.6% for FY16, up from 7.2% in FY15 (base year of 2011-12). This growth was due to the improvement in the performance of manufacturing sectors and 'agriculture, forestry and fishing' sector.

Exhibit 1: World GDP growth rate, %

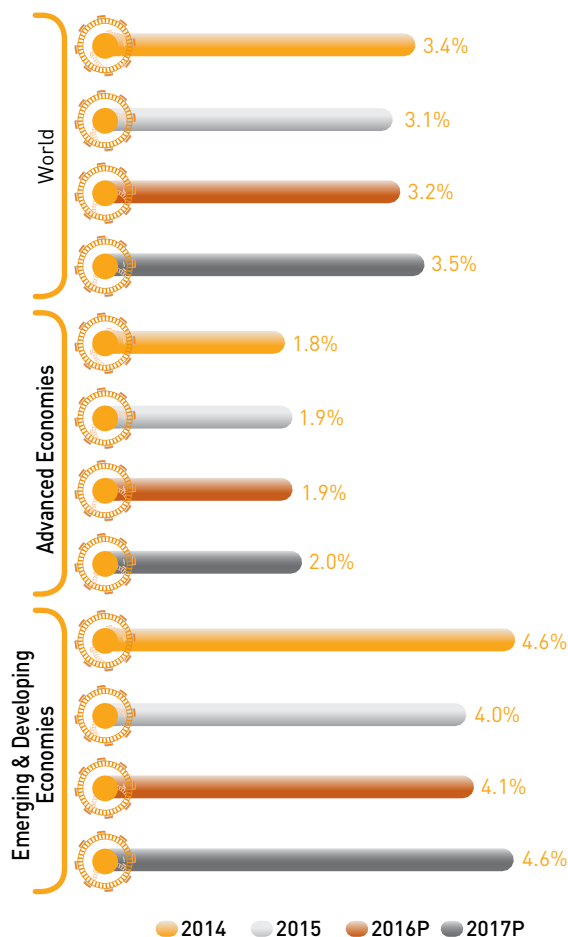
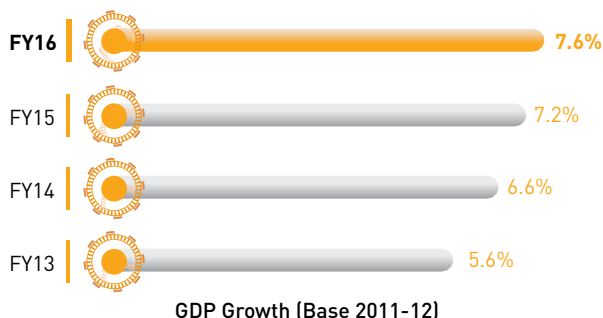


Exhibit 2: India GDP Growth rate, %



Consumer Price Index (CPI) is moving within RBI comfort zone of 5% in past 15 months as visible in Exhibit 3. With inflation well in control, RBI has reduced the repo rate by 125 bps in past 15 months since January 2015. This has translated into lower interest rates for corporate helping debt ridden infrastructure sector to reduce financial burden.

Exhibit 3: Consumer price Index

(All Group, Base year 2012)

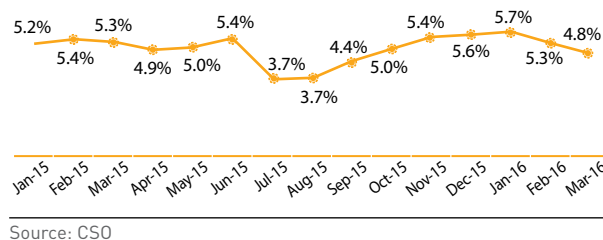
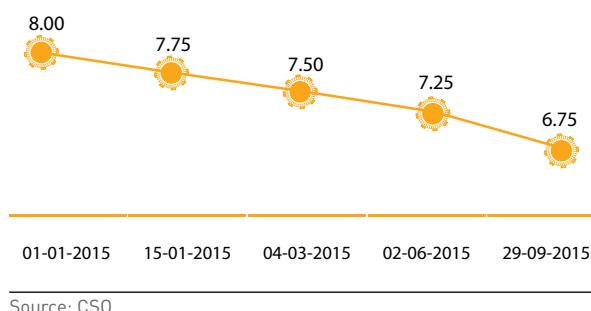
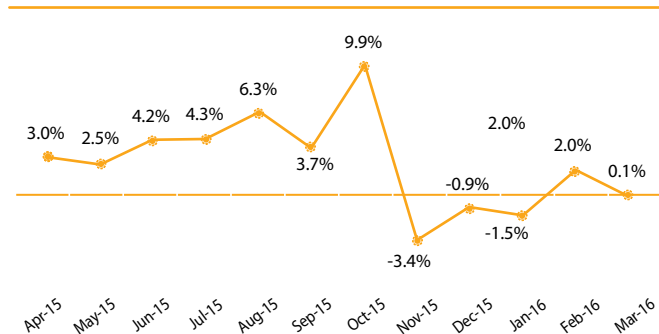


Exhibit: 4: Movement in Repo rate since January, 2015



Indian economy is currently moving steadily on its revival path. The government's increased impetus of enhancing the growth momentum in the infrastructure sector and growing ease of doing business in India would further strengthen the economic recovery.

Exhibit 5: Monthly IIP from April, 2015 to March, 2016 (Base year 2004-05)



Source: CSO

Infrastructure Sector

The infrastructure sector in India is one of the key drivers of economic growth. However, over the last few years due to the prevailing slowdown, the growth in the infra sector has been very sluggish. The infrastructure sector in India is currently mired under long pending clearances and huge debt. However, the central government has significantly enhanced its focus towards bringing the infra sector back on track. Government has started a number of projects such as developing '100 Smart Cities', '175 GW of Clean Energy by 2022', 'Digital India', 'Sagar Mala' and ambitious 'Make in India' which will create immense opportunities in the infra space. The government has announced various planned investment in infrastructure developments across country in its FY16-17 Budget including:

1. Total outlay for infrastructure will be ₹ 2,21,246 crores for 2016-17.
2. Indian government awarded the highest ever kilometers of roads in 2015 and it has planned to approve nearly 10,000 kms of national highway in 2016-17.

Other major policy initiative taken in Budget 2016-17 for infrastructure:

1. There will be action plan for revival of unserved and underserved airports in partnership with State Government.
2. Government will draw comprehensive plan (15-20 years) to augment the investment in nuclear power generation.
3. Government will introduce new credit rating for infrastructure projects.

Outlook: Though long term scenario of infrastructure sector in India is bright still it faces several challenges. As per industry expert more than 300 projects, involving an investment of over ₹ 12,00,000 crores remain stalled till February, 2016 due to various issue majority being lack of environmental clearances, land acquisition and higher real interest rates which is causing deferred payments. The government is taking measures to reduce the stalled projects and Project Monitoring Group (PMG) which is now under PMO is keeping close watch on stalled projects. In calendar year 2015, PMG resolved 149 stalled projects involving investment of over ₹ 5,00,000 crores. Government has also initiated various policy measures to creates an enabling environment for higher investment in power sector namely:

1. Ujwal Discom Assurance Yojana (UDAY) which will pare down the debt of state electricity boards (SEB) by 75% on immediate basis. It will significantly boost the power sector as project owner will get due payment of selling electricity to SEB on time.
2. Central government successfully auctioned 31 coal mines and allotted 42 coal mines/blocks to central and state

companies which will put power projects on revival path which were struck on account of coal linkages.

India's competitive position has improved by 16 rungs and reached at 55 in FY16 in Global Competitiveness Index of the World Economic Forum which is clearly reflecting the better economic performance and reforms have now started to pay rich dividends.

Opportunities specific to Raunaq EPC International

Power

The total installed power generation capacity in India is 3,02,087 MW as on March 31, 2016. Private sector holds close to 41.0% market share while on the other hand central and state government holds 25.3% and 33.7% market share respectively. Thermal power continue to be the major contributor and holding close to 70% share, renewable energy which includes small hydro, wind power, bio power and solar power is holding 14.2% market share, hydro power which includes hydel projects of more than 25 MW capacity is also holding 14.2% market share. Going forward growth in industrial activities, population, economy, prosperity and urbanization is expected to increase substantial demand for electricity in years to come. In recent years government has initiated various steps towards increasing power generation capacities and benefits consumers.

☀ The Government is targeting to add generation capacity of 88.5 GW during 2012-17 and 86.4 GW by 2017-22.

☀ Government has announced a huge renewable power generation of 175 GW by 2022 including 100 GW of solar, 60 GW of Wind, 10 GW of bio mass and 5 GW of small hydro.

There is investment potential to the tune of USD 200 – 300 billion in next 4-5 years which is expected to provide huge opportunities in power generation, distribution, transmission and equipments. Power sector is one of the largest contributors to your Company's revenue so we are hoping that it will continue to be the major revenue drivers in years to come provided huge opportunities unfolds in near future.

Water Supply

India is water-stressed economy and industry experts estimates that there will be huge water scarcity in nation by 2030 which require utmost attention from the government. Rapid increase in urban population and expansion of metro cities is creating challenges to deliver clean drinking water. A possible solution could be to encourage the collection, recycling, recharging & proper treatment and distribution of rain water and other sources of fresh water. Your Company is exploring business opportunities in water distribution which is expected to see big reforms from the Government on the back of its pet project of "100 smart cities project". These cities will have modern infrastructure especially related to waste water management and recycling thus resulting substantial piping opportunities going forward.

Clutch business - Commercial vehicles market

Commercial vehicles sales grew by 11.51% in FY16 over FY15 out of which medium and heavy commercial vehicles (M&HCVs) registered a growth of 29.91% and light commercial vehicles grew marginally by 0.30%. In ICRA's view, the M&HCV (Truck) segment is likely to register a growth of 12-14% in next two years driven by continuing trend towards replacement of ageing fleet and expectations of pick-up in demand from infrastructure and industrial sectors in view of reforms being initiated by the Government.

Outlook: Your Company is hopeful to add one or more OEM in next financial year which will significantly increase its business horizon. We are also hopeful for substantial increase

in demand from for clutches from those Heavy trucks which were sold three to four year back like TATA PRIMA and others. Normally HCV and MCV come with three years warranty from OEM itself. Now we are expecting that demand for clutches in secondary market will increase thus creating business opportunities for your company.

REIL Business Performance

During the year FY16, your Company has executed one of the most challenging projects in the pipeline business. The order relating to Raw Water Piping in Lalitpur power station has been executed by your Company as per the schedule for the project. This includes supply (partial), erection, testing and commissioning of raw water system. This 48 KM pipeline consist of 3,875 outside cemented pipes and each pipe was 1.70 diameter and weighing about 12 tones which was unable to be lifted manually. All pipes were laid with the help of cranes. This contract has been one of the most challenging jobs executed by the Company so far. This pipeline passes through villages and fields and lot of resistance was faced from the villagers and other local population. Your company has added Delhi Metro Rail Corporation (DMRC) in its prestigious client list. We are executing orders for Line – 8 of Janakpuri west to Kalindi Kunj. The order is worth ₹ 25.67 crore and includes supply, erection, testing and commissioning of water supply system. We are hoping to get similar kind of orders from DMRC as government is considering Metro as primary mode of transport in major cities be it Delhi, Bangalore, Mumbai, Jaipur, Chennai, Kochi, Lucknow, Navi Mumbai and others.

Outlook

The new policy initiatives undertaken by the Indian government are expected to bring positive impact on infrastructure sector which is mired because of clearances, funds, and land, water and coal linkages. Company is positive on Indian Government pet project of 100 smart cities which will require modern sanitation, water distribution, power and rapid mode of transport.

Company is trying to diversify its geographical base for piping business. Your company is bidding for international piping projects and hopeful for positive outcome in near future. Company is also planning to get in water distribution business which holds very good potential in future and Company is geared up to take new projects in water distribution.

Xlerate Driveline India Limited (XDIL)

Your company had set up a clutch manufacturing plant under its wholly owned subsidiary 'Xlerate Driveline India Limited (XDIL)' during the FY13 in order to diversify its business and increase the revenue base.

XDIL manufacture automotive clutches for commercial vehicle and caters to secondary market as of now. The manufacturing facility of XDIL is located in the National Capital Region having state of the art machinery and well built infrastructure comprising high quality equipment and testing facilities.

FY16 was the third year of its operation. In FY16 its total income increased to ₹ 22.40 crores against ₹ 18.13 crores of the previous fiscal, year on year growth rate of 23.56%. EBITDA increased to ₹ 0.11 crores against negative figure of ₹ 0.88 crores of previous years. Net Loss also reduced to ₹ 1.32 crores as compared to net loss of ₹ 2.20 crores which company reported previous year.

Outlook

Having made strong inroads in the aftermarket segment, the Company is evaluating supply options with OEMs. The revival in the commercial vehicle sales in India would augur well for the Company. XDIL is strengthening its dealer network to further enhance its aftermarket business.

Risks and Concerns

REIL executes projects with long gestation periods thus these projects face both internal and external risks. Each project is different in its nature so is risk related to particular project. It becomes imperative to strike a balance between the exposure and mitigation of these risks to sustain a business model. The company has a well defined risk management system at the project level that deals with day to day risk related to every individual projects.

In today's environment, at a macro level, some of the major external risks affecting the Company are:

Overall Market

Risk: Your company's primary business is related with infrastructure especially power. Land and water are very critical to any power project and there are lots of issues in land acquisition and environmental clearances which can greatly affects the power sector. These kinds of issues can significantly reduce the business opportunities in the other infrastructure related development as well. This has led to risks related to order book growth and margins of the company.



Mitigation: REIL has expanded its business by entering into DMRC, first of its kind projects for the Company. The Company is also trying to explore business in the international geography.

Interest rates

Risk: Reserve Bank of India has reduced the REPO rate by 75 bps in past one year but banks has yet to pass on the benefit to end users especially the debt laden infrastructure companies which are the primary clients of your company. Any upward movement in interest rate can significantly increase the financial burden of heavy debt financing clients thus increasing the risk of default in their payment obligation to your company.

Mitigation: Your company has now following the approach of selectively choosing the clients which have sufficient financial prowess to complete the projects on time and oblige the payment.

Inflation

Risk: Increase in CPI Inflation can cause rise in operating costs for the Company particularly in terms of input material and wages costs to meet inflationary environment. Though inflation at present is at moderate level, still any significant upward movement in inflation can impact Company's profitability.

Mitigation: This kind of risk can be offset by operational efficiency and timely execution of projects.

Liquidity

Risk: Most consumers, including government players are unable to meet their payment obligation on time due to tough financial condition from the past legacies.

Mitigation: Internally, REIL has been extending all its efforts to adopt a project delivery model that is as light as possible in terms of capital intensity with an effort to self-finance projects with efficient cash management. Special emphasis is being led on improving contract management and dealing with claims.

New Project

Risk: Your Company has made investment in new business venture of clutches under XDIL. Though XDIL is performing well in its third full year of operation still there are lots of risks associated with it. XDIL has to establish robust supply chain, increase the product portfolio and yet to come on the radar of OEMs.

Mitigation: REIL has put XDIL under the experienced team who have long term exposure to the clutch industry. Company has also initiated the audit from OEMs to get the approval from some of them.

Fraud

Risk: REIL cannot eliminate fraud entirely however, company is trying to prevent some things from happening to lessen the financial impact to it.

Mitigation: We have put in place and strengthen anti-fraud measures. The Company has adopted following measures to tranquillize the risk:

- ☀ Carry out fraud risk assessment including results from past reviews and audits.
- ☀ Improve controls.
- ☀ An effective governance structure including appropriate lines of authority and Board oversight.
- ☀ Independent check on performance and compliance.
- ☀ Segregation of duties so that no employee has control over whole process.

Legal

Risk: The traditional mechanisms for project risk allocation that are available in other countries are not suitable in India due to differences in legal systems. Moreover we strive upon to develop a compliance structure which can be carefully studied and processed.

Mitigation: The management has a team of advisors for deep study of contractual terms and access the risk associated with it and make out strategies accordingly and provide legal proactive support and contingency planning.

Information

Risk: Information risk is the probability that the information circulated by company can be leaked or destroyed. This may affect the company's ongoing and upcoming operations.

Mitigation: The information risk mitigation process developed by our company includes:

- ☀ Establishing information risk management practices that will help to make the organization successful.
- ☀ Regular re-evaluation of the nature and extent of the risks to which the organization is exposed, plus periodic adjustment to ensure the company continues to steer the line between allowing risks to grow out of hand and constraining operational effectiveness.

Technology

Risk: Your Company is engaged in providing service to the core infrastructure sector which faces the need of instituting new technology so as to gain cost advantage and timely completion of the project with the use of advanced techniques. Moreover a change in technology or an obsolete technique creates a huge risk and creates a cost burden on the projections and financials of the company.

Mitigation: To mitigate such risk, the company takes following measures:

- ☀ The company is employed with latest upgraded equipments and other state of the art technology and takes adequate insurance coverage to protect its construction equipments and company's other assets.
- ☀ The company imparts training to its workers timely in consultation with experts and professionals.
- ☀ Active participation in the trade fairs and workshops for the understanding of new technological up gradations.

Country

Risk: Your Company is trying to extend its product range and services in foreign territory. So it becomes utmost priority to evaluate country related risk before making any substantial investment commitments. The study of country related risk also become inherent in order to develop alternative scenarios.

Mitigation: Management is proactive in analyzing risk associated with across borders and carefully plans the terms and policies of the agreements.

Reputation

Risk: Reputation is one of the most vital parts of any organization's growth and expansion. Company not only has to build the reputation but it has to maintain as well for future. It is the most significant risk which management of the company consider as challenge because it is associated with company's market value. The company's financial stability is outcome of the good reputation the company holds in the market.

Mitigation: Your Company has ensured every step to maintain the reputation through good communication between bankers and stakeholders and strong relationship building by its work culture and corporate governance. The ethics are instilled throughout the organization via code of conduct for the board, management and employees. The company has set up a management team for evaluating events that may trigger a negative impact on the organization.

Internal Control System and their Adequacy

Your Company maintains adequate internal control systems, which ensures proper recording of all transactions of its operations. Independent firms of chartered accountants carry out internal audit of the Company. The audit is carried out at periodic intervals to ensure that the Company's internal control systems are adequate and complied with.

Human Resources and Industrial Relations

Industrial relations at the Head Office and all the Project Sites continued to be cordial. Employees' headcount at the end of the year was 144.

Board's Report

(SECTION 134 OF THE COMPANIES ACT, 2013)



To The Members Raunaq EPC International Limited

Your Directors have pleasure in presenting the 51st Annual Report of your Company together with the Audited Standalone and Consolidated Financial Statements and the Auditors' Report thereon for the Year ended 31 March, 2016.

Financial Results

The highlights of **Consolidated Financial Results** of your Company and its subsidiary are as follows:

Particulars	Consolidated	
	Year ended 31 March, 2016	Year ended 31 March, 2015
Revenue from Operations and Other Income (gross)	15141.96	9947.07
Profit before Finance Cost, Depreciation and Exceptional Items	1167.71	701.99
Finance Cost	407.84	358.57
Depreciation	139.60	115.83
Profit Before Tax & Extraordinary Items	620.27	227.59
Add : Extraordinary Item	-	127.37
Profit Before Tax	620.27	354.96
Less: Tax Expense	241.25	142.29
Profit After Tax	379.02	212.67

The highlights of Financial results of your Company on **Standalone basis** are as follows:

(₹/Lacs)		
Standalone		
Particulars	Year ended 31 March, 2016	Year ended 31 March, 2015
Revenue from Operations and other income (gross)	12911.41	8140.37
Profit before Finance Cost, Depreciation and Extraordinary Items	1165.91	787.43
Finance Cost	340.45	288.57
Depreciation	70.76	67.41
Extraordinary Items	-	127.37
Profit Before Tax	754.70	558.82
Less: Tax Expense	243.88	134.80
Profit After Tax	510.82	424.02
Surplus in Statement of Profit and Loss		
Opening balance	2213.25	1918.96
Add: Profit for the year	510.82	424.02
Add : Adjustment of Carrying Amount of Fixed Asset	-	10.51
Less:		
Proposed Dividend-Equity	40.12	33.43
Tax on distributed profits	8.17	6.81
Transferred to General Reserve	100.00	100.00
Closing Balance	2575.78	2213.25

Dividend & Transfer to Reserves

The Board is pleased to recommend a dividend of ₹ 1.20 per equity share of ₹10/-each for the financial year 2015-16. The total payout will be ₹ 48.29 lacs, inclusive of dividend tax and surcharge thereon. Also the Directors have proposed to transfer an amount of ₹ 100.00 lacs to General Reserve.

Business Operations

During the year under review, the sales and other income of the Company on Standalone basis was ₹12,911.41 Lacs against ₹8,140.37 Lacs in the previous year. The profit after tax (PAT) is ₹510.82 Lacs against ₹424.02 Lacs in the last year.

The sales and other income of the Company on Consolidated basis in the year 2015-16 was ₹15,141.96 Lacs against ₹9947.07 Lacs in the previous year and the profit after tax (PAT) is ₹379.02 Lacs against ₹212.67 Lacs in the last year.

Future Outlook

The new policy initiatives undertaken by the Indian government are expected to bring positive impact on infrastructure sector which is mired because of clearances, funds, and land, water

and coal linkages. Company is positive on Indian Government pet project of 100 smart cities which will require modern sanitation, water distribution, power and rapid mode of transport.

Company is trying to diversify its geographical base for piping business. Your company is bidding for international piping projects and hopeful for positive outcome in near future. Company is also planning to get in water distribution business which holds very good potential in future and Company is geared up to take new projects in water distribution.

Consolidated Financial Statements

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (erstwhile Listing Agreement with the Stock Exchange), Consolidated Financial Statements have been prepared in accordance with Accounting Standard-21 issued by the Institute of Chartered Accountants of India and have been provided in the Annual Report. These Consolidated Financial Statements provide financial information of your Company and its subsidiary as a single economic entity.

Change of Name of the Company

In order to create a brand image with its distinguished presence in the industry, the name of the Company has been changed from “**Raunaq International Limited**” to “**Raunaq EPC International Limited**” with effect from 31 August, 2015 thereby adding the term “EPC” (Engineering, Procurement and Construction) into the old name of the Company.

Management Discussion and Analysis

A detailed analysis of the Company's operations in terms of performance in markets, business outlook, risk and concerns forms part of the Management Discussion and Analysis, a separate section of this report.

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that:-

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2016 and of the profit and loss of the Company for the period ended on that date;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;

- (e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Related Party Contracts and Arrangements

The contracts or arrangements of the Company with related parties during the period under review referred to in Section 188(1) of the Companies Act, 2013 were in ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the related party transaction policy of the Company. The said policy as approved by the Board in terms of provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations") (Clause 49 of the erstwhile Listing Agreement with the Stock Exchange) is available on the website of the Company i.e. [www.raunaqinternational.com](http://www.raunaqinternational.com/pdf/related-party-transaction-policy.pdf) under the link <http://www.raunaqinternational.com/pdf/related-party-transaction-policy.pdf>.

The prescribed form AOC-2 of the Companies (Accounts) Rules, 2014 is enclosed as **Annexure-"A"** to this report.

Particulars of Loans, Guarantees or Investment

Details of Loans or guarantee given or security provided in terms of provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 has been adequately disclosed in the financial statements.

Directors

In accordance with the provisions of the Act and the Articles of Association of your Company, Mr. P.K. Mittal and Mr. N.V. Srinivasan, Directors retire by rotation at the ensuing Annual General Meeting.

Therefore, in terms of Section 149 of the Companies Act, 2013, it has been proposed to appoint Mr. P.K. Mittal 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 56th Annual General Meeting (AGM) of the Company in the calendar year 2021.

Mr. N.V. Srinivasan, Non-Executive Director of the Company, liable to retire by rotation in terms of the Companies Act, 2013 has offered himself to be re-appointed as Non-Executive Director in terms of Section 152 of the Companies Act, 2013 at the ensuing Annual General Meeting of the Company.

Therefore, in terms of Section 152 of the Companies Act, 2013, it has been proposed to appoint Mr. N.V. Srinivasan as Non-Executive Director at the ensuing Annual General Meeting (AGM) of the Company, liable to retire by rotation upto the conclusion of the next Annual General Meeting (AGM) of the Company.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member of the Company, proposing the candidature for the office of Director for Mr. P.K. Mittal as Director.

During the year under review, the members approved the appointment of Dr. Sanjeev Kumar, Mr. Gautam Mukherjee and Ms. Seethalakshmi Venkataraman as Independent Directors.

The brief resume of the Directors proposed to be appointed is given in the notice calling the Annual General Meeting.

Number of Meetings of the Board

During the financial year 2015-16, 4 (Four) Board Meetings were held on the following dates:

- 30 May, 2015;
- 30 July, 2015;
- 06 November, 2015; and
- 03 February, 2016.

The gap between any two meetings was not more than one hundred twenty days as mandated under the provisions of Section 173 of the Companies Act, 2013 and Regulation 17(2) of the Regulations.

Independent Directors

In terms of provisions of Section 149(7) of the Companies Act, 2013, all the Independent Directors of the Company have furnished a declaration to the Compliance Officer of the Company at the meeting of the Board of Directors held on 27 May, 2016 stating that they fulfill the criteria of Independent Director as prescribed under Section 149(6) of the Companies Act, 2013 and are not being disqualified to act as an Independent Director.

In terms of the Regulation 25(7) of the Regulations (Clause 49 of the erstwhile Listing Agreement with the Stock Exchange), the Company has adopted a familiarization programme for the Independent Directors to familiarize them with working of the Company, nature of the industry in which the Company operates, business model of the Company, their roles, rights, responsibilities, and other relevant details. The details of familiarization programme during the Financial Year 2015-16 are available on the official website of the Company i.e. [www.raunaqinternational.com](http://www.raunaqinternational.com/pdf/details-of-familiarization-programme-for-independent-directors-15-16.pdf) under the link <http://www.raunaqinternational.com/pdf/details-of-familiarization-programme-for-independent-directors-15-16.pdf>.

Policy on Directors' Appointment and Remuneration

In terms of provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of the Regulations (Clause 49 of the erstwhile Listing Agreement with Stock Exchange), a policy relating to remuneration for the Directors, Key Managerial Personnel and other employees has been adopted by the Board of Directors of the Company in pursuance of its formulation and recommendation by the Nomination and Remuneration Committee thereby analyzing the criteria for determining qualifications, positive attributes and independence of a Director. The said policy is annexed as **Annexure-“B”** to this report and is also available on the website of the Company i.e. [www.raunaqinternational.com](http://www.raunaqinternational.com/nomination-and-remuneration-policy.pdf) under the link <http://www.raunaqinternational.com/pdf/nomination-and-remuneration-policy.pdf>.

Evaluation Process

The Board of Directors of the Company has established a framework for the evaluation of its own performance and that of its committees and Independent Directors of the Company and fixed certain parameters covering the evaluation of the Chairman, Executive Directors and Independent Directors on the basis of which the evaluation is being carried on annual basis in terms of provisions of the Companies Act, 2013 and the Regulations.

During the year under review, the Board of Directors, at its meeting held on 03 February, 2016 has carried out the evaluation of its own performance and that of its committees and Independent Directors of the Company and the Independent Directors in their meeting held on even date have evaluated the performance of the Chairman and Non-Independent Directors of the Company respectively in accordance with the framework approved by the Board.

Key Managerial Personnel

The following Directors/Officials of the Company have been designated as Key Managerial Personnel (KMP) of the Company by the Board of Directors in terms of provisions of Section 203 of the Companies Act, 2013 and the Regulations (Clause 49 of the erstwhile Listing Agreement with the Stock Exchange):

- | | |
|---------------------------|------------------------------|
| 1. Mr. Surinder P. Kanwar | Chairman & Managing Director |
| 2. Mr. Sachit Kanwar | Joint Managing Director |
| 3. Mr. Rajan Malhotra | Chief Executive Officer |
| 4. Mr. Shalesh Kumar | Chief Financial Officer |
| 5. Mr. Kaushal Narula | Company Secretary |

No Key Managerial Personnel (KMP) of the Company has resigned during the financial year ended 31 March, 2016.

Disclosure under Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule

5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed as **Annexure -“C”** to this report.

Particulars of Employees

Information regarding employees in accordance with the provisions of Rule 5(2) and Rule 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure- “D”** to this Report.

Risk Management

A robust and integrated enterprise risk management framework is in existence under which the common prevailing risks in the Company are identified, the risks so identified are reviewed on periodic basis by the Audit Committee and the management's actions to mitigate the risk exposure in a timely manner are assessed.

A risk management policy under the above said enterprise risk management framework as approved by the Board has been adopted by the Company and being reviewed on yearly basis.

Corporate Social Responsibility

In terms of provisions of Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee (“CSR Committee”) is in existence to monitor the Corporate Social Responsibility Policy of the Company as approved by the Board and the said policy is available on website of the Company i.e. www.raunaqinternational.com.

The CSR Committee comprises of Mr. Surinder P. Kanwar, Mr. Sachit Kanwar, Mr. P.K. Mittal and Mr. Satya Prakash Mangal.

As per the provisions of the said Section, an amount of ₹ 12.82 Lacs was required to be spent on CSR activities by the Company during the year. However, the Company has not decided upon the project under CSR, wherein the funds can be spent, in order to benefit the society at large. The Company shall soon figure out the projects to be undertaken for CSR activities and spend accordingly.

The report on CSR activities in terms of provisions of Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014 is enclosed as **Annexure -“E”** to this report.

Audit Committee

The Audit Committee comprises of Dr. Sanjeev Kumar, Mr. V.K. Pargal, Mr. P.K. Mittal and Mr. Satya Prakash Mangal.

Internal Complaints Committee for Prevention of Sexual Harassment

Pursuant to Section 21 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has constituted Internal Complaints

Committee (ICC) where any grievances 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 website of the Company i.e. [www.raunaqinternational.com](http://www.raunaqinternational.com/pdf/policy-on-prevention-of-sexual-harassment-ril.pdf) under the link <http://www.raunaqinternational.com/pdf/policy-on-prevention-of-sexual-harassment-ril.pdf>.

During the year under review, ICC of the Company has not received any complaint pertaining to sexual harassment of women at workplace.

Subsidiaries/Joint Ventures/Associate Companies

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

Xlerate Driveline India Limited (XDIL) is engaged in the manufacturing of automotive components having its Industrial Unit at Faridabad, Haryana.

As on date, the Company holds 1,48,77,038 (One Crore Forty Eight Lakhs Seventy Seven Thousand Thirty Eight) Equity Shares of ₹ 10/- (Rupees Ten) each of XDIL amounting to ₹ 14,87,70,380/- (Rupees Fourteen Crores Eighty Seven Lakhs Seventy Thousand Three Hundred Eighty Only) as an investment directly/through its nominees which is equivalent to 100% paid up equity capital of XDIL.

Deposits

During the year under review, the Company did not accept any deposits.

Unclaimed Dividend

In terms of provisions of Section 205C of the Companies Act, 1956, the Unclaimed Final Dividend pertaining to the Financial Year 2007-08 amount aggregating to ₹ 1,43,216.00 (Rupees One Lakh Forty Three Thousand Two Hundred Sixteen Only) had been transferred to the "Investor Education and Protection Fund" established by the Central Government.

Further, the Unclaimed Final Dividend for the Financial Year 2008-09 is proposed to be transferred into the "Investor Education and Protection Fund" on 28 August, 2016 upon completion of seven years from the date of transfer of said Dividend into the unclaimed Dividend Account.

Auditors

The Statutory Auditors, M/s. V.P. Jain & Associates, Chartered Accountants (Regn No. 015260N), had been appointed as Statutory Auditors of the Company in the 49th Annual General Meeting held on 29 August, 2014 for a period of 3 (Three) years in terms of provisions of Section 139 of the Companies Act, 2013 to hold office from the 49th AGM to the third consecutive Annual General Meeting from the 49th AGM in the Calendar year 2017 (subject to ratification by the members at every Annual General Meeting).

Therefore, the consent of members for ratification of appointment of Statutory Auditors to hold office from the ensuing Annual General Meeting of the Company till the next Annual General Meeting of the Company in calendar year 2017 is being sought in the ensuing Annual General Meeting.

Report on Financial Statements

The report of M/s V.P. Jain and Associates (ICAI Registration No. 015260N), Chartered Accountants, the Statutory Auditors of the Company on the financial statements of the Company for the year ended 31 March, 2016 is annexed to the financial statements in terms of provisions of Section 134(2) of the Companies Act, 2013. The observations of the Auditors in their report are self-explanatory and/or explained suitably in the Notes forming part of the Financial Statements. The report of the Statutory Auditors does not contain any qualification, reservation or adverse remark which needs any explanation or comment of the Board.

Secretarial Audit

The Board has appointed M/s BLAK & Co., Company Secretaries, New Delhi as Secretarial Auditor for the Financial Year 2015-16 in terms of provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report of the Company for the Financial Year ended 31 March, 2016 in the prescribed Form MR-3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure-"F"** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark which needs any explanation or comment of the Board.

Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement/Schedule V(C) of the Regulations forms part of this Report.

The requisite Certificate of Compliance from Statutory Auditors, M/s V.P. Jain & Associates, confirming compliance with the conditions of Corporate Governance, is attached to this Report.

Vigil Mechanism

In terms of provisions of Section 177 of the Companies Act, 2013, the Company has established an effective mechanism called Vigil Mechanism (Whistle Blower Mechanism). The mechanism under the Policy has been appropriately communicated within the organisation. The purpose of this policy is to provide a framework to promote responsible whistle blowing by employees or by any other person who avails such mechanism. It protects employees or any other person who avails such mechanism wishing to raise a concern about serious irregularities, unethical behaviour, actual or suspected fraud within the Company by reporting the same to the Audit Committee.

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 under review, no employee was denied access to the Audit committee.

The policy on vigil mechanism is available on the website of the Company i.e. www.raunaqinternational.com under the link <http://www.raunaqinternational.com/pdf/policy-on-vigil-mechanism.pdf>.

Reconciliation of Share Capital Audit

As per the directive of the Securities and Exchange Board of India (SEBI), M/s A.K. Jha & Associates, Practising Company Secretaries, New Delhi undertakes a Reconciliation of Share Capital Audit on a quarterly basis. The Audit is aimed at reconciliation of total shares held in CDSL, NSDL and in physical form with the admitted, issued and listed capital of the Company.

The Reconciliation of Share Capital Audit Reports as submitted by the Auditor on quarterly basis were forwarded to the BSE Limited (BSE), Mumbai and Delhi Stock Exchange Limited (DSE), New Delhi where the original shares of the Company are listed.

Delhi Stock Exchange has been derecognized by SEBI pursuant to **SEBI order No: WTM/PS/45/MRD/DSA/NOV/2014 dated 19 November, 2014, therefore the filling of aforesaid report has been discontinued by the Company with effect from 01 April, 2016 and the exchange has been intimated regarding the same.*

Listing of Shares

The Equity shares of the Company are listed on the BSE Limited (BSE), Mumbai and Delhi Stock Exchange Limited (DSE), New Delhi.

Pursuant to the notification of the regulations, your Company has entered into new Listing Agreement with the BSE Limited (BSE) on 10 February, 2016 as mandated under the said regulations.

*Delhi Stock Exchange (DSE), New Delhi, has been derecognized by SEBI pursuant to **SEBI order No: WTM/PS/45/MRD/DSA/NOV/2014 dated 19 November, 2014**, therefore the Company is not required to execute the Listing Agreement with the Exchange as communicated by the Exchange upon being approached.*

Disclosures under Section 134 of the Companies Act, 2013

Except as disclosed elsewhere in the Annual Report, there have been no material changes and commitments, which can

affect the financial position of the Company between the end of financial year and the date of this report.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo

The information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8 of the Companies (Accounts) Rules, 2014:

The Company organizes the workshops/lectures on regular basis for its employees to promote, motivate and encourage them how to conserve the energy. The Company is in process to adopt the latest technologies for conservation of energy.

The particulars with respect to foreign exchange earnings and outgo during the year under review are as follows:

	(₹/Lacs)	
Particulars	2015-16	2014-15
Foreign Exchange Earned	-	-
Foreign Exchange Used	13.29	9.99

Extract of Annual Return

In terms of provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return of the Company in Form MGT-9 of the Companies (Management and Administration) Rules, 2014 is enclosed as **Annexure-“H”** to this report.

Court/Tribunal Orders

There were no instances of any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Acknowledgements

The Board of Directors gratefully acknowledge the continued co-operation, trust and support of the shareholders and would like to place on record its appreciation for the dedicated services rendered by the Employees at all levels. The Directors further express their gratitude to the Bankers, Customers and Sub-vendors and other associates for co-operation and confidence reposed by them in the Company.

For and on behalf of the Board of Directors



Surinder P. Kanwar
Chairman and Managing Director
DIN: 00033524

Place: New Delhi
Dated: 27 May, 2016

Annexure-“A”

Form No. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

S. No.	Names(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	Xlerate Driveline India Limited (XDIL), (Wholly Owned Subsidiary)	Agreement for: 1. Bearing administration expenses 2. Cost against utilization of any Banking facilities such as BG/LC. 3. Sale/Purchase of any Raw Material/Stores/Capital Goods	1 (One) year with effect from 01 April, 2015	Transaction value not exceeding ₹ 1.00 Crore	NA	-

For and on behalf of the Board of Directors



Surinder P. Kanwar
Chairman and Managing Director
DIN: 00033524

Place: New Delhi
Dated: 27 May, 2016

Annexure-“B”

NOMINATION AND REMUNERATION POLICY

Introduction:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("the Regulations") as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

Objective and purpose of the Policy:

The objective and purpose of this 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. In the context of the aforesaid criteria, the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on 31st July, 2014.

Effective Date:

This policy shall be effective with retrospective effect from 1st April, 2014.

Constitution of the Nomination and Remuneration Committee:

The Board has changed the nomenclature of Remuneration Committee constituted on 23rd March, 2009 by renaming it as Nomination and Remuneration Committee on 7th May, 2014. The Nomination and Remuneration Committee comprises of following Directors:

S.No.	Committee Members
1.	Dr. Sanjeev Kumar, Chairman (Independent Director)
2.	Mr. Surinder P. Kanwar, Member (Chairman and Managing Director)
3.	Mr. P.K. Mittal, Member (Independent Director)
4.	Mr. Gautam Mukherjee, Member (Independent Director)

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

Definitions:

- "Board" means Board of Directors of the Company.
- "Directors" means Directors of the Company.
- "Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- "Company" means Raunaq EPC International Limited (Formerly Known as Raunaq International Limited).
- "Independent Director" means a director referred to in Section 149(6) of the Companies Act, 2013.

Key Managerial Personnel (KMP) means:

- (i) Executive Chairman and/or Managing Director;
- (ii) Whole-time Director;
- (iii) Chief Financial Officer;
- (iv) Company Secretary;
- (v) Such other officer as may be prescribed under the applicable statutory provisions/regulations.
- Senior Management** means who are members of its core management team excluding Board of Directors and all members of the management one level below the Executive Director, including the functional Heads. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Applicability:

The Policy is applicable to;

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel

General:

- This Policy is divided in three parts:
 Part-A covers the matters to be dealt with and recommended by the Committee to the Board,
 Part-B covers the appointment and nomination and;
 Part-C covers remuneration and perquisites etc.
- The key features of this Company's policy shall be included in the Board's Report.

PART-A

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

PART-B

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

Appointment criteria and qualifications:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Whole time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Term/Tenure:

1. Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

• Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

• Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

• Retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PART-C

POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

• General:

1. The remuneration/compensation/commission etc. to the Chairman and Managing Director or Joint Managing Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the

Board for approval. The remuneration/compensation/ commission etc. shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.

2. The remuneration and commission to be paid to the Chairman and Managing Director or Joint Managing Director, if any shall be in accordance with the percentage/ slabs/conditions laid down as per the provisions of the Companies Act, 2013, and the rules made thereunder.
3. Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
4. Where any insurance is taken by the Company on behalf of its Chairman and Managing Director, Joint Managing Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

• **Remuneration to Managing Director, Joint Managing Director, KMP and Senior Management Personnel:**

1. Fixed pay:

The Managing Director, Joint Managing Director/KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee.

The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director, Joint Managing Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

3. Provisions for excess remuneration:

If Managing Director, Joint Managing Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

• **Remuneration to Non- Executive/Independent Director:**

1. Sitting Fees:

The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Board's Diversity Policy

REIL recognises and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately.

All Board appointments, whenever required shall be made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

The Nomination and Remuneration Committee ('the Committee') shall review and assess Board composition on behalf of the Board and recommend the appointment of new Directors, whenever the need for the same arises.

In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.

In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

The policy has been initially approved by the Board of Directors of the Company on 31 July, 2014 and further amended on 27 May, 2016 with respect to the change of name of the Company and applicability of the Regulations.

For Raunaq EPC International Limited



Surinder P. Kanwar
Chairman and Managing Director

Annexure-“C”

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- Only one director draw managerial remuneration which is minimum remuneration as per Schedule V of the Companies Act, 2013. The ratio of the remuneration of such director to the median remuneration of the employees of the Company for the financial year 2015-16:

S. No.	Name of the Director	Ratio of Remuneration of Director to median remuneration of employees
1.	Mr. Sachit Kanwar Joint Managing Director	28.74

Other directors are being paid with sitting fees only, details of which are mentioned in the extract of Annual Return in the Board's Report.

- The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

S. No	Name of the Director/ KMP	% increase in Remuneration in the Financial Year 2015-16
1.	Mr. Sachit Kanwar Joint Managing Director	4%
2.	Mr. Rajan Malhotra Chief Executive Officer	8%
3.	Mr. Shalesh Kumar Chief Financial Officer	30%
4.	Mr. Kaushal Narula Company Secretary	43%

- Percentage increase in the remuneration of the median employee is 18.00% in the Financial Year 2015-16.
- There were 144 permanent employees on the rolls of the Company as on 31 March, 2016.
- The relationship between average increase in remuneration and Company performance: The turnover of the Company has shown an escalation of 58% for the year ended 31 March, 2016 as compared to year ended 31 March, 2015 and operations for the year ended 31 March, 2016 resulted in a profit after tax of ₹ 5.11 Crores as compared to the profit

after tax of ₹ 4.24 Crores in the previous year. Whereas average increase in the remuneration of the Company is 15.00%.

- The comparison of the remuneration of the Key Managerial Personnel against the performance of the company;

The total remuneration of Key Managerial Personnel increased by 8% from ₹ 140.31 Lacs in 2014-15 to ₹ 152.05 Lacs in 2015-16 whereas the Company has shown an escalation of 20.47% in profits for the year ended 31 March, 2016 as compared to year ended 31 March, 2015 and operations for the year ended 31 March, 2016 resulted in a profit of ₹ 510.82 Lacs as compared to the profit of ₹ 424.02 Lacs in the previous year.

- Variations in the market capitalization of the Company: The market capitalization as on 31 March, 2016 was ₹ 412.89 Lacs and ₹ 300.89 Lacs as on 31 March, 2015 which shows an increase of 37%.
 - Price Earnings Ratio of the Company was 7.10 as at 31 March, 2015 whereas at 31 March, 2016 is 8.08.
 - The Company had come with an initial public offer in 1976. An amount of ₹ 1,000/- invested would be ₹ 12,350/- as on 31 March, 2016 indicating a Compounded Annual Growth Rate of 6.49%. This is excluding any dividend accrued thereon.
- The average percentage increase in the salaries of employees other than the managerial personnel in the last financial year 2015-16 is 16.00% and average percentage increase in the managerial remuneration of persons referred in Point no. 2 is 8.00% in the financial year 2015-16.
- There is no variable component of remuneration which is availed by the Directors during the financial year 2015-16.
- The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable
- It is affirmed that the remuneration paid is as per the Remuneration policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board of Directors



Surinder P. Kanwar
Chairman and Managing Director
DIN: 00033524

Place: New Delhi
Dated: 27 May, 2016

Annexure-“D”

**Information Pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
Forming Part of the Board's Report for the year ended 31 March, 2016**

S. No.	Name	Age in Years	Qualification	Designation	Date of Commencement of Employment	Years of Exp.	Remuneration (₹ in Lacs)	Particulars of Last Employment	Percentage of Shareholding in the Company
A.	Employed throughout the year ended 31 March, 2016 & were in receipt of Remuneration aggregating not less than ₹ 60,00,000/- per annum.								
1.	Sachit Kanwar	33	B. A. (Eco.)	Joint Managing Director	23.03.2009	12	101.00	Lease Portfolio Manager- Airport Kia Toronto Ltd.	0.00
B.	Employed for the part of the year ended 31 March, 2016 & were in receipt of Remuneration aggregating not less than ₹ 5,00,000/- per month. NIL								
C.	If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company. NIL								

NOTES :

01. Remuneration includes Salary, Allowances, Co's Contribution to Provident Fund & Superannuation Fund, and Value of other perquisites on the basis of Income Tax Act, 1961.
02. Mr. Sachit Kanwar, Joint Managing Director is a relative of Mr. Surinder P. Kanwar, Chairman & Managing Director of the Company.
03. Appointment of Mr. Sachit Kanwar is on Contractual basis.

For and on Behalf of the Board of Directors



Surinder P. Kanwar
Chairman & Managing Director
DIN: 00033524

Place: New Delhi
Dated: 27 May, 2016

Annexure-“E”


Annual Report on CSR activities for the Financial Year 2015-16

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	A brief outline of the Company's CSR policy has been provided in the "CSR initiatives" section under the Annual Report
2.	The Composition of the CSR Committee:- Mr. Surinder P. Kanwar Chairman Mr. Sachit Kanwar Member Mr. P.K. Mittal Member Mr. Satya Prakash Mangal Member	
3.	Average net profit of the company for last three financial years	₹ 641.09 Lacs
4.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)	₹ 12.82 Lacs
5.	Details of CSR spent during the financial year: (a) Total amount to be spent for the financial year ₹ 12.82 Lacs (b) Amount unspent, if any ₹ 12.82 Lacs (c) Manner in which the amount spent during the financial year is detailed below:	

1	2	3	4	5	6	7	8
S. No.	CSR project or activity Identified	Sector in which the project is covered	Projects or Programmes (1) Local area or other (2) Specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*
1.				NIL			
TOTAL							

*Give details of implementing agency.

6. During the Financial Year 2015-16, the Company has not decided upon the project under CSR, wherein the funds can be spent, in order to benefit the society at large. The Company shall soon figure out the projects to be undertaken for CSR activities and spend accordingly.
7. The CSR Committee confirms that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.



Surinder P. Kanwar
Chairman of CSR Committee
DIN: 00033524



Sachit Kanwar
Joint Managing Director
DIN: 02132124

Place: New Delhi
Dated: 27 May, 2016

Annexure-“F”

Form No. MR.3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RAUNAQ EPC INTERNATIONAL LIMITED formerly known as RAUNAQ INTERNATIONAL LIMITED** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on 31 March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company as given in **ANNEXURE ‘A’** for the financial year ended on 31 March, 2016 according to the provisions of following applicable laws:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(v) The other laws as may be applicable specifically in case of the Company on the basis of documents/information produced before us:

- a) Chapter V of Finance Act, 1994 (Service Tax).
- b) Income Tax Act, 1961.
- c) Indian Contract Act, 1872.
- d) Indian Stamp Act, 1999.
- e) Limitation Act, 1963.
- f) Negotiable Instrument Act, 1981.
- g) Registration Act, 1908.
- h) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- i) Transfer of Property Act, 1882.
- j) Trademark Act, 1999.
- k) Contract Labour (Regulation and Abolition) Act, 1970.
- l) Employees’ State Insurance Act, 1948.
- m) Employees Provident Funds And Miscellaneous Provisions Act, 1952 and Employees’ Provident Funds Scheme, 1952.
- n) Payment of Gratuity, 1972.
- o) Minimum Wages Act, 1948.
- p) The Equal Remuneration Act, 1976.
- q) Weekly Holidays Act, 1942.
- r) VAT/Sales Tax Laws.
- s) Work Contract Tax Laws.
- t) Environmental and Pollution Laws.
- u) Information Technology Act, 2000.
- v) Motor Vehicle Laws.

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

- i. The Listing Agreements entered into by the Company with Bombay Stock Exchange (BSE) & Delhi Stock Exchange (DSE) (Since SEBI derecognised DSE as a Stock exchange hence company has decided not to file any returns or other documents with DSE at the end of this Financial Year and letter in this regard duly served to DSE) ;
- ii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- iii. Secretarial Standards issued by The Institute of Company Secretaries of India.

However, the following Acts, Rules, Regulations, Guidelines, Standards or Agreement(s)/ Arrangement(s) required to be reported as per prescribed format are not applicable to the Company during the Audit Period:

- i. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas as Direct Investment and External Commercial Borrowings; **(As there was no event/action in this regard during the Year under Audit)**
- ii. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(As there was no event/action in this regard during the Year under Audit);**
 - b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(As there was no event/action in this regard during the Year under Audit);**
 - c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(As there was no event/action in this regard during the Year under Audit);**
 - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Period);** and
 - e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period).**

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period except following events mentioned below there were no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. Company changed its name from Raunaq International Limited to Raunaq EPC International Limited.
2. Company has altered its Memorandum of Association by altering its Name Clause.
3. Company has adopted New Articles of Association in accordance with the new Companies Act, 2013 by replacing the Clause no(s) 1 to 195 with the new Clause(s) 1 to 213.

For BLAK & Co.

Archana

(Archana Bansal)

Mg. Partner

M.No. – A17865

CoP No.- 11714

Place: New Delhi

Date :19.05.2016

Note: This report is to be read with our **ANNEXURE 'A'** and **ANNEXURE 'B'** of even date which are annexed and forms an integral part of this report.

'ANNEXURE A'

Our report of even date is to be read along with the Annexure stating the:

List of documents verified:-

1. Memorandum of Association and Articles of Association;
2. Annual Report for the preceding three Financial Years;
3. Annual Return for Last AGM;
4. Quarterly Financial Result for the FY 2015-16;
5. Quarterly Compliance Report on Corporate Governance as prescribed in Listing Agreement and LODR Regulations as applicable;
6. Internal Audit Reports;
7. List of Shareholders/Shareholding Pattern & Copy of Shareholding Pattern filed with Stock-Exchange;
8. Due Diligence Reports;
9. Organization Chart with changes in Chart during the FY 2015-16;
10. Details of Project Site/Branch Office/Factories/Works during the FY 2015-16;
11. Policy document approved by the Board/committee in respect of Directors/Independent Directors, Code of Conduct, Vigil Mechanism, Related Party Transactions, Whistle Blower, Nomination and Remuneration of Directors/ Senior Management;
12. Copy of various Registration/Licenses/Approvals;
13. Documents with regard to appointment/re-appointment/ ratification of:-
 - Statutory Auditor;
 - Internal Auditor; &
 - Tax Auditor
14. Statutory Registers including:-
 - Register of Contracts or Arrangements in which directors are interested under Section 189 and Rule 16 of the Companies (Meetings of Board and its Powers) Rules, 2014;
 - Register of Investments not held in the name of the company under Section 187(3) and Rule 14 of the Companies (Meetings of Board and its Powers) Rules, 2014;
 - Register of Inter-Corporate Investments/Loans/ Guarantees/Securities to which Section 186 applies;
 - Register of Directors, Key Managerial Personnel and their shareholding under Section 170 and Rule 17 of the Companies (Appointment and Qualification of Directors) Rules, 2014;
 - Register of charges under Section 85 and Rule 10 of the Companies (Registration of Charges) Rules, 2014;
- Register and Index of Members under Section 88 and Rule 3 of the Companies (Management and Administration) Rules, 2014 being maintained by RTA;
- Foreign Register of members, debenture-holders and other security-holders under Section 88 and Rule 7 of the Companies (Management and Administration) Rules, 2014;
15. Minute books and Attendance Register of General Meeting, Board meeting and Committee Meetings under section 118;
16. All e-forms and returns filed during the Financial Year 2015-16 filed with ROC with respective receipts/ challans fees is paid;
17. Evidence of dispatch of notices of meeting;
18. Agenda papers;
19. Copies of circular resolutions passed by the Board;
20. Newspaper cutting of notice of closure of register of members;
21. Copies of notices of Annual General Meeting/ Extraordinary General Meeting and explanatory statement and Newspaper cutting of public notice of Annual General Meeting/ Extraordinary General Meeting;
22. Dispatch register of Annual General Meeting/ Extraordinary General Meeting notice;
23. Proxies lodged for general meetings, ballot papers , scrutinizer report;
24. Resolutions received from other company/companies who are shareholders and from whom resolutions for their authorized representatives have been received by the company;
25. Copies of Form MBP-1 received from all directors under section 184 at the first meeting of the Board in financial year 2015-16 and during the FY whenever there is any change in the disclosures already made;
26. Relevant documents in respect of dividend paid;
27. Relevant documents for dividend transferred to unpaid dividend account;
28. Relevant documents in respect of postal ballot conducted during the audit period;
29. Agreement with the agency providing platform for e-voting;
30. Agreement with courier or posting agents for dispatch of annual reports, notices to members/depositors/ debenture-holders;
31. Agreement with RTA and RTA report in respect of various matters handled by them on behalf of the company;
32. Scrutinizer's report for postal ballot, poll and e-voting;

33. Director's retirement by rotation table;
34. Copies of all letters sent to and received from the stock exchange on which the company's securities are listed;
35. Copies of all disclosures received by the company under SEBI(Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
36. Copies of all returns and forms filed with SEBI and stock exchange under SEBI(Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
37. Copies of shareholding pattern filed with stock exchanges under clause 35 of the listing agreement and under clause 31 of LODR regulations as applicable;
38. Copies of all communication with regard to SEBI (Prohibition of Insider Trading) Regulations, 1992 as per Companies Insider Trading Code;
39. List of Contracts executed by the Company during the F.Y. 2015-16 including any amendment/modification therein;
40. Compliance records under the Depositories act, 1996 and the regulations framed under the Act;
41. Compliances records under the following Regulations and Guidelines prescribed by SEBI Act, 2015, as applicable:
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
42. Sample check basis:
 - a. VAT
 - b. Service Tax
 - c. Work Contract Tax
 - d. Labour Laws

For **BLAK & Co.**

Archana

(Archana Bansal)

Mg. Partner

M.No. – A17865

CoP No.- 11714

Place: New Delhi

Date :19.05.2016

'ANNEXURE B'

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

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

For **BLAK & Co.**

Archana

(Archana Bansal)

Mg. Partner

M.No. – A17865

CoP No.- 11714

Place: New Delhi

Date :19.05.2016

Annexure-“G”

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31 March, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- (i) CIN : L51909HR1965PLC034315
- (ii) Registration Date : 24 April, 1965
- (iii) Name of the Company : Raunaq EPC International Limited
- (iv) Category/Sub-Category of the Company : Public Limited Company
- (v) Address of the Registered office and contact details : 20 K.M. Mathura Road, P.O. Amar Nagar
Faridabad-121003, Haryana
Ph: 0129-4288888
Fax: 0129-4288822-23
E-mail: info@raunaqintl.com
- (vi) Whether listed company Yes/No : Yes
- (vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Linkintime India Private Limited
44, Community Centre, IInd Floor
Naraina Phase-I, Near PVR Naraina
New Delhi-110028
Ph: 011-41410592-94
Fax: 011-41410591
E-mail: delhi@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

S. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Civil Engineering	422- Construction of Utility Projects	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	Xlerate Driveline India Limited Shed No. 1 Gurukul Industrial Estate Sarai Khwaja P.O. Amar Nagar Faridabad-121003 Haryana	U35990HR1995PLC050123	Wholly Owned Subsidiary Company	100%	Section 2(87)

IV. SHARE HOLDING PATTERN:

(Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters										
(1) Indian										
a)	Individual/HUF	1866695	19935	1886630	56.43	1866695	19935	1886630	56.53	0.00
b)	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c)	State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
d)	Bodies Corp.	361325	0	361325	10.81	361325	0	361325	10.81	0.00
e)	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f)	Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-		2228020	19935	2247955	67.24	2228020	19935	2247955	67.24	0.00
(2) Foreign										
a)	NRIs – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b)	Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c)	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d)	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-		0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)		2228020	19935	2247955	67.24	2228020	19935	2247955	67.24	0.00
B. Public Shareholding										
1. Institutions										
a)	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b)	Banks/ FI	0	217	217	0.01	0	217	217	0.01	0.00
c)	Central Govt/ State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
f)	FIIs	0	0	0	0.00	0	0	0	0.00	0.00
g)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
h)	Others									
Sub-total (B)(1):-		0	217	217	0.01	0	217	217	0.01	0.00
2. Non-Institutions										
a)	Bodies Corp.									
	I. Indian	176847	24740	201587	6.03	72025	24740	96765	2.89	(3.14)
	II. Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b)	Individuals									
	I. Individual shareholders holding nominal share capital upto ₹ 1 lakh	241657	275361	517018	15.46	244552	267122	511674	15.31	(0.15)
	II. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	312060	21875	333935	9.99	408860	21875	430735	12.88	2.89
c)	Others (specify)									
	I. Non-Resident Indians	8091	0	8091	0.24	7140	0	7140	0.22	(0.02)
	II. Clearing Members	1064	0	1064	0.03	1818	0	1818	0.05	0.02
	IV. Hindu Undivided Families	33376	0	33376	1.00	46939	0	46939	1.41	0.40
Sub-total (B)(2):-		773095	321976	1095071	32.75	781334	313737	1095071	32.75	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)		773095	322193	1095288	32.76	781334	313954	1095288	32.76	0.00
C. Shares held by Custodian for GDRs & ADRs		0	0	0	0.00	0	0	0.00	0.00	0.00
Grand Total (A+B+C)		3001115	342128	3343243	100.00	3009354	333889	3343243	100.00	0.00

(ii) Shareholding of Promoters:

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1.	Late Dr. Raunaq Singh	19935	0.60	0.00	19935	0.60	0.00	0.00
2.	Mr. Surinder P. Kanwar	1866695	55.83	0.00	1866695	55.83	0.00	0.00
3.	Vibrant Finance and Investment Private Limited	116500	3.48	0.00	116500	3.48	0.00	0.00
4.	Gulab Merchandise Private Limited	244825	7.33	0.00	244825	7.33	0.00	0.00
	Total	2247955	67.24	0.00	2247955	67.24	0.00	0.00

(iii) Change in Promoter's Shareholding (please Specify, if there is no change) in the total shareholding of Promoters between 01 April, 2015 and 31 March, 2016:

S. No.	Name of Promoter	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Late Dr. Raunaq Singh	19935	0.60	01/04/2015				
					-	No change in shareholding		
				31/03/2016			19935	0.60
2.	Mr. Surinder P. Kanwar	1866695	55.83	01/04/2015				
					-	No change in shareholding		
				31/03/2016			1866695	55.83
3.	Vibrant Finance and Investment Private Limited	116500	3.48	01/04/2015				
					-	No change in shareholding		
				31/03/2016			116500	3.48
4.	Gulab Merchandise Private Limited	244825	7.33	01/04/2015				
					-	No change in shareholding		
				31/03/2016			244825	7.33

(iv) Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Raj Kumar Lohia	13342	0.40	01/04/2015				
				10/04/2015	1637(I)	Purchase	14979	0.45
				17/04/2015	165(I)	Purchase	15144	0.45
				01/05/2015	845(I)	Purchase	15989	0.48
				26/06/2015	254(I)	Purchase	16243	0.49
				17/07/2015	2880(I)	Purchase	19123	0.57
				07/08/2015	500(I)	Purchase	19623	0.59
				18/09/2015	4000(I)	Purchase	23623	0.71
				06/11/2015	6054(I)	Purchase	29677	0.89
				20/11/2015	2615(I)	Purchase	32292	0.97
				27/11/2015	10633(I)	Purchase	42925	1.28
				25/12/2015	4879(I)	Purchase	47804	1.43
				31/03/2016			47804	1.43
2.	Sathya S	26073	0.78	01/04/2015				
				24/04/2015	817(I)	Purchase	26890	0.80
				06/11/2015	1800(I)	Purchase	28690	0.86
				27/11/2015	1800(I)	Purchase	30490	0.91
				18/12/2015	2700(I)	Purchase	33190	0.99
				25/12/2015	1800(I)	Purchase	34990	1.05
				31/12/2015	900(I)	Purchase	35890	1.07
				31/03/2016			35890	1.07
3.	Anuj Mehra	0	0.00	01/04/2015				
				07/08/2015	29250(I)	Purchase	29250	0.87
				31/03/2016			29250	0.87
4.	Sanjay Chandra Kumar Mehra	28994	0.87	01/04/2015				
					-	Nil Movement during the year		
				31/03/2016			28994	0.87
5.	Viraj Aggarwal	27500	0.82	01/04/2015				
					-	Nil Movement during the year		
				31/03/2016			27500	0.82
6.	Jairaj Kayani	26250	0.78	01/04/2015				
					-	Nil Movement during the year		
				31/03/2016			26250	0.78
7.	Divyanshu Aggarwal	22500	0.67	01/04/2015				
					-	Nil Movement during the year		
				31/03/2016			22500	0.67
8.	Narinderjeet Kanwar	21875	0.65	01/04/2015				
					-	Nil Movement during the year		
				31/03/2016			21875	0.65
9.	Rajendra Kumar	21000	0.63	01/04/2015				
					-	Nil Movement during the year		
				31/03/2016			21000	0.63
10.	Shefali Aggarwal	18985	0.57	01/04/2015				
					-	Nil Movement during the year		
				31/03/2016			18985	0.57

I = Increase, D= Decrease

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in share- holding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
A.	Directors							
1.	Mr. Surinder P. Kanwar	1866695	55.83	01/04/2015				
					-	No change in shareholding		
				31/03/2016			1866695	55.83
2.	Mr. Sachit Kanwar	0	0.00	01/04/2015				
					-	Nil Holding/ movement during the year		
				31/03/2016			0	0.00
3.	Dr. Sanjeev Kumar	0	0.00	01/04/2015				
					-	Nil Holding/ movement during the year		
				31/03/2016			0	0.00
4.	Mr. V.K. Pargal	0	0.00	01/04/2015				
					-	Nil Holding/ movement during the year		
				31/03/2016			0	0.00
5.	Mr. P.K. Mittal	0	0.00	01/04/2015				
					-	Nil Holding/ movement during the year		
				31/03/2016			0	0.00
6.	Mr. N.V. Srinivasan	0	0.00	01/04/2015				
					-	Nil Holding/ movement during the year		
				31/03/2016			0	0.00
7.	Mr. Gautam Mukherjee	0	0.00	01/04/2015				
					-	Nil Holding/ movement during the year		
				31/03/2016			0	0.00
8.	Mr. Satya Prakash Mangal	0	0.00	01/04/2015				
					-	Nil Holding/ movement during the year		
				31/03/2016			0	0.00
9.	Ms. Seethalakshmi Venkataraman	0	0.00	01/04/2015				
					-	Nil Holding/ movement during the year		
				31/03/2016			0	0.00
B.	Key Managerial Personnel (KMP's)							
1.	Mr. Rajan Malhotra Chief Executive Officer	0	0.00	01/04/2015				
					-	Nil Holding/ movement during the year		
				31/03/2016			0	0.00
2.	Mr. Shalesh Kumar Chief Financial Officer	0	0.00	01/04/2015				
					-	Nil Holding/ movement during the year		
				31/03/2016			0	0.00
3.	Mr. Kaushal Narula Company Secretary	0	0.00	01/04/2015				
					-	Nil Holding/ movement during the year		
				31/03/2016			0	0.00

V INDEBTEDNESS:

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

	(₹ in Lacs)			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	482.22	-	-	482.22
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	482.22	-	-	482.22
Change in Indebtedness during the financial year				
• Addition	22.90	-	-	22.90
• Reduction (Repayment)	12.76	-	-	12.76
Net Change	10.14	-	-	10.14
Indebtedness at the end of the financial year				
i) Principal Amount	492.36	-	-	492.36
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	492.36	-	-	492.36

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

				(₹ in Lacs)
S. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Surinder P. Kanwar Chairman and Managing Director*	Mr. Sachit Kanwar Joint Managing Director	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.00	73.00	73.00
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.00	11.00	11.00
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission	0.00	0.00	0.00
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5.	Others, Cos. Contribution to PF/SA	0.00	17.00	17.00
	Total (A)	0.00	101.00	101.00
	Ceiling as per the Act**		84.00	84.00

* Token Remuneration of ₹ 1.00 (Rupee One) only paid to Mr. Surinder P. Kanwar, Chairman and Managing Director.

** Ceiling as per Schedule V to the Companies Act, 2013 ("the Act") (exclusive of perquisites specified in Part II of Section IV of Schedule V to the Act).

B. Remuneration to other directors:

(₹ in Lacs)

S. No.	Particulars of Remuneration	Name of Directors						Total Amount
1.	Independent Directors	Dr. Sanjeev Kumar	Mr. P.K. Mittal	Mr. V.K. Pargal	Mr. Gautam Mukherjee	Mr. Satya Prakash Mangal	Ms. Seethalakshmi Venkataraman	
	• Fee for attending board / committee meetings	0.91	0.97	0.92	0.56	0.92	0.23	4.51
	• Commission	-	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-	-
	Total (1)	0.91	0.97	0.92	0.56	0.92	0.23	4.51
2.	Other Non-Executive Directors	Mr. N.V. Srinivasan						
	• Fee for attending board / committee meetings	0.45	-	-	-	-	-	0.45
	• Commission	-	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-	-
	Total (2)	0.45	-	-	-	-	-	0.45
	Total (B)=(1+2)	1.36	0.97	0.92	0.56	0.92	0.23	4.96
	Total Managerial Remuneration							105.96*
Overall Ceiling as per the Act ₹ 1.00 Lacs sitting fees to a director per meeting of the Board or Committee								

* Total Remuneration of Chairman and Managing Director, Joint Managing Director and inclusive of ₹ 4.96 Lacs paid as sitting fees paid to other Directors.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

(₹ in Lacs)

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr. Rajan Malhotra Chief Executive Officer	Mr. Shalesh Kumar Chief Financial Officer	Mr. Kaushal Narula Company Secretary	
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	39.50	12.60	5.84	57.94
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.07	0.07	0.00	0.14
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	0.00	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00
4.	Commission	0.00	0.00	0.00	0.00
	- as % of profit				
	- others, specify...				
5.	Others, Cos. Contribution to PF/SA	3.19	0.59	0.25	4.03
	Total	42.76	13.26	6.09	62.11

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

NIL

For and on behalf of the Board of Directors



Surinder P. Kanwar
Chairman and Managing Director
DIN: 00033524

Place: New Delhi
Dated: 27 May, 2016

CORPORATE GOVERNANCE REPORT

For the Year ended 31 March, 2016

[Pursuant to Clause 49 of the Listing Agreement/Schedule V(C) of 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 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. 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 [Clause 49 of the erstwhile Listing Agreement]. As on 31 March, 2016, the Board consists of 9(Nine) members, the Chairman of the Board is an Executive Director and more than half of the strength of the Board consists of Non-Executive Independent Directors. All Non-Executive Independent Directors bring a wide range of expertise and experience to the Board. The Board believes that the current size of the Board is appropriate based on the Company's present requirements.

There is no nominee Director in the Company.

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, 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;
- (ii) who is not related to Promoters or Directors in the company, its holding, subsidiary or associate company;
- c. apart from receiving Director's remuneration, has or had no material pecuniary relationship 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 material 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. 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;
 - (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 organisation 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;

f. is not less than 21 years of age.

The Board of Directors of the Company vide its resolution dated 03 February, 2012 has decided that the materiality/significance shall be ascertained on the following basis:

- The concept of 'materiality' is relevant from the total revenue inflow and/or outflow from and/or to a particular individual/body, directly or indirectly, during a particular financial year.
- The term 'material' needs to be defined in percentage. One percent (1 per cent) or more of total turnover of the Company, as per latest audited annual financial statement.

It has been confirmed by all the Independent Directors of the Company that as on 31 March, 2016, they fulfill the criteria of being "Independent Director" as stipulated under Regulation 16 of the Regulations [Clause 49 of the erstwhile Listing Agreement].

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 P. Kanwar	Chairman and Managing Director	4/4	Present	2	1	-
2.	^C Mr. Sachit Kanwar	Joint Managing Director	4/4	Present	1	1	-
3.	Mr. P.K. Mittal	Non-Executive Independent Director	4/3	Present	-	1	1
4.	Dr. Sanjeev Kumar	Non-Executive Independent Director	4/3	Present	4	1	2
5.	Mr. V.K. Pargal	Non-Executive Independent Director	4/4	Present	2	3	-
6.	Mr. Gautam Mukherjee	Non-Executive Independent Director	4/4	Present	2	1	-
7.	Mr. N.V. Srinivasan	Non-Executive Director	4/4	Present	-	-	-
8.	Mr. Satya Prakash Mangal	Non-Executive Independent Director	4/4	Present	-	1	-
9.	Ms. Seethalakshmi Venkataraman	Non-Executive Independent Director	4/2	Present	-	-	-

^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.

In terms of Regulation 25(1) of the Regulations, none of the Independent Director of the Company holds the position of the Independent Director in more than 7 (Seven) listed Companies, including Independent Directorship in Raunaq EPC International Limited and any such Director serving as a whole time Director in a listed Company is not serving as an Independent Director in more than 3 (Three) listed Companies including Raunaq EPC International Limited.

Mr. Surinder P. Kanwar is the father of Mr. Sachit Kanwar. Mr. Sachit Kanwar has been appointed as Joint Managing Director with effect from 01 June, 2011 for a period of 5(Five) years upto 31 May, 2016. Further, the Board has re-appointed Mr. Sachit Kanwar as Joint Managing Director of the Company in its meeting held on 27 May, 2016 with effect from 01 June, 2016 for a period of 5(Five) years.

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 30 July, 2015 are available on the website of the Company i.e. www.raunaqinternational.com.

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, Listing Agreement and such other laws and regulations as may be applicable.*

The details of familiarization programme during the Financial Year 2015-16 are available on the official website of the Company i.e. www.raunaqinternational.com under the link: <http://www.raunaqinternational.com/pdf/details-of-familiarisation-programme-for-independent-directors-15-16.pdf>.

B. Board Meetings

During the financial year 2015-16, 4 (Four) Board Meetings were held on the following dates:-

- 30 May, 2015;
- 30 July, 2015;
- 06 November, 2015; and
- 03 February, 2016

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 (Clause 49 of the erstwhile Listing Agreement).

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. 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 (Clause 49 of the erstwhile Listing Agreement).

- 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.

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.

3. BOARD COMMITTEES

A. Audit Committee

I. Constitution and Composition

In terms of Regulation 18 of the Regulations, the "Audit Committee" comprises of the following 4 (Four) 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-2** gives the composition of the Audit Committee and attendance record of members of the Committee:

Table-2

S. No.	Name of Member	Designation	No. of meetings Held/Attended
1.	Dr. Sanjeev Kumar	Chairman	4/3
2.	Mr. P.K. Mittal	Member	4/3
3.	Mr. V.K. Pargal	Member	4/4
4.	Mr. Satya Prakash Mangal	Member	4/4

In addition to the Members of the Audit Committee, the Chief Executive Officer, 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 their consideration and approval. The Committee also reviewed the internal control systems and internal audit reports.

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

Mr. Kaushal Narula, Company Secretary of the Company acted as Secretary to the Audit Committee Meetings as aforesaid.

II. Audit Committee Meetings

During the year, 4 (Four) meetings of the Audit Committee were held on the following dates in terms of Regulation 18 of the Regulations (Clause 49 of the erstwhile Listing Agreement):

- 30 May, 2015;
- 30 July, 2015;
- 06 November, 2015; and
- 03 February, 2016

III. Powers of Audit Committee

The Audit Committee has been empowered with the adequate powers as mandated in Regulation 18 of the Regulations (Clause 49 of the erstwhile Listing

Agreement) 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 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.

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 Listing 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 (Clause 49 of the erstwhile Listing Agreement), the Nomination and Remuneration Committee constitutes of following 4(four) Directors as members. **Table-3** gives the composition of the Nomination and Remuneration Committee and the attendance record of the members of the committee.

Table-3

S. No.	Name of Member	Designation	No. of Meetings Held/ Attended
1.	Dr. Sanjeev Kumar	Chairman	2/2
2.	Mr. Surinder P. Kanwar	Member	2/2
3.	Mr. P.K. Mittal	Member	2/2
4.	Mr. Gautam Mukherjee	Member	2/2

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

II. Nomination and Remuneration Committee Meetings

During the Financial Year 2015-16, 2 (Two) meetings of the Nomination and Remuneration Committee were held. **Table-4** gives the details of the date and purpose of the meetings of Nomination and Remuneration Committee:-

Table-4

S. No.	Date of Meeting	Purpose
1.	30 July, 2015	Consideration and recommendation for Annual Increments of Key Managerial Personnel (KMP) and Senior Management Personnel of the Company to the Board of Directors
2.	03 February, 2016	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

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 satisfaction.

Mr. Kaushal Narula, Company Secretary of the Company acted as Secretary to the Nomination and Remuneration Committee meetings as aforesaid.

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.

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 (Clause 49 of the erstwhile Listing Agreement), the policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management as approved by the Board is available on the 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. Performance Evaluation

In terms of Regulation 17 of the Regulations, the Board of Directors in its meeting held on 03 February, 2016 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.

During the Financial Year 2015-16, a separate meeting of the Independent Directors of the Company was held on 03 February, 2016 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.

VII. Remuneration of Directors for 2015-16

Table-5

(₹ in lacs)

NON-EXECUTIVE INDEPENDENT DIRECTORS				
Name of Members	Sitting Fees#		Salaries and Perquisites	Total
	Board Meetings	Committee Meetings		
Dr. Sanjeev Kumar	0.34	0.57	Nil	0.91
Mr. V.K. Pargal	0.46	0.46	Nil	0.92
Mr. P.K. Mittal	0.34	0.63	Nil	0.97
Mr. Gautam Mukherjee	0.45	0.11	Nil	0.56
Mr. N.V. Srinivasan	0.45	0.00	Nil	0.45
Mr. Satya Prakash Mangal	0.46	0.46	Nil	0.92
Ms. Seethalakshmi Venkataraman	0.23	0.00	Nil	0.23
Sub-Total (A)				4.96
EXECUTIVE DIRECTORS				
Mr. Surinder P. Kanwar Chairman & Managing Director	Nil	Nil	• Salary	0.00
			• Contribution to provident and other funds (*)	-
			• Monetary value of perquisites (**)	-
			##0.00	
Mr. Sachit Kanwar Joint Managing Director	Nil	Nil	• Salary and allowances	73.00
			• Contribution to provident and other funds (*)	17.00
			• Monetary value of perquisites (**)	11.00
			101.00	
Sub-Total (B)				101.00
Grand Total				105.96

Inclusive of Service Tax @ 12.36%, 14.00%, 14.50% as applicable during the year.

* 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.

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 P. 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 Independent 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.

C. Stakeholders' Relationship Committee

In terms of the provisions of the Companies Act, 2013 and Regulation 20 of the Regulations (Clause 49 of the erstwhile Listing Agreement), the "Stakeholders' Relationship Committee" constitutes of following 3 (Three) Directors as members.

The "Stakeholders' Relationship Committee" has been empowered to consider and resolve the grievances of shareholders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends and other miscellaneous grievances. The said Committee is also authorised to effect transfers/transmissions of Equity Shares/Debentures and other securities and also to issue Duplicate Share Certificates and other securities and matters related or incidental thereto.

The Table-6 gives the composition of the Stakeholders' Relationship Committee and the attendance record of Members of the Stakeholders' Relationship Committee:

Table-6

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

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

I. Stakeholder's Relationship Committee Meetings

During the Financial Year 2015-16, the Committee met 1 (One) time on 30 May, 2015 and the Committee took note of status of requests received from the Shareholders for Dematerialisation, Rematerialisation, non-receipt of annual report, non-receipt of declared dividend, Transfers and Transmission of Shares as on 31 March, 2015.

Mr. Kaushal Narula, Company Secretary of the Company acted as Secretary to the Stakeholder's Relationship Committee Meeting as aforesaid.

II. Sub-Committee

In order to have speedy disposal of the Shareholders'/ Investors' requests for transfer and transmission, 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 P. Kanwar, Chairman and Managing Director
- Mr. Sachit Kanwar, Joint Managing Director
- Mr. Shalesh Kumar, Chief Financial officer
- Mr. Kaushal Narula, Company Secretary

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.

III. Status of Investor Complaints/Requests

No. of Complaints received during financial year 2015-16	NIL
No. of Complaints resolved to the satisfaction of stakeholders during financial year 2015-16	NOT APPLICABLE

No. of pending requests for share transfers, transmissions, dematerialisations and rematerialisations as on 31 March, 2016.

Particulars	No. of Requests	No. of Securities
Transfers and Transmissions	NIL	NIL
Dematerialisations and Rematerialisations	NIL	NIL

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

I. Constitution and Composition

In terms of provisions of Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee ("CSR Committee") constitutes of following 4 (Four) Directors as members to monitor the Corporate Social Responsibility Policy as approved by the Board 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 website of the Company i.e. www.raunaqinternational.com.

The **Table-7** gives the composition of the CSR Committee:

Table-7

S. No.	Name of Member	Designation
1.	Mr. Surinder P. Kanwar	Chairman
2.	Mr. Sachit Kanwar	Member
3.	Mr. P.K. Mittal	Member
4.	Mr. Satya Prakash Mangal	Member

Mr. Surinder P. Kanwar is Chairman and Managing Director, Mr. Sachit Kanwar is Joint Managing Director and Mr. P.K. Mittal and Mr. Satya Prakash Mangal are the Non-Executive Independent Directors of the Company.

II. CSR Committee Meetings

The CSR Committee in its meeting held on 27 May, 2016 formed the view and recommended to the Board that the amount of ₹ 12.82 Lacs was required to be spent on CSR activities by the Company during the year 2015-16.

The Board decided that since the Company has not decided upon the Project under CSR, wherein the funds can be spend, it shall soon figure out the Projects to be undertaken under CSR activities and spend accordingly.

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-8** gives the composition of the Finance Committee:

Table-8

S. No.	Name of Member	Designation
1.	Mr. P.K. Mittal	Chairman
2.	Mr. Surinder P. 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 P. Kanwar is Chairman & Managing Director and Mr. Sachit Kanwar is Joint Managing Director of the Company.

During the Financial Year 2015-16, the Committee met 2 (Two) times on 25 June, 2015 and 25 August, 2015 respectively and considered the matters as aforesaid in the normal course of business.

4. Subsidiary Companies

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

In terms of Regulation 16 of the Regulations (Clause 49(V) of the erstwhile Listing Agreement), XDIL is "material non-listed Indian subsidiary Company" of the Company in the preceding financial year 2014-15.

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

1. Dr. Sanjeev Kumar and Mr. V.K. Pargal, Non-Executive Independent Directors of the Company are also the Non-Executive Independent Directors on the Board of Xlerate Driveline India Limited (XDIL).
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 the 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 (Clause 49 of the erstwhile Listing Agreement). The said policy has been posted on the website of the Company i.e. [www.raunaqinternational.com](http://www.raunaqinternational.com/pdf/policy-on-material-subsiary.pdf) under the link <http://www.raunaqinternational.com/pdf/policy-on-material-subsiary.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 material unlisted subsidiary for the immediately preceding accounting year.

5. COMPLIANCE OFFICER

Mr. Kaushal Narula, Company Secretary is the Compliance Officer of the Company.

6. DIRECTORS

During the financial year 2015-16, the members of the Company, at their Annual General Meeting held on 30 July, 2015 approved the appointment of Dr. Sanjeev Kumar, Mr. Gautam Mukherjee and Ms. Seethalakshmi Venkataraman as Non Executive Independent Directors in terms of Section 149 of the Companies Act, 2013 for a period of 5 (Five) Years upto the conclusion of the 55th Annual General Meeting (AGM) of the Company in the calendar year 2020.

Re-Appointment of existing Non-Executive Rotational Directors

In accordance with the provisions of the Companies Act 1956 and the Articles of Association of the Company, Mr. P.K. Mittal and Mr. N.V. Srinivasan, Directors retire by rotation at the ensuing Annual General Meeting.

Therefore, in terms of Section 149 of the Companies Act, 2013, it has been proposed to appoint Mr. P.K. Mittal 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 56th Annual General Meeting (AGM) of the Company in the Calendar year 2021.

Mr. N.V. Srinivasan, Non Executive Director of the Company, liable to retire by rotation in terms of the Companies Act, 2013 has offered himself to be re-appointed as Non-Executive Director in terms of Section 152 of the Companies Act, 2013 at the ensuing Annual General Meeting of the Company.

Therefore, in terms of Section 152 of the Companies Act, 2013, it has been proposed to appoint N.V. Srinivasan as Non-Executive Director at the ensuing Annual General Meeting (AGM) of the Company, liable to retire by rotation upto the conclusion of the next Annual General Meeting (AGM) of the Company in the Calendar year 2021.

As required under Regulation 36 of the Regulations, the information or details pertaining to the Directors seeking appointment/re-appointment in the ensuing Annual General Meeting, are furnished below.

The **Table-9** gives the information pertaining to the Non-Executive Independent Director who is to be appointed in terms of the provisions of the Section 149 of the Companies Act, 2013 & Non-Executive Director who is to be appointed in terms of the provisions of Section 152 of the Companies Act, 2013 respectively.

Table-9

S. No.	Designation
1.	<p>Mr. P.K. Mittal, Director Brief Resume: Mr. P.K. Mittal, aged 62 years is a Non-Executive Independent Director of the Company since 31st July, 2003. He is a Commerce Graduate and LLB. from University of Delhi. He is also the fellow member of Institute of Company Secretaries of India. He has over 33 years of experience in Central Excise Laws, Customs, Company Law, FEMA etc. He is the Chairman of Stakeholders' Relationship Committee and Finance Committee and also a member of Nomination and Remuneration Committee of the Company.</p> <p>As on 31 March, 2016, he does not hold any Share in the Company and also he doesn't hold directorship and the membership of the Committee of Board in any other Company.</p>
2.	<p>Mr. N.V. Srinivasan, Director Brief Resume: Mr. N.V. Srinivasan, aged 71 years is a Non-Executive Director of the Company since 30 October, 2006. He is a Graduate in Mechanical Engineering. He has done MS in Industrial Engineering from University of Illinois and he is an MBA from Graduate School of Business of the University of Pittsburgh in USA. He has a vast experience of 45 years.</p> <p>As on 31 March, 2016, he does not hold any Share in the Company and also he doesn't hold directorship and the membership of the Committee of Board in any other Company.</p>

7. GENERAL BODY MEETINGS

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

Annual General Meetings

Table-10

Financial Year	Venue	Date & Time	Special Resolution(s) Passed
2014-15	Huda Convention Centre, Sector-12 Faridabad-121007 (Haryana)	30.07.2015 11.30 A.M.	Yes Consideration and approval of Change of Name of the Company from "Raunaq International Limited" to "Raunaq EPC International Limited".
2013-14	HUDA Convention Centre, Sector- 12 Faridabad-121007 (Haryana)	29.08.2014 11.30 A.M.	Yes 1. Consideration and approval of the payment of remuneration to Mr. Sachit Kanwar, Joint Managing Director of the Company, for further period of 2(two) Years with effect from 01 June, 2014 of his present tenure 2. Consideration and approval of increase in borrowing powers of the Company
2012-13	HUDA Convention Centre, Sector-12 Faridabad-121007 (Haryana)	30.07.2013 11.30 A.M.	No

Extra-ordinary General Meetings

No Extraordinary General Meeting of the Company was held during the Financial Year ended 31 March, 2016.

Postal Ballot

There are no special resolutions passed during 2015-16 through postal ballot and no special resolution is proposed to be conducted through postal ballot.

8. Means of Communication

The Quarterly, Half Yearly and Annual Financial Results during the year were published by the Company as under:

Table-11

Financial Results	Name(s) of Newspapers	Date(s) of Publication
Quarter/Year ended 31 March, 2015	The Financial Express#, Jansatta (Hindi)##	31 May, 2015
Quarter ended 30 June, 2015	Mint* Veer Arjun (Hindi)**	31 July, 2015
Quarter/Half Year ended 30 September, 2015	Mint* Veer Arjun (Hindi)**	07 November, 2015
Quarter/Nine Months ended 31 December, 2015	Mint* Veer Arjun (Hindi)**	04 February, 2016

The Financial Express- Delhi & Mumbai Edition

Jansatta (Hindi)-Delhi Edition

* Mint- Mumbai & Delhi Edition

**Veer Arjun (Hindi)-Delhi Edition

In addition to the above, the quarterly/half yearly and the annual financial results and official releases, if any, are also displayed under the "Investors" section on the Company's official website i.e. www.raunaqinternational.com for the information of all the shareholders.

Also, the Quarterly Corporate Governance Report and Shareholding Pattern of the Company as mandated under Regulation 27 (Clause 49 of the erstwhile Listing Agreement) and Regulation 31 of the Regulations (Clause 35 of the erstwhile Listing Agreement) respectively are filed with BSE Limited (BSE) through BSE 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.

Green Initiative

In support of the "Green Initiative" undertaken by Ministry of Corporate Affairs (MCA), the Company had sent soft copies of Annual Reports for the year 2014-15 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.

9. 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 11:30 A.M. on Wednesday, the 03 August, 2016 at HUDA Convention Centre, Sector-12, Faridabad-121007, Haryana.

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. Record Date for Dividend Payment:

27 July, 2016.

E. Dividend Payment Date:

The dividend, if declared, will be paid on or before September 02, 2016.

F. Listing on Stock Exchanges and Stock Code:

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

1. BSE Limited [BSE]
(Stock Code: 537840)
2. Delhi Stock Exchange Limited [DSE]*

The Annual Listing Fees for the year 2016-17 has been paid in advance to the BSE Limited.

* Delhi Stock Exchange has been derecognized by SEBI pursuant to **SEBI order No: WTM/PS/45/MRD/DSA/NOV/2014** dated 19 November, 2014 therefore the filling of documents required under various regulations have been discontinued by the Company with effect from 01 April, 2016 and the exchange has been intimated regarding the same. Further, in purview of the same, the Annual Listing Fees for the year 2016-17 has also not been paid to the Delhi Stock Exchange Limited.

G. Market Price Data:

High and Low prices during each month of Financial Year 2015-16 on BSE Limited are as under:

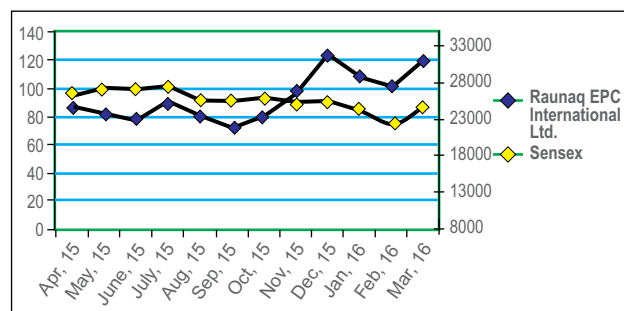
The Closing Price represents the price on the last trading day of each month of Financial Year 2015-16.

Table-12

Month	High (₹)	Low (₹)	Closing (₹)
April	107.00	75.05	90.25
May	103.00	68.25	85.00
June	99.80	61.30	80.25
July	109.90	75.00	94.25
August	100.00	71.20	83.70
September	87.00	60.10	75.00
October	84.50	69.10	84.05
November	99.00	80.00	99.00
December	127.05	95.15	127.05
January	134.70	88.10	110.80
February	135.00	92.30	104.50
March	129.00	102.90	123.50

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



H. Registrar and Transfer Agent:

Link Intime India Private Limited (Formerly known as Intime Spectrum Registry 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
44, Community Centre, 2nd Floor
Naraina Industrial Area, Phase- 1
Near PVR Naraina
New Delhi – 110028
Phone Nos: 011-41410592-94
Fax No. : 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 Mr. Kaushal Narula, Compliance Officer of the Company and the authorized representative of Registrar & Transfer Agent 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.

I. Share Transfer System:

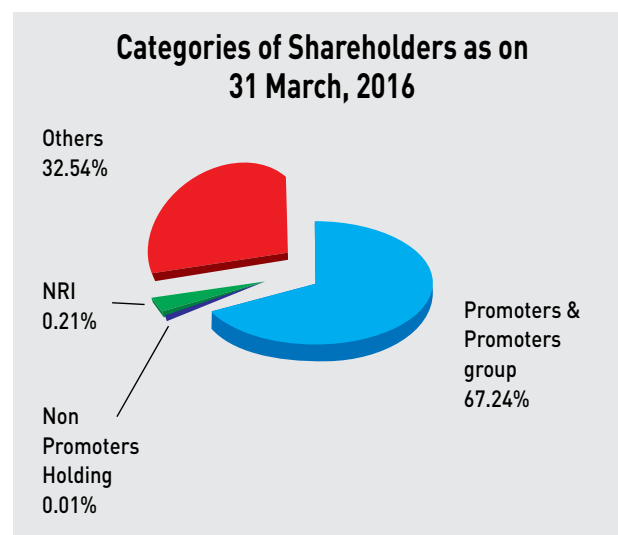
The Shares are accepted for registration of transfer at the Registered Office of the Company in addition to the office of Registrar and Transfer Agent (RTA), Link Intime India Private Limited. Link Intime India Private Limited is fully equipped to undertake the activities of Share Transfers and redressal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

In order to have speedy disposal of the shareholders'/ investors' requests for transfer and transmission, a sub-committee consisting of the Directors/Officers of the Company is in place for effecting Transfer/Transmission/ Split/Consolidation of Shares as detailed in Point 3 (C)(II) Sub Committee of this report.

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

As per the requirements of Regulation 40(9) of the Regulations and Clause 47(c) of the erstwhile Listing Agreement, the Company has obtained the Half Yearly Certificates from a Company Secretary in Practice for due compliance of Share Transfer formalities.

J. Shareholding pattern of the Company as per category of shareholders as on 31 March, 2016:



*Non Promoters Holdings are Negligible

Table-13

Category		No. of Shares Held	% age of Share Holding
A. Promoters' holding			
1.	Promoters		
	-Indian Promoters	1886630	56.43
	-Foreign Promoters	-	-
2.	Persons acting in Concert	361325	10.81
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)	217	0.01
c.	Foreign Institutional Investor	-	-
4.	Others		
a.	Private Corporate Bodies	96765	2.89
b.	Indian Public	942409	28.19
c.	Non Resident Indians/Overseas	7140	0.21
d.	Any Other	48757	1.46
Total		3343243	100.00

K. Distribution of Shareholding as on 31 March, 2016:
Table-14

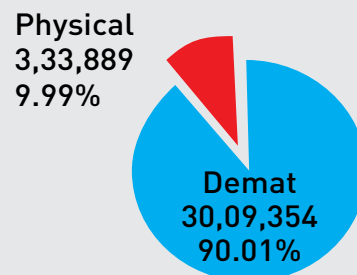
No. of Equity shares held	Number of Shareholders	Number of Shares	%age to total shares
Up to 500	1832	124024	3.71
501 to 1000	144	121112	3.62
1001 to 2000	61	98925	2.96
2001 to 3000	21	51853	1.55
3001 to 4000	6	22191	0.66
4001 to 5000	13	59679	1.79
5001 to 10000	16	130847	3.91
10001 and above	32	2734612	81.80
Total	2125	3343243	100.00

L. Share Dematerialisation System:

The requests for dematerialisation of shares are processed by Registrar & 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.

M. 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.

Shares held in Demat/Physical Form as on 31 March, 2016


As on 31 March, 2016, a total of 30,09,354 equity shares of the Company of ₹ 10/- each, which form 90.01% of the paid up Equity Share Capital, stand dematerialized.

Table-15

PARTICULARS					
DEMAT				PHYSICAL	
NSDL		CDSL			
No. of shares	%	No. of shares	%	No. of shares	%
2797480	83.67	211874	6.34	333889	9.99

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

N. Unclaimed Shares in Physical Mode:

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

O. Corporate Benefits
Dividend History:
Dividend on Equity Shares:
Table-16

Financial Year	Rate (%)	Amount (₹ in Lacs)
2015-16	12	40.12
2014-15	10	33.43
2013-14	12	40.12
2012-13	10	33.43
2011-12	22	29.42

P. Office locations:

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

Q. Addresses for Correspondence:

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

Link Intime India Private Limited, 44, Community Centre, 2nd Floor, Naraina Industrial Area Phase-I, Near PVR Naraina, New Delhi 110 028, Phone No. 011-41410592-94, Email: delhi@linkintime.co.in.

For Investor Assistance:

Mr. Kaushal Narula, Company Secretary & 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: kaushal@raunaqintl.com

9. OTHER DISCLOSURES

A. Related Party Transactions:

During the year 2015-16, 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 (Clause 49 of the erstwhile Listing Agreement) and the same is available on the website of the Company i.e. www.raunaqinternational.com under the link <http://www.raunaqinternational.com/pdf/related-party-transaction-policy.pdf>.

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 2015-16.

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 Exchanges 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 (Clause 49 of the erstwhile Listing Agreement) 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 website of the Company i.e. www.raunaqinternational.com.

During the year, 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.

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

The Policy on Preservation of Documents/ Archival Policy on Website Disclosure has been framed in accordance with the Regulation 9 and Regulation 30(8) of the Regulations 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 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 website of the Company i.e. www.raunaqinternational.com.

I. CEO/CFO certification:

Certificate from Mr. Rajan Malhotra, Chief Executive Officer and Mr. Shalesh Kumar, Chief Financial Officer in terms of Regulation 17(8) of the Regulations for the Financial Year ended 31 March, 2016 was placed before the Board of Directors of the Company in its meeting held on 27 May, 2016.

J. Code of Conduct and Corporate Ethics:

Code of Business Conduct 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 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 SEBI (Prohibition of Insider Trading) Regulation, 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 Exchanges 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.

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. 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:

Table-17

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	
New name and the old name of the listed entity	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)	Yes
Meeting of Board of Directors	17(2)	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
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Composition of Nomination & Remuneration Committee	19(1) & (2)	Yes
Composition of Stakeholders' Relationship Committee	20(1) & (2)	Yes
Composition and role of Risk Management Committee	21(1),(2),(3),(4)	NA
Vigil Mechanism	22	Yes
Policy for Related Party Transaction	23(1),(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
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)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of Independent Directors	25(3) & (4)	Yes
Familiarization of Independent Directors	25(7)	Yes
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

M. Non-Mandatory Requirements:

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

N. 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.

O. Email for investors:

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

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

P. 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.

Q. 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_shareholdersinformation.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 P. Kanwar
Chairman and Managing Director
DIN: 00033524

Place: New Delhi
Dated: 27 May, 2016

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

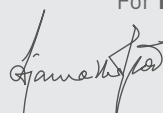
We have reviewed financial statements and the cash flow statement for the year 2015-16 and that to the best of our knowledge and belief:

- 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 2015-16;
- 3) Significant changes in accounting policies during the year 2015-16 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**



Rajan Malhotra
Chief Executive Officer



Shalesh Kumar
Chief Financial Officer

Place: New Delhi
Dated: May 27, 2016

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 2015-16, 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**



Kaushal Narula
Company Secretary



Surinder P. Kanwar
Chairman and Managing Director

Place: New Delhi
Dated: May 27, 2016

INDEPENDENT AUDITOR'S CERTIFICATE

To
The Members of Raunaq EPC International Limited

1. We have examined the compliance of conditions of Corporate Governance by **Raunaq EPC International Limited (Formerly Known as Raunaq International Limited)** ("the Company"), for the year ended on 31 March, 2016, as stipulated in:
 - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchanges for the period from 1 April, 2015 to 30 November, 2015.
 - Clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchanges for the period from 1 April, 2015 to 1 September, 2015.
 - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from 2 September, 2015 to 31 March, 2016 and
 - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from 1 December, 2015 to 31 March, 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements and regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended 31 March, 2016.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **V.P. Jain & Associates**
Chartered accountants
(Firm's Registration No. 015260N)



V.P. Jain
Partner
(Membership No. 81514)

Place: New Delhi
Dated: 27 May, 2016

Independent Auditor's Report

TO THE MEMBERS OF

RAUNAQ EPC INTERNATIONAL LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **RAUNAQ EPC INTERNATIONAL LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the order under Section 143 (11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2016, and its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.
 - (e) On the basis of the written representations received from the directors as on 31 March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's financial control over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigation which would have any material impact on its financial position in its financial statements.
 - ii. The Company has made provisions as required under the applicable law or accounting standards for material foreseeable losses on long term contracts. Company did not have any derivative contracts.
 - iii. Amounts which were required to be transferred to the Investor Education and Protection Fund by the Company were so transferred in time.
- 2) As required by the Companies (Auditor's Report) Order, 2016 ("the CARO 2016 Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in 'Annexure-B' a statement on the matters specified in Paragraph-3 & 4 of the CARO 2016 Order.

For **V.P. Jain & Associates**
Chartered Accountants
(FRN:015260N)



(V.P. Jain)

Partner

(Membership No. 081514)

Place: New Delhi

Dated : 27 May, 2016

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF RAUNAQ EPC INTERNATIONAL LIMITED (Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Raunaq EPC International Limited ("the Company") as of 31 March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **V.P. Jain & Associates**
Chartered Accountants
(FRN: 015260N)



(V.P. Jain)
Partner
(Membership No. 081514)

Place: New Delhi
Dated : 27 May, 2016

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS OF RAUNAQ EPC INTERNATIONAL LIMITED FOR THE FINANCIAL YEAR ENDED ON 31 MARCH, 2016

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a programme of verification of fixed assets to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, we report that the company does not own any immovable property whether free hold or leasehold.
- (ii) (a) As explained to us, inventories were physically verified during the year by the Management at reasonable intervals, other than for contract work-in-progress in respect of civil/mechanical/erection contract.
- (b) No material discrepancies were noticed on physical verification.
- (iii) During the year company has granted loan to its subsidiary company on terms and conditions which were not prejudicial to the interest of the company. Loan was converted into Equity Shares during the year.
- (iv) The company has not given any loan to Directors under Section-185, hence, Section-185 is not applicable for loan given, investment made in subsidiary company and guarantees provided in connection with limits given by banks, the provision of Section-186 of the Companies Act have been complied with.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) We have been informed by the Management that no cost records have been prescribed U/s 148(1) of the Companies Act, 2013 in respect of Company's construction activities.
- (vii) According to the information and explanation given to us, in respect of statutory dues :
- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31 March, 2016 for a period of more than six months from the date they become payable.
- (c) There are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value Added Tax as on 31 March, 2016 on account of disputes except as detailed below:

Name of the Statute	Nature of Dues	Amount of Tax(₹)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act	Excise Duty Penalty	22,63,487/-*	1996-97 & 1997-98	High Court Allahabad

* Fully Provided

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not borrowed from Government. Also the Company has not issued debentures.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised. The Company has not raised money by way of initial public offer or further public offer (including debt instruments).
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule-V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence, reporting under Clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence, reporting under Clause (xiv) of CARO 2016 Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us during the year, the Company has not entered into any non-cash transaction with its directors or persons connected with him and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

For **V.P. Jain & Associates**
Chartered Accountants
(FRN:015260N)



(V.P. Jain)

Partner

(Membership No. 081514)

Place: New Delhi
Dated: 27 May, 2016

Balance Sheet

as at 31 March, 2016

Particulars	Note No.	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	2	334.32	334.32
(b) Reserves and surplus	3	4264.16	3801.63
		4598.48	4135.95
2. Non-current liabilities			
(a) Long-term borrowings	4	44.12	117.26
(b) Other long-term liabilities	5	3.08	5.64
(c) Long-term provisions	6	113.26	124.21
		160.46	247.11
3. Current liabilities			
(a) Short-term borrowings	7	356.25	289.22
(b) Trade payables	8		
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		3948.74	2198.37
(c) Other current liabilities	9	759.71	1476.96
(d) Short-term provisions	10	246.50	123.74
		5311.20	4088.29
TOTAL		10070.14	8471.35
II. ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11A	594.38	608.09
(ii) Intangible assets	11B	35.46	-
		629.84	608.09
(b) Non-current investments	12	1634.68	1334.68
(b) Deferred tax assets (net)	13	38.11	40.03
(c) Long-term loans and advances	14	7.16	6.76
(d) Other non-current assets	15	29.33	4.89
		2339.12	1994.45
2. Current assets			
(a) Inventories	16	1767.37	875.48
(b) Trade receivables	17	3620.83	2894.96
(c) Cash and cash equivalents	18	1717.54	1850.46
(d) Short-term loans and advances	19	589.47	818.42
(e) Other current assets	20	35.81	37.58
		7731.02	6476.90
TOTAL		10070.14	8471.35
See accompanying notes forming part of the financial statements	1-27		

As per our report of even date attached.

For and on behalf of the Board of Directors

For **V. P. Jain & Associates**

Chartered Accountants

Firm Registration No. 015260N

SURINDER P. KANWAR

Chairman and Managing Director

(DIN: 00033524)

SACHIT KANWAR

Joint Managing Director

(DIN: 02132124)

V.K. PARGAL (DIN: 00076639)

P.K. MITTAL (DIN: 00165315)

SATYA PRAKASH MANGAL (DIN: 01052952)

GAUTAM MUKHERJEE (DIN: 02590120)

SEETHALAKSHMI VENKATARAMAN (DIN: 07156898)

Directors

(V. P. Jain)

Partner

Membership No. 81514

SHALES KUMAR

Chief Financial Officer

(PAN: BOCPS4686F)

KAUSHAL NARULA

Company Secretary

(PAN: AFKPN7593J)

Place: New Delhi

Date: May 27, 2016

Statement of Profit and Loss

For the Year Ended 31 March, 2016

Particulars	Note No.	Year ended 31 March, 2016 (₹ in Lacs)	Year ended 31 March, 2015 (₹ in Lacs)
1. Revenue from operations	21	12747.95	7991.12
2. Other income	22	163.46	149.25
3. Total revenue		12911.41	8140.37
4. Expenses			
(a) Cost of materials consumed	23	5361.16	3011.79
(b) Employee benefits expense	24	1095.77	998.28
(c) Finance cost	25	340.45	288.57
(d) Depreciation and amortisation expense	11	70.76	67.41
(e) Other expenses	26	5288.57	3342.87
Total expenses		12156.71	7708.92
5. Profit before extraordinary items and tax		754.70	431.45
6. Extraordinary item	11 (C)	-	127.37
7. Profit before tax		754.70	558.82
8. Tax expense:			
(a) For current year		240.00	140.00
(b) For earlier years		1.96	-
(c) Net current tax expense		241.96	140.00
(d) Deferred tax (benefit)/expense		1.92	(5.20)
Net tax expense		243.88	134.80
9. Profit for the year		510.82	424.02
10. Earnings per share (of ₹ 10/- each):			
Basic & Diluted (in ₹)	27.10	15.28	12.68
See accompanying notes forming part of the financial statements		1-27	

As per our report of even date attached.

For and on behalf of the Board of Directors

For **V. P. Jain & Associates**

Chartered Accountants

Firm Registration No. 015260N

SURINDER P. KANWARChairman and Managing Director
(DIN: 00033524)**SACHIT KANWAR**Joint Managing Director
(DIN: 02132124)**V.K. PARGAL** (DIN: 00076639)**P.K. MITTAL** (DIN: 00165315)**SATYA PRAKASH MANGAL** (DIN: 01052952)**GAUTAM MUKHERJEE** (DIN: 02590120)**SEETHALAKSHMI VENKATARAMAN** (DIN: 07156898)

Directors

(V. P. Jain)

Partner

Membership No. 81514

SHALES KUMARChief Financial Officer
(PAN: BOCPS4686F)**KAUSHAL NARULA**Company Secretary
(PAN: AFKPN7593J)

Place: New Delhi

Date: May 27, 2016

Cash Flow Statement

For the Year Ended 31 March, 2016

Particulars	For the year ended 31 March, 2016 (₹ in lacs)	For the year ended 31 March, 2015 (₹ in lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	754.70	431.45
Adjustments for:		
Depreciation & Misc. expenditure written off	70.76	67.41
Loss on sale of Fixed Assets	-	16.19
Interest and other charges	340.45	288.57
Interest Income	(124.72)	(132.98)
Dividend from Non Trade Investments	-	(2.93)
Operating profit before working capital changes	1041.19	667.71
Changes in Working Capital		
Adjustments for (increase)/decrease in operating assets:		
Trade receivables	(725.87)	(247.89)
Inventories	(891.89)	1214.38
Other non Current assets	(24.44)	38.50
Long Term Loans & advances	(0.40)	(0.68)
Short Term Loans & advances	228.95	(168.04)
Adjustments for (increase)/decrease in operating liabilities:		
Trade Payables	1750.37	(433.91)
Short Term Provisions	114.70	(19.79)
Other Long term liabilities	(2.56)	1.79
Long Term Provisions	(10.95)	6.16
Other current Liabilities	(733.74)	(189.57)
Cash generated from operations	745.36	868.66
Direct Taxes paid (Net)	(241.96)	(140.00)
Net Cash from operating activities	503.40	728.66
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(92.51)	(90.89)
Sale of Fixed Assets	-	16.44
Dividend from Non Trade Investments	-	2.93
Interest Received	124.72	132.98
Investment in shares	(300.00)	-
Net Cash from/(used) in investment activities	(267.79)	61.46
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long / short term borrowings (Net)	10.14	(139.46)
Interest and other charges paid	(340.45)	(288.57)
Dividend including Dividend Distribution Tax paid	(39.99)	(46.51)
Net Cash (used) / from financing activities	(370.30)	(474.54)
Net increase / (decrease) in cash and cash equivalents	(134.69)	315.59
Opening balance of Cash and cash equivalents *	1888.04	1572.45
Closing balance of Cash and cash equivalents *	1753.35	1888.04
* Including Interest accrued		
Notes:		
1. The cash flow is based on and derived from the accounts of the company for the year ended 31 March, 2016 and 31 March, 2015.		
2. Cash and cash equivalents comprise of:		
Cash on hand	2.44	2.27
With scheduled banks:		
On Current Accounts	468.00	378.56
On margin accounts	1247.10	1469.63
On fixed deposit accounts (including interest accrued)	35.81	37.58
Cash and cash equivalents at the end of the year	1753.35	1888.04
3. Balance in Current Accounts include balance in unpaid dividend accounts amounting to ₹ 11.64 Lacs as on 31 March, 2016 and ₹ 11.39 Lacs as on 31 March, 2015.		

As per our report of even date attached.

For and on behalf of the Board of Directors

For **V. P. Jain & Associates**

Chartered Accountants
Firm Registration No. 015260N

SURINDER P. KANWAR

Chairman and Managing Director
(DIN: 00033524)

SACHIT KANWAR

Joint Managing Director
(DIN: 02132124)

V.K. PARGAL (DIN: 00076639)

P.K. MITTAL (DIN: 00165315)

SATYA PRAKASH MANGAL (DIN: 01052952)

GAUTAM MUKHERJEE (DIN: 02590120)

SEETHALAKSHMI VENKATARAMAN (DIN: 07156898)
Directors

(V. P. Jain)

Partner

Membership No. 81514

SHALES KUMAR

Chief Financial Officer
(PAN: BOCPS4686F)

KAUSHAL NARULA

Company Secretary
(PAN: AFKPN7593J)

Place: New Delhi

Date: May 27, 2016

Notes

Forming Part of the Financial Statements

Note	Particulars
1.	SIGNIFICANT ACCOUNTING POLICIES
1.1	The financial statements have been prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on the accruals basis to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the act") and the relevant provisions of the act. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for contracts work-in-progress (Refer Note 1.4).
1.2	The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.
1.3	<p>a) Fixed Assets are valued at cost net of CENVAT. Borrowing cost that is directly attributable to the acquisition or construction of a qualifying asset is considered as part of the cost of that asset. Other borrowing costs are recognized as an expense in the year in which they are incurred.</p> <p>b) Inventories are valued at Cost or net realisable value whichever is less other than Contracts Work in Progress.</p>
1.4	<p>The contracts work-in-progress as at the end of year is valued on the basis of percentage of completion method as followed in earlier years.</p> <p>However there has been a change in this year as detailed hereunder:-</p> <p>i) Revenue is recognised when the value of running bill is more than 25% as against 33% followed in earlier year.</p> <p>ii) The entire increase in WIP (In respect of contracts which remains in progress as at the end of the year) is considered revenue of the year. In earlier years a percentage of the incremental contribution was accounted as revenue of the year depending upon the percentage of works completed.</p> <p>For the purpose of valuation, cost means the direct cost on a particular job excluding depreciation and finance charges, which are directly charged to Profit and Loss Statement (Refer note 1.18).</p>
1.5	Accumulated value of Amount Billed to client is carried forward on memorandum basis till the project is charged to completed contracts. On closure of a project, the accumulated value of work in progress in accordance with Accounting Policy '1.4' discussed above and difference between Accumulated Amount of WIP and total Amount Billed to client is accounted in the value of amount "charged to completed contracts".
1.6	Works Contracts are charged to completed contracts on obtaining completion certificates from concerned clients.
1.7	For the purpose of classifying an asset as Current or Non current on operating cycle basis, the scheduled period of contract completion increased by any extension allowed by the contractee is considered to be operating cycle. Trade Receivables due for payment for the purpose of classifying as Current/Non-Current are classified from the date when defect liability period or retention period ends.
1.8	Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in schedule II to the Act.
1.9	Intangible assets are amortised as per provision of AS-26.
1.10	<p>(a) Dividend income is recognized when the right to receive the dividend is established.</p> <p>(b) Interest income is recognized on time proportion basis.</p>
1.11	<p>The following items are accounted for based on certainty of realization/ payments:</p> <p>(a) Extra items claim.</p> <p>(b) Insurance claims.</p> <p>(c) Any receipts/additional liability on account of pending income tax, sales tax and excise duty assessments.</p> <p>(d) Penalties or interests, if any, on delayed payment of statutory dues.</p>

Note	Particulars
1.12	Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction. All Foreign Currency Monetary items outstanding at the year end are translated at the year end rate. The difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of Foreign Currency Monetary items at the end of the year is recognized as income or expense, as the case may be, for the year.
1.13	<p>(a) Investments are either classified as Non-Current or Current investments. The cost of investments includes acquisition charges such as brokerage, fees and duties.</p> <p>(b) Current investments are carried at lower of cost and fair value. Non-Current investments are carried at cost and provisions are recorded to recognize any decline, other than temporary, in the carrying value of each investment.</p>
1.14	<p>(a) <u>Short Term Employee Benefits:</u> Short term Employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss Statement for the year in which related services are rendered.</p> <p>(b) <u>Defined Contribution Plans:</u> Company's contributions and other amount, if any, payable during the year towards Provident Fund, Pension Fund and Employee State Insurance are recognized in the Profit and Loss Statement of the year.</p> <p>(c) <u>Defined Benefit Plans:</u> Company's liability towards gratuity in accordance with Payment of Gratuity Act, 1972 and other long term benefits are determined and accounted in accordance with AS-15 (Revised) based on the Actuarial Valuation as on the balance sheet date. So far as the gratuity is concerned the company contributes the ascertained liability to the Life Insurance Corporation of India which administers the contributions and makes the payment at retirement, death or incapacitation of employment to employee.</p>
1.15	Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating Lease payments are recognized as an expense in the Profit & Loss Statement as per the lease terms.
1.16	The Company provides current tax based on the provisions of the Income Tax Act applicable to it. Timing differences between book profit and taxable profit is recognized as Deferred Tax Asset, if any, considering prudence.
1.17	Basic Earning per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.
1.18	With a view to have a more appropriate presentation of financial statements, the company has revised its accounting policy relating to valuation of contracts work in progress (Refer note 1.4). The change has resulted in increase in profit of ₹ 206.93 lacs.
1.19	An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged for when an asset is identified as impaired.
1.20	Provisions are recognized in terms of Accounting Standard 29 – 'Provisions, Contingent Liabilities and Contingent Assets' (AS-29) when there is a present legal or statutory obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Contingent Liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where there reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for. Contingent Assets are not recognized in the financial statements.

Note 2: Share capital

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
(a) Authorised				
Equity shares of ₹ 10 each with voting rights	3,50,00,000	3500.00	3,50,00,000	3500.00
Cumulative Redeemable Convertible or Non-convertible Preference shares of ₹ 100 each	5,00,000	500.00	5,00,000	500.00
		4000.00		4000.00
(b) Issued, Subscribed and Fully paid up				
Equity shares of ₹ 10 each with voting rights	33,43,243	334.32	33,43,243	334.32
Total	33,43,243	334.32	33,43,243	334.32

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Closing Balance
Equity shares with voting rights		
Year ended 31 March, 2016		
- Number of shares	33,43,243	33,43,243
- Amount (₹ Lacs)	334.32	334.32
Year ended 31 March, 2015		
- Number of shares	33,43,243	33,43,243
- Amount (₹ Lacs)	334.32	334.32

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/Name of shareholder	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mr. Surinder P. Kanwar	18,66,695	55.83	18,66,695	55.83
Gulab Merchandise Private Limited	2,44,825	7.32	2,44,825	7.32

(iii) Rights and Restrictions attached to Equity shares :

Each holder of Equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Note 3: Reserves and surplus

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Capital reserve		
Opening balance	0.68	0.68
Closing balance	0.68	0.68
(b) Securities premium account		
Opening balance	162.43	162.43
Closing balance	162.43	162.43
(c) General reserve		
Opening balance	1425.27	1325.27
Add: Transferred from surplus in Statement of Profit and Loss	100.00	100.00
Closing balance	1525.27	1425.27
(d) Surplus in Statement of Profit and Loss		
Opening balance	2213.25	1918.96
Add: Profit for the year	510.82	424.02
Add: Adjustment of Carrying Amount of Fixed Asset	-	10.51
Less:		
Dividend proposed to be distributed to equity shareholders (₹ 1.20 per share, previous year ₹ 1.00 per share)	40.12	33.43
Tax on dividend	8.17	6.81
Transferred to:		
General reserve	100.00	100.00
Closing balance	2575.78	2213.25
Total	4264.16	3801.63

Note 4: Long-term borrowings

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Term loans		
From banks		
Secured (See Notes Below)	44.12	117.26
Total	44.12	117.26

Notes:

- (i) Details of terms of repayment for the long-term borrowings and security provided in respect of secured long-term borrowings:

Particulars	Terms of repayment	ROI	Security	As at 31 March, 2016 Secured (₹ in Lacs)	As at 31 March, 2015 Secured (₹ in Lacs)
Term loans from banks:					
Axis Bank Limited	59 EMI	9.76%	Against Hypothecation of Excavator	5.16	16.73
Axis Bank Limited	59 EMI	10.76%	Against Hypothecation of Rock Breaker	1.03	3.31
Axis Bank Limited	59 EMI	10.13%	Against Hypothecation of Hydra Crane	2.37	7.66
Axis Bank Limited	59 EMI	11.00%	Against Hypothecation of DG Set	1.52	4.40
Axis Bank Limited	59 EMI	10.50%	Against Hypothecation of Batching Plant	3.99	10.30
Axis Bank Limited	47 EMI	10.50%	Against Hypothecation of Crane	-	6.34
Axis Bank Limited	47 EMI	10.50%	Against Hypothecation of DG Set	-	6.15
HDFC Bank Limited	23 EMI	10.31%	Against Hypothecation of Crane	-	20.80
Oriental Bank of Commerce	36 EMI	10.50%	Against Hypothecation of Vehicle	18.74	41.57
Axis Bank Limited	35 EMI	10.15%	Against Hypothecation of Crane	11.31	-
Total				44.12	117.26

- (ii) For the current maturities of long-term borrowings, refer item (a) in Note 9 Other current liabilities.

Note 5: Other long-term liabilities

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Trade Payables:		
(i) Other than Acceptances	3.08	5.64
Total	3.08	5.64

Note 6: Long-term provisions

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Provision for employee benefits:		
(i) Provision for compensated absences	67.99	78.94
(b) Provision - Others:		
(i) Provision for Excise Duty	45.27	45.27
Total	113.26	124.21

Note 7: Short-term borrowings

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Loans repayable on demand		
From banks		
Secured (See Notes below)	356.25	289.22
Total	356.25	289.22

Notes:

(i) Details of security for the secured short-term borrowings:

Particulars	Nature of security	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Loans repayable on demand			
from banks:			
SBI Cash Credit A/c	Against pari passu charge on moveable fixed assets and current assets of the company	62.12	133.25
ICICI Cash Credit A/c		294.13	155.97
Total		356.25	289.22

(ii) Above short-term borrowings are also guaranteed by a promotor director.

Note 8: Trade payables

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of Trade Payable other than micro enterprises and small enterprises		
Acceptances	192.93	-
Other than Acceptances	3755.81	2198.37
Total	3948.74	2198.37

Note 9: Other current liabilities

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Current maturities of long-term debt (Refer Note (i) below)	91.99	75.74
(b) Unpaid dividends	11.64	11.39
(c) Other payables		
(i) Statutory Dues	48.39	38.41
(ii) Employees Dues	122.34	70.17
(iii) Contractually reimbursable expenses	7.77	7.25
(iv) Contract Mobilisation Advances from customers	449.49	1272.12
(v) Creditors for Expenses	28.09	1.88
Total	759.71	1476.96

Note (i): Current maturities of long-term debt (Refer Note (i) in Note 4 - Long-term borrowings for details of security):

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Term loans From banks (Secured)		
Axis Bank Excavator Loan	11.57	10.50
Axis Bank Rock Breaker Loan	2.29	2.05
Axis Bank Crane Loan	5.29	4.78
Axis Bank D G Set Loan	2.88	2.58
Axis Bank Batching Plant Loan	6.30	5.68
Axis Bank Crane Loan	6.35	6.26
HDFC Bank Crane Loan	20.80	17.28
Oriental Bank of Commerce Car Loan	22.82	20.54
Axis Bank D G Set Loan	6.15	6.07
Axis Bank Hydra Crane Loan	7.54	-
Total	91.99	75.74

Note 10: Short-term provisions

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Provision for employee benefits:		
(i) Provision for compensated absences	33.74	10.85
(b) Provision - Others:		
(i) Provision for proposed equity dividend	40.12	33.43
(ii) Provision for tax on proposed dividends	8.17	6.81
(iii) Provision for other Outstanding Liabilities	164.47	72.65
	212.76	112.89
Total	246.50	123.74

Note 11: Fixed Assets

(₹ in Lacs)

Particulars	Gross Block At Cost				Depreciation/Amortisation					Net Block	
	As At 01/04/2015	Addition	Disposals	As At 31/03/2016	Upto 31/03/2015	For The Year	Disposals	Other Adjustment	Upto 31/03/2016	As At 31/03/2016	As At 31/03/2015
(A) Tangible Assets											
PLANT & MACHINERY	613.75	44.19	-	657.94	129.53	42.99	-	-	172.52	485.42	484.22
TRACTOR	1.56	-	-	1.56	1.48	-	-	-	1.48	0.08	0.08
OFFICE EQUIPMENTS	6.30	0.07	-	6.37	3.12	1.35	-	-	4.47	1.91	3.18
FURNITURE & FIXTURES	21.87	4.10	-	25.97	5.91	2.54	-	-	8.45	17.52	15.96
ELECTRICALS FITTINGS	1.63	-	-	1.63	1.31	0.03	-	-	1.34	0.29	0.32
VEHICLES	93.52	-	-	93.52	9.15	11.01	-	-	20.16	73.35	84.37
COMPUTERS	95.60	3.64	-	99.24	75.64	7.79	-	-	83.43	15.81	19.96
TOTAL (A)	834.23	52.00	-	886.23	226.14	65.71	-	-	291.85	594.38	608.09
(B) Intangible Assets											
SOFTWARE	-	40.51	-	40.51	-	5.05	-	-	5.05	35.46	-
TOTAL (B)	-	40.51	-	40.51	-	5.05	-	-	5.05	35.46	-
TOTAL (A+B)	834.23	92.51	-	926.74	226.14	70.76	-	-	296.90	629.84	-
PREVIOUS YEAR	795.24	90.89	51.90	834.23	315.83	67.41	19.27	(137.86)	226.14	-	608.09

(C) The company has revisited and changed the method of depreciation of fixed assets from written down vale (WDV) method to straight line method (SLM) as on 1 April, 2014. As a result of this change, the surplus i.e. excess depreciation of ₹ 127.37 lacs as on 1 April, 2014 has been disclosed as an extraordinary item.

Note 12: Non-current investments

Particulars	As at 31 March, 2016 (₹ in Lacs)			As at 31 March, 2015 (₹ in Lacs)		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Investments (At cost less provision for other than temporary diminution)						
A Other investments						
(a) Investment in equity instruments						
(i) of subsidiaries						
1,48,77,038 Equity Shares (previous year 1,18,77,038 equity shares) of ₹ 10 each fully paid up in Xlerate Driveline India Ltd.	-	1487.70	1487.70	-	1187.70	1187.70
(ii) of other entities						
2,93,300 Equity Shares of ₹ 10 each fully paid up in Bharat Gears Ltd.	146.88	-	146.88	146.88	-	146.88
10,000 Equity Shares of ₹ 10 each fully paid up in BST Mfg. Ltd.						
(Net of provision, for other than temporary diminution, ₹ 10,000)	-	1.25	1.25	-	1.25	1.25
Total - Other investments	146.88	1488.95	1635.83	146.88	1188.95	1335.83
Less: Provision for diminution in value of investments			1.15			1.15
Total			1634.68			1334.68
Aggregate amount of quoted investments			146.88			146.88
Aggregate market value of listed and quoted investments			184.63			213.08
Aggregate amount of unquoted investments (Net of Provision)			1487.80			1187.80

Note 13: Deferred Tax Assets (Net)

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Arising on account of timing difference in:-		
(a) Provision for doubtful advances	0.18	0.19
(b) Provision for diminution in value of investment	0.44	0.41
(c) Depreciation	(19.89)	(7.47)
(d) Provision for Excise Duty (Disallowance u/s 43B of I.T. Act)	14.97	15.24
(e) Employees Benefits as per AS-15	42.47	28.09
(f) Others	(0.06)	3.57
Total	38.11	40.03

Note 14: Long-term loans and advances

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Security deposits		
Unsecured, considered good	7.16	6.76
Total	7.16	6.76

Note 15: Other non-current assets

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Long-term trade receivables		
Unsecured, considered good	29.33	4.89
Doubtful	-	38.51
	29.33	43.40
Less: Provision for doubtful trade receivables	-	38.51
Total	29.33	4.89

Note 16: Inventories

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Raw materials (At Cost)		
Stock in hand	66.46	-
Goods-in-transit	196.58	-
	263.04	-
(b) Work-in-progress Contracts Inventory	14496.05	10201.97
Less : Payments Received	12991.72	9326.49
	1504.33	875.48
Total	1767.37	875.48

Note 17: Trade receivables

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Trade receivables outstanding for over six months		
Unsecured, considered good	345.00	286.75
Other Trade receivables		
Unsecured, considered good	3275.83	2608.21
Total	3620.83	2894.96

Note 18: Cash and cash equivalents

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Cash on hand	2.44	2.27
(b) Balances with banks		
(i) In current accounts	456.36	367.17
(ii) In earmarked accounts		
- Unpaid dividend accounts	11.64	11.39
- Balances held as margin money (Refer Note (i) below)	1247.10	1469.63
Total	1717.54	1850.46

Note:

- (i) Balances with banks held as margin money include deposits amounting to ₹ 423.40 Lacs (As at 31 March, 2015 ₹ 517.64 Lacs) which have an original maturity of more than 12 months.

Note 19: Short-term loans and advances

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Loans and advances to Related parties		
Subsidiary Company		
Unsecured, considered good	-	150.00
(b) Security deposits		
Unsecured, considered good	4.66	8.09
(c) Loans and advances to employees		
Unsecured, considered good	11.47	8.21
(d) Prepaid expenses		
Unsecured, considered good	155.73	165.64
(e) Advance income tax (net of provisions)		
Unsecured, considered good	180.47	260.05
(f) Others		
Unsecured, considered good		
Advances recoverable in cash or in kind or for value to be received	237.14	226.43
Doubtful	0.54	0.54
	237.68	226.97
Less: Provision for other doubtful loans and advances	0.54	0.54
	237.14	226.43
Total	589.47	818.42

Note 20: Other current assets

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Interest accrued on fixed deposits with Banks	35.81	37.58
Total	35.81	37.58

Note 21: Revenue from operations

Particulars	Year Ended 31 March, 2016 (₹ in Lacs)	Year Ended 31 March, 2015 (₹ in Lacs)
(a) Sale of services (Completed Contracts/Supply Contracts)	8453.87	11250.89
(b) Increase/(Decrease) in WIP of contracts inventory (Net of Completed Contracts)	4294.08	(3329.34)
(c) Hire Charges Received	-	69.57
Total	12747.95	7991.12

Note 22: Other income

Particulars	Year Ended 31 March, 2016 (₹ in Lacs)	Year Ended 31 March, 2015 (₹ in Lacs)
(a) Interest income (Refer Note (i) below)	124.72	132.98
(b) Dividend income: from long-term investments associates	-	2.93
(c) Other non-operating income (Refer Note (ii) below)	38.74	13.34
Total	163.46	149.25

Note:

(i) Interest income comprises:		
Interest from banks on:		
deposits	115.44	126.97
Interest on loans and advances	9.28	6.01
Total - Interest income	124.72	132.98
(ii) Other non-operating income comprises:		
Excess Provision written back	38.51	-
Unclaimed Balances written back	0.05	0.50
Miscellaneous income	0.18	12.84
Total - Other non-operating income	38.74	13.34

Note 23: Cost of materials consumed

Particulars	Year Ended 31 March, 2016 (₹ in Lacs)	Year Ended 31 March, 2015 (₹ in Lacs)
Opening stock	-	-
Add: Purchases	5427.62	3011.79
	5427.62	3011.79
Less: Closing stock	66.46	-
Cost of material consumed	5361.16	3011.79

Note 24: Employee benefits expense

Particulars	Year Ended 31 March, 2016 (₹ in Lacs)	Year Ended 31 March, 2015 (₹ in Lacs)
Salaries and wages	958.92	860.62
Contributions to provident and other funds	79.37	75.97
Staff welfare expenses	57.48	61.69
Total	1095.77	998.28

Note 25: Finance cost

Particulars	Year Ended 31 March, 2016 (₹ in Lacs)	Year Ended 31 March, 2015 (₹ in Lacs)
(a) Interest expense on:		
(i) Borrowings	64.89	77.40
(ii) Trade payables	9.39	16.63
(b) Other borrowing costs	266.17	194.54
(Bank and other financing charges)		
Total	340.45	288.57

Note 26: Other expenses

Particulars	Year Ended 31 March, 2016 (₹ in Lacs)	Year Ended 31 March, 2015 (₹ in Lacs)
Consumption of stores and spare parts	192.86	139.84
Erection Expenses	3972.52	2446.17
Power and fuel	37.03	29.06
Hire Charges	102.96	30.92
Travelling & Conveyance	138.59	146.54
Rent	67.33	66.51
Repairs and maintenance - Machinery	15.91	11.23
Insurance	35.65	33.76
Rates and taxes	407.81	139.98
Freight and forwarding	124.85	76.07
Payments to auditors (Refer Note (i) below)	7.22	6.09
Loss on fixed assets sold	-	16.19
Foreign Exchange Fluctuation Loss	1.94	6.99
Legal & Professional Charges	93.20	63.32
Provision for Doubtful debts	-	38.51
Miscellaneous expenses	90.70	91.69
Total	5288.57	3342.87

Note:

(i) Payments to the auditors comprises (including service tax)

Particulars	Year Ended 31 March, 2016 (₹ in Lacs)	Year Ended 31 March, 2015 (₹ in Lacs)
Fees :-		
Statutory audit	2.86	2.81
Company Law Matters	0.68	0.62
Limited Review and other certifications	3.26	2.32
Reimbursement of expenses	0.42	0.34
Total	7.22	6.09

Note 27: Additional information to the financial statements

Note	Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
27.1	Contingent liabilities		
	1 Guarantees/Letter of Credit given by the banks which are counter Guaranteed by the Company and secured against Fixed & Current Assets	7304.30	8826.65
	2 Others where company had gone in to appeals before appropriate authorities:		
	- Sales Tax	9.74	2.11
	- Income Tax	5.72	5.72

27.2 Details of consumption of imported and indigeneous items:

Particulars	For the year ended 31 March, 2016	
	(₹ in Lacs)	%
Imported		
(i) Raw material	-	-
	(-)	(-)
Total	-	
	(-)	
Indigeneous		
(i) Raw material	5361.16	100.00
	(3011.79)	(100.00)
(ii) Stores, spares, tools & tackles	192.86	100.00
	(139.84)	(100.00)
Total	5554.02	
	(3151.63)	

Note: Figures in brackets are for the previous year.

27.3 Expenditure in Foreign currency

Other Matter (Travel and expenses of foreign office)	13.29	9.99
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27.4 In response to the Company's request made in March 2016 to the Suppliers for providing copy of the registration certificate, if registered under Micro, Small and Medium enterprises Development Act 2006, none has sent Certificate of Registration with prescribed authority. Based on these information there is no principal amount and the interest due thereon remaining unpaid as at the year ended on 31 March, 2016.

27.5 The Ministry of Corporate Affairs has notified Section 135 of the Act, on Corporate Social Responsibility with effect from 1 April, 2014. As per the provisions of the said Section, the amount of ₹ 12.82 lacs (year ended 31 March 2015: ₹ 16.34 Lacs) was required to be spent on CSR activities by the Company during the year. The company has not spent any amount in this regard.

27.6 Employee Benefits:

Defined Contribution Plan:

The Company's contributions to the Provident Fund and Superannuation Fund are charged to the Profit and Loss Statement.

Defined Benefit Plan/Long Term Compensated Absences:

The Company's liability towards gratuity (Funded) and compensated absences is determined on the basis of the year end actuarial valuation done by an independent actuary. The actuarial gains and losses determined by the actuary are recognized immediately in the Profit and Loss Statement as an income or expense.

Note 27: Additional information to the financial statements (Contd.)

27.6(a) Defined Contribution Plan:

During the year, the company has recognised the following amounts in the profit & loss statement:

Particulars	Year Ended 2015-16 (₹ in Lacs)	Year Ended 2014-15 (₹ in Lacs)
Contribution to Provident Fund and Family Pension Fund	45.08	43.82
Contribution to Superannuation Fund	15.84	19.33

27.6(b) Defined Benefit Plan:

A general description of the Employees Benefit Plans:

(i) Gratuity (Funded)

The Company has an obligation towards gratuity, a funded defined benefits retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment, of an amount calculated in accordance with the provisions of the Payment of Gratuity Act, 1972.

Details of defined benefit plans - As per Actuarial Valuation as on 31 March 2016.

Particulars	(₹ in Lacs)	
	Gratuity Funded	
Components of employers expenses	2015-16	2014-15
Current service cost	9.05	9.30
Interest Cost	8.07	7.74
Expected return on Plan Assets	(8.89)	(9.56)
Actuarial Losses/(Gains)	5.02	0.42
Total expenses recognized in the Profit & Loss Statement* [*Included in Note No. 24]	13.26	7.90
Actual Contribution & Benefits payment for the year	2015-16	2014-15
Actual Benefit payments	13.37	13.33
Actual Contributions	4.31	2.05
Net asset/(liability) recognised in the Balance Sheet	2015-16	2014-15
Present Value of Defined Benefits Obligation	109.53	100.89
Fair value of Plan Assets	110.90	111.21
Funded Status [Surplus/(Deficit)]	1.37	10.32
Net asset /(liability) recognized in the Balance Sheet	1.37	10.32
Change in Defined Benefit Obligation during the year		
Present value of Defined Benefit Obligation as at the beginning of the year	100.89	96.76
Current Service Cost	9.05	9.30
Interest Cost	8.07	7.74
Actuarial Losses/(Gains)	4.89	0.42
Benefits paid	(13.37)	(13.33)
Present value of Defined Benefits Obligation as at the end of the year	109.53	100.89

Note 27: Additional information to the financial statements (Contd.)

Particulars	(₹ in Lacs)	
	Gratuity Funded	
Change in Fair Value of the Plan Assets during the year	2015-16	2014-15
Plan Asset as at the beginning of the year	111.21	112.93
Expected return on Plan Assets	8.89	9.56
Actual Company Contributions	4.31	2.05
Actuarial (Losses)/Gains	(0.14)	-
Benefits Paid	(13.37)	(13.33)
Plan Assets as at the end of the year	110.90	111.21
Actuarial Assumptions	2015-16	2014-15
Discount Rate	8.00%	8.00%
Expected return on plan assets	8.00%	8.75%
Salary escalation Rate	5.00%	5.00%

The expected rate of return on the plan asset (Gratuity-Funded) is based on the average long term rate of return expected on investments of funds during estimated term of obligation. Actual return on Plan Assets is ₹ 8.89 lacs.

The assumption of the future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion & other relevant factors.

The major categories of plan assets as a percentage of the total plan assets.	2015-16	2014-15
Insurer Managed funds	100%	100%
Experience Adjustments	2015-16	2014-15
Present value of Defined Benefit Obligation as at the end of the year	109.53	100.89
Fair value of plan asset as at the end of the year	110.90	111.21
Funded Status [Surplus/(Deficit)]	1.37	10.32
Experience adjustment on Plan Liabilities	4.89	(5.22)
Experience adjustment on Plan Asset	(0.72)	(0.69)

The liability for leave encashment is accounted for on accrual basis on actuarial valuation at the year end.

Note: Figures in brackets showing negative amount.

27.7 Segment Reporting

Based on the guiding principles given in Accounting Standard on "Segment Reporting" (AS-17) issued by the Institute of Chartered Accountants of India, this Accounting Standard is not applicable to the company.

Note 27: Additional information to the financial statements (Contd.)

27.8 Related party transactions

a) Enterprise over which the company is able to exercise Control (Subsidiary):

- Xlerate Driveline India Ltd. (XDIL)

b) Enterprises over which key managerial personnel is able to exercise significant influence (Associates):

- Bharat Gears Limited (BGL)
- Vibrant Finance & Investment Pvt. Ltd. (VFIPL)
- Ultra Consultants Pvt. Ltd. (UCPL)
- Future Consultants Pvt. Ltd. (FCPL)
- Clip Lok Simpak (India) Pvt. Ltd. (CSIPL)
- Samreet Investment & Management Consultancy Pvt. Ltd. (SIMCPL)
- Gulab Merchandise Pvt. Ltd. (GMPL)

c) Key managerial Personnel:

- Mr. Surinder P. Kanwar (SPK) – CMD
- Mr. Sachit Kanwar (SK) – JMD

Note: Related parties are as identified by the company and relied upon by the Auditors.

Details of transactions with the related parties and their relatives during the year ended 31 March, 2016.

A. Enterprise over which the company is able to exercise Control (Subsidiary) :

Nature of Transaction	2015-16 (₹ /Lacs)	2014-15 (₹ /Lacs)
- Loan Given (XDIL)	50.00	150.00
- Interest of above	9.28	6.01
- Investment in Subsidiary (XDIL)	300.00	-
- Reimbursement of expenses from (XDIL)	0.58	0.88
- Corporate Guarantee given for credit limits availed from Oriental Bank of Commerce (XDIL)	405.00	405.00

B. Enterprises over which key managerial personnel is able to exercise significant Influence:

Nature of Transaction	2015-16 (₹ /Lacs)	2014-15 (₹ /Lacs)
- Rent paid (BGL)	11.62	11.46
- Rent paid (VFIPL)	2.73	2.70
- Electricity Charges Paid (VFIPL)	0.88	-
- Corporate Guarantee (VFIPL) offered for credit limits availed by company from:		
- ING Vysya Bank Ltd.	1000.00	1000.00
- SBI Mumbai	7700.00	7700.00
- ICICI Bank Ltd.	2300.00	2300.00

Note 27: Additional information to the financial statements (Contd.)

C. Key managerial Personnel:

Nature of Transaction	2015-16 (₹ /Lacs)	2014-15 (₹ /Lacs)
- Personal Guarantee Given To Banks For Credit Limits Availed By Company (SPK)	11650.00	12025.00
- Interest on loan (SK)	-	7.12
- Remuneration (SK)	101.00	96.69
- Remuneration (SPK)	*	*

*Token remuneration of ₹ 12 (Rupees Twelve) p.a. paid to Chairman & Managing Director.

Balance outstanding as at the end of the year

Particulars	As at 31 March, 2016 (₹ /Lacs)	As at 31 March, 2015 (₹ /Lacs)
- Amount recoverable from subsidiary (XDIL)	-	163.92
- Amount payable to key Managerial personnel (SPK)	30.00	150.00

No amounts have been written off/provided for or written back during the year in respect of amount receivable from or payable to the related parties.

27.9 Operating Lease payments recognized in the Profit and Loss Statement for the year are as follows:

Particulars	As at 31 March, 2016 (₹ /Lacs)	As at 31 March, 2015 (₹ /Lacs)
Car Lease Rent	18.12	16.65

27.10 Earning per share

Profit Attributable to Equity Share Holders	As at 31 March, 2016 (₹ /Lacs)	As at 31 March, 2015 (₹ /Lacs)
Profit After Tax & Before Extra Ordinary Items (A)	510.82	296.65
Add/(Less): Extra Ordinary Item	-	127.37
Profit After Tax & After Extra Ordinary Items (B)	510.82	424.02
Weighted average number of Equity Shares outstanding during the period/year (C)	3343243	3343243
Basic and Diluted EPS before Extra Ordinary Item (A)/(C)	15.28	8.87
Basic and Diluted EPS after Extra Ordinary Item(B)/(C)	15.28	12.68

As per our report of even date attached.

For **V. P. Jain & Associates**

Chartered Accountants
Firm Registration No. 015260N

(V. P. Jain)

Partner

Membership No. 81514

Place: New Delhi

Date: May 27, 2016

For and on behalf of the Board of Directors

SURINDER P. KANWAR

Chairman and Managing Director
(DIN: 00033524)

SACHIT KANWAR

Joint Managing Director
(DIN: 02132124)

KAUSHAL NARULA

Company Secretary
(PAN: AFKPN7593J)

V.K. PARGAL (DIN: 00076639)

P.K. MITTAL (DIN: 00165315)

SATYA PRAKASH MANGAL (DIN: 01052952)

GAUTAM MUKHERJEE (DIN: 02590120)

SEETHALAKSHMI VENKATARAMAN (DIN: 07156898)

Directors

Consolidated Financial Statements

Independent Auditor's Report

**TO THE MEMBERS OF
RAUNAQ EPC INTERNATIONAL LIMITED**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **RAUNAQ EPC INTERNATIONAL LIMITED** (hereinafter referred to as "the Holding Company"), and its subsidiary (the holding company and its subsidiary together referred to as "the Group"), comprising of the consolidated Balance Sheet as at 31 March, 2016, the consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the

provisions of the Act and the Rules made thereunder and the order under section 143 (11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March, 2016, and their consolidated Profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of subsidiary Xlerate Driveline India Ltd., whose financial statements reflect total assets of ₹ 2024.29 Lacs as at 31 March, 2016, total revenues of ₹ 2239.82 Lacs and net cash flows amounting to ₹ 1.56 Lacs for the year ended on that date, as considered in the consolidated financial statements. These Financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our

report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group Companies, is disqualified as on 31 March,

2016 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the group and the operating effectiveness of such controls, refer to our separate report in Annexure – A, our report expresses an unmodified opinion on the adequacy and operating effectiveness of the group financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group does not have any pending litigation which would have any material impact on its financial position in its financial statements.
 - ii. The Group has made provisions as required under the applicable law or accounting standards for material foreseeable losses on long term contracts. The group did not have any derivative contracts.
 - iii. Amounts which were required to be transferred to the Investor Education and Protection Fund by the Group were so transferred in time.
2. The Companies (Auditor's Report) Order, 2016 (hereinafter referred to as "the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act is not applicable in case of Consolidated Financial Statements.

For **V.P. Jain & Associates**
Chartered Accountants
(FRN:015260N)



(V.P. Jain)

Partner

(Membership No. 081514)

Place: New Delhi
Dated : 27 May, 2016

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENT OF RAUNAQ EPC INTERNATIONAL LIMITED

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2016, based on the internal control over financial reporting criteria established by the management of individual company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **V.P. Jain & Associates**
Chartered Accountants
(FRN:015260N)



(V.P. Jain)
Partner

Place: New Delhi
Dated : 27 May, 2016

(Membership No. 081514)

Consolidated Balance Sheet

as at 31 March, 2016

Particulars	Note No.	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	2	459.32	334.32
(b) Reserves and surplus	3	3558.38	3227.65
		4017.70	3561.97
2. Non-current liabilities			
(a) Long-term borrowings	4	44.12	292.26
(b) Deferred tax liabilities (net)	13	5.43	6.15
(c) Other long-term liabilities	5	3.08	5.64
(d) Long-term provisions	6	116.36	126.22
		168.99	430.27
3. Current liabilities			
(a) Short-term borrowings	7	716.41	630.91
(b) Trade payables	8		
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		4297.61	2455.75
(c) Other current liabilities	9	986.19	1669.89
(d) Short-term provisions	10	381.79	223.36
		6382.00	4979.91
TOTAL		10568.69	8972.15
II. ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11A	1646.00	1714.68
(ii) Intangible assets	11B	42.21	8.40
(ii) Capital work-in-progress		20.59	19.52
		1708.80	1742.60
(b) Non-current investments	12	146.98	146.98
(c) Long-term loans and advances	14	19.91	14.91
(d) Other non-current assets	15	29.33	4.89
		1905.02	1909.38
2. Current assets			
(a) Inventories	16	2000.16	1099.81
(b) Trade receivables	17	4199.88	3322.36
(c) Cash and cash equivalents	18	1745.52	1876.88
(d) Short-term loans and advances	19	624.66	726.12
(e) Other current assets	20	93.45	37.60
		8663.67	7062.77
TOTAL		10568.69	8972.15
See accompanying notes forming part of the financial statements	1-27		

As per our report of even date attached.

For **V. P. Jain & Associates**

Chartered Accountants

Firm Registration No. 015260N

(V. P. Jain)

Partner

Membership No. 81514

Place: New Delhi

Date: May 27, 2016

For and on behalf of the Board of Directors

SURINDER P. KANWAR

Chairman and Managing Director
(DIN: 00033524)

SHALES KUMAR

Chief Financial Officer
(PAN: BOCPS4686F)

SACHIT KANWAR

Joint Managing Director
(DIN: 02132124)

KAUSHAL NARULA

Company Secretary
(PAN: AFKPN7593J)

V.K. PARGAL (DIN: 00076639)

P.K. MITTAL (DIN: 00165315)

SATYA PRAKASH MANGAL (DIN: 01052952)

GAUTAM MUKHERJEE (DIN: 02590120)

SEETHALAKSHMI VENKATARAMAN (DIN: 07156898)

Directors

Consolidated Statement of Profit and Loss

For the Year Ended 31 March, 2016

Particulars	Note No.	Year ended 31 March, 2016 (₹ in Lacs)	Year ended 31 March, 2015 (₹ in Lacs)
1. Revenue from operations (gross)	21	15319.20	10051.39
Less: Excise duty		334.84	255.43
Revenue from operations (net)		14984.36	9795.96
2. Other income	22	157.60	151.11
3. Total revenue		15141.96	9947.07
4. Expenses			
(a) Cost of materials consumed	23	6804.46	4306.99
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23.a	(0.90)	(36.76)
(c) Employee benefits expense	24	1275.41	1157.27
(d) Finance cost	25	407.84	358.57
(e) Depreciation and amortisation expense	11	139.60	115.83
(f) Other expenses	26	5895.28	3817.58
Total expenses		14521.69	9719.48
5. Profit before extraordinary items and tax		620.27	227.59
6. Extraordinary item			
- Depreciation written back	11(C)	-	127.37
- Loss by Fire	27.10	(57.00)	-
- Insurance Claim	27.10	57.00	-
7. Profit before tax		620.27	354.96
8. Tax expense:			
(a) For current year		240.00	140.00
(b) For earlier years		1.96	-
(c) Net current tax expense		241.96	140.00
(d) Deferred tax (benefit)/expense		(0.71)	2.29
Net tax expense		241.25	142.29
9. Profit for the year		379.02	212.67
10. Earnings per share (of ₹ 10/- each):			
Basic & Diluted (in ₹)	27.8	11.34	6.36
See accompanying notes forming part of the financial statements	1-27		

As per our report of even date attached.

For and on behalf of the Board of Directors

For **V. P. Jain & Associates**

Chartered Accountants
Firm Registration No. 015260N

SURINDER P. KANWAR
Chairman and Managing Director
(DIN: 00033524)

SACHIT KANWAR
Joint Managing Director
(DIN: 02132124)

(V. P. Jain)
Partner
Membership No. 81514

SHALES KUMAR
Chief Financial Officer
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GAUTAM MUKHERJEE (DIN: 02590120)
SEETHALAKSHMI VENKATARAMAN (DIN: 07156898)
Directors

Place: New Delhi
Date: May 27, 2016

Consolidated Cash Flow Statement

For the Year Ended 31 March, 2016

Particulars	For the year ended 31 March, 2016 (₹ in Lacs)	For the year ended 31 March, 2015 (₹ in Lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	620.27	227.59
Adjustments for:		
Depreciation & misc. expenditure written off	140.31	118.47
Loss by fire	57.00	-
Insurance claim	(57.00)	-
Loss on sale of fixed assets	-	16.19
Interest and other charges	402.37	358.57
Interest Income	(117.14)	(128.77)
Dividend from non trade investments	-	(0.06)
Profit on sale of Asset	(0.03)	(2.93)
Operating profit before working capital changes	1045.78	589.06
Changes in Working Capital		
Adjustments for (increase)/decrease in operating assets:		
Trade receivables	(863.59)	(246.71)
Inventories	(900.36)	1264.70
Other non current assets	(24.44)	38.50
Long term loans & advances	(5.00)	(0.68)
Short term loans & advances	251.46	(10.99)
Other current assets	(57.00)	0.03
Adjustments for (increase)/decrease in operating liabilities:		
Trade payables	1827.94	(473.12)
Short term provisions	150.38	11.28
Other long term liabilities	(2.56)	1.79
Long term provisions	(9.86)	7.43
Other current liabilities	(700.19)	(236.28)
Cash generated from operations	712.56	945.01
Direct Taxes paid (Net)	(241.96)	(140.00)
Cash flow from operating activities	470.60	805.01
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(124.36)	(142.13)
Sale of fixed assets	17.87	17.04
Dividend from non trade investments	-	2.93
Interest received	117.13	128.77
Net Cash from/ (used) in investment activities	10.64	6.61
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	125.00	-
Proceeds from long/short term borrowings (Net)	(296.39)	(92.72)
Interest and other charges paid	(402.37)	(358.57)
Dividend including dividend distribution tax paid	(39.99)	(46.51)
Net Cash (used)/from financing activities	(613.75)	(497.80)
Net increase/(decrease) in cash and cash equivalents	(132.51)	313.82
Opening balance of cash and cash equivalents *	1914.48	1600.66
Closing balance of cash and cash equivalents *	1781.97	1914.48
* Including Interest accrued		
Notes:		
1. The cash flow is based on and derived from the accounts of the company for the year ended 31 March, 2016 and 31 March, 2015.		
2. Cash and cash equivalents comprise of:		
Cash on hand	3.45	2.49
With scheduled banks:		
On Current Accounts	473.17	383.85
On margin accounts	1268.90	1490.54
On fixed deposit accounts (including interest accrued)	36.45	37.60
Cash and cash equivalents at the end of the year	1781.97	1914.48
3. Balance in Current Accounts include balance in unpaid dividend accounts amounting to ₹ 11.64 Lacs as on 31 March, 2016 and ₹ 11.39 Lacs as on 31 March, 2015.		

As per our report of even date attached.

For **V. P. Jain & Associates**

Chartered Accountants
Firm Registration No. 015260N

SURINDER P. KANWAR

Chairman and Managing Director
(DIN: 00033524)

SACHIT KANWAR

Joint Managing Director
(DIN: 02132124)

V.K. PARGAL (DIN: 00076639)

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GAUTAM MUKHERJEE (DIN: 02590120)

SEETHALAKSHMI VENKATARAMAN (DIN: 07156898)
Directors

(V. P. Jain)

Partner

Membership No. 81514

SHALES KUMAR

Chief Financial Officer
(PAN: BOCPS4686F)

KAUSHAL NARULA

Company Secretary
(PAN: AFKPN7593J)

Place: New Delhi

Date: May 27, 2016

Notes

Forming Part Of The Consolidated Financial Statements

Note	Particulars
1	SIGNIFICANT ACCOUNTING POLICIES
1.1	The financial statements have been prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on the accruals basis to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the act") and the relevant provisions of the act. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for contracts work-in-progress (Refer Note 1.7).
1.2	The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.
1.3	<p>a) The consolidated financial statements have been prepared in accordance with the principles and procedures for the preparation and presentation of the consolidated financial statements as laid down in accounting standard (AS 21) "Consolidated Financial Statements."</p> <p>b) The excess of cost to the parent company of its investments in subsidiaries over its share of equity in the subsidiary at the date on which investment was made is recognized in the financial statements as goodwill. The excess of company's portion of equity of the subsidiary over the cost of investment as at the date of its investment is treated as capital reserve.</p>
1.4	Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. Cost is inclusive of duties, taxes (non-adjustable), any directly and indirectly attributed cost of bringing the assets to its working condition for its intended use, including depreciation on the machines used for manufacturing of assets. Financing cost on borrowings for acquisition or construction of fixed assets, for the period upto the date of acquisition of fixed assets or when the assets are ready to put to use/the date of commencement of commercial production, is included in the cost of fixed assets.
1.5	Borrowing cost that is directly attributable to the acquisition or construction of a qualifying asset is considered as part of the cost of that asset. Other borrowing costs are recognized as an expense in the year in which they are incurred.
1.6	<p>The depreciation is charged as under :-</p> <p>a) In the Group, depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in schedule II to the Act.</p> <p>b) In the Group, Intangible assets are amortised as per the provisions of AS-26.</p>
1.7	<p>Inventories are valued as under:-</p> <p>A. In holding company :-</p> <p>(a) Raw materials, components, stores & spares are valued at cost or net realisable value whichever is less.</p> <p>(b) The contracts Work-in-Progress as at the end of the year is valued on percentage of completion method as per AS 7 "Construction Contracts".</p> <p>However there has been a change in this year as detailed hereunder:-</p> <p>i) Revenue is recognised when the value of running bill is more than 25% as against 33% followed in earlier year.</p> <p>ii) The entire increase in WIP (In respect of contracts which remains in progress as at the end of the year) is considered revenue of the year. In earlier years a percentage of the incremental contribution was accounted as revenue of the year depending upon the percentage of works completed.</p> <p>For the purpose of valuation, cost means the direct cost on a particular job excluding depreciation and finance charges, which are directly charged to Profit and Loss Statement (Refer Note 1.19).</p> <p>B. In subsidiary company :-</p> <p>(a) Raw materials, components, stores & spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis.</p> <p>(b) Work-in-Progress valued at weighted average cost. The Cost includes Direct Materials, labour and a proportion of manufacturing overheads based on normal operating capacity.</p> <p>(c) Finished goods valued at lower of cost and net realisable value. Finished goods cost includes cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on weighted average basis.</p> <p>Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.</p>

Note	Particulars
1.8	In the subsidiary company sales are accounted on the basis of actual dispatches when significant risks and rewards of ownership are passed on to the customers. Sales are net of sales tax/value added tax/trade discounts. Duty Drawback (Export Incentive) is recognised when the goods are handed over to Customs for exports.
1.9	Excise duty is accounted on the basis of both, payments made in respect of goods cleared and also provision made for goods lying in bonded warehouses.
1.10	For the purpose of classifying an asset as Current or Non current on operating cycle basis, the scheduled period of contract completion increased by any extension allowed by the contractee is considered to be operating cycle. Trade receivables due for payment for the purpose of classifying as Current/Non-Current are classified from the date when defect liability period or retention period ends.
1.11	(a) Dividend income is recognized when the right to receive the dividend is established. (b) Interest income is recognized on time proportion basis.
1.12	The following items are accounted for based on certainty of realization/ payments: (a) Extra items claim. (b) Insurance claims. (c) Any receipts/additional liability on account of pending income tax, sales tax and excise duty assessments. (d) Penalties or interests, if any, on delayed payment of statutory dues.
1.13	Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction. All Foreign Currency Monetary items outstanding at the year end are translated at the year end rate. The difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of Foreign Currency Monetary Items at the end of the year is recognized as income or expense, as the case may be, for the year.
1.14	(a) Investments are either classified as Non-Current or Current Investments. The cost of investments includes acquisition charges such as brokerage, fees and duties. (b) Current investments are carried at lower of cost and fair value. Non-Current investments are carried at cost and provisions are recorded to recognize any decline, other than temporary, in the carrying value of each investment.
1.15	(a) Short Term Employee Benefits: Short term Employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss Statement for the year in which related services are rendered. (b) Defined Contribution Plans: Company's contributions and other amount, if any, payable during the year towards Provident Fund, Pension Fund and Employee State Insurance are recognized in the Profit and Loss Statement of the year. (c) Defined Benefit Plans: Company's liability towards gratuity in accordance with Payment of Gratuity Act, 1972 and other long term benefits are determined and accounted in accordance with AS-15 (Revised) based on the Actuarial Valuation as on the balance sheet date. So far as the gratuity is concerned the company contributes the ascertained liability to the Life Insurance Corporation of India which administers the contributions and makes the payment at retirement, death or incapacitation of employment to employee.
1.16	Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating Lease payments are recognized as an expense in the Profit & Loss Statement as per the lease terms.
1.17	The Company provides current tax based on the provisions of the Income Tax Act applicable to it. Timing differences between book profit and taxable profit, if any, is recognized as deferred tax asset considering prudence.
1.18	Basic Earning per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.
1.19	With a view to have a more appropriate presentation of financial statements, the holding company has revised its accounting policy relating to valuation of contracts work in progress (Refer note 1.7). The change has resulted in increase in profit of ₹ 206.93 lacs.
1.20	An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged for when an asset is identified as impaired.
1.21	Provisions are recognized in terms of Accounting Standard 29 – 'Provisions, Contingent Liabilities and Contingent Assets'. When there is a present legal or statutory obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Contingent Liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where there reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for. Contingent Assets are not recognized in the financial statements.

Note 2: Share capital

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
(a) Authorised				
Equity shares of ₹ 10 each with voting rights	3,50,00,000	3500.00	3,50,00,000	3500.00
Cumulative Redeemable Convertible or Non-convertible Preference shares of ₹ 100 each	5,00,000	500.00	5,00,000	500.00
Non-Cumulative Redeemable or Non-Cumulative convertible Preference shares of ₹ 100 each	1,50,000	150.00	-	-
		4150.00		4000.00
(b) Issued, Subscribed and Fully paid up				
Equity shares of ₹ 10 each with voting rights	33,43,243	334.32	33,43,243	334.32
10% Non-Cumulative Redeemable Preference Shares of ₹ 100 each	1,25,000	125.00	-	-
Total	34,68,243	459.32	33,43,243	334.32

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Issue of Shares	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2016			
- Number of shares	33,43,243	-	33,43,243
- Amount (₹ Lacs)	334.32	-	334.32
Year ended 31 March, 2015			
- Number of shares	33,43,243	-	33,43,243
- Amount (₹ Lacs)	334.32	-	334.32
10% Non-Cumulative Redeemable Preference Shares			
Year ended 31 March, 2016			
- Number of shares	-	1,25,000	1,25,000
- Amount (₹ Lacs)	-	125.00	125.00
Year ended 31 March, 2015			
- Number of shares	-	-	-
- Amount (₹ Lacs)	-	-	-

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/Name of shareholder	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mr. Surinder P. Kanwar	18,66,695	55.83	18,66,695	55.83
Gulab Merchandise Private Limited	2,44,825	7.32	2,44,825	7.32
10% Non-Cumulative Redeemable Preference Shares				
Gulab Merchandise Private Limited	70,000	56.00	-	-
Ultra Consultants Private Limited	55,000	44.00	-	-

(iii) Rights and Restrictions attached to each class of shares:

Equity Shares

Each holder of Equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

10% Non-Cumulative Redeemable Preference Shares (NCRPS)

The 10% NCRPS issued by the company shall be non-participating, carry a preferential right vis-a-vis the equity shares of the company, with respect to payment of dividend and repayment in case of a winding up or repayment of capital and shall be redeemable in tranches over a period of 20 years.

Note 3: Reserves and surplus

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Capital reserve		
Opening balance	0.68	0.68
Closing balance	0.68	0.68
(b) Securities premium account		
Opening balance	162.43	162.43
Closing balance	162.43	162.43
(c) General reserve		
Opening balance	1425.27	1325.27
Add: Transferred from surplus in Statement of Profit and Loss	100.00	100.00
Closing balance	1525.27	1425.27
(d) Surplus in Statement of Profit and Loss		
Opening balance	1639.27	1556.33
Add: Profit for the year	379.02	212.67
Add: Adjustment of Carrying Amount of Fixed Asset	-	10.51
Less:		
Dividend proposed to be distributed to equity shareholders (₹ 1.20 per share, previous year ₹ 1.00 per share)	40.12	33.43
Tax on dividend	8.17	6.81
Transferred to:		
General reserve	100.00	100.00
Closing balance	1870.00	1639.27
Total	3558.38	3227.65

Note 4: Long-term borrowings

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Term loans		
From banks		
Secured (See Notes Below)	44.12	117.26
(b) Loans and advances from related parties		
Unsecured	-	175.00
Total	44.12	292.26

Notes:

- (i) Details of terms of repayment for the long-term borrowings and security provided in respect of secured long-term borrowings:

Particulars	Terms of repayment	ROI	Security	As at 31 March, 2016 Secured (₹ in Lacs)	As at 31 March, 2015 Secured (₹ in Lacs)
Term loans from banks:					
Axis Bank Limited	59 EMI	9.76%	Against Hypothecation of Excavator	5.16	16.73
Axis Bank Limited	59 EMI	10.76%	Against Hypothecation of Rock Breaker	1.03	3.31
Axis Bank Limited	59 EMI	10.13%	Against Hypothecation of Hydra Crane	2.37	7.66
Axis Bank Limited	59 EMI	11.00%	Against Hypothecation of DG Set	1.52	4.40
Axis Bank Limited	59 EMI	10.50%	Against Hypothecation of Batching Plant	3.99	10.30
Axis Bank Limited	47 EMI	10.50%	Against Hypothecation of Crane	-	6.34
Axis Bank Limited	47 EMI	10.50%	Against Hypothecation of DG Set	-	6.15
HDFC Bank Limited	23 EMI	10.31%	Against Hypothecation of Crane	-	20.80
Oriental Bank of Commerce	36 EMI	10.50%	Against Hypothecation of Vehicle	18.74	41.57
Axis Bank Limited	35 EMI	10.15%	Against Hypothecation of Crane	11.31	-
Total				44.12	117.26

- (ii) For the current maturities of long-term borrowings, refer item (a) in Note 9 Other current liabilities.

Note 5: Other long-term liabilities

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Trade Payables:		
Other than Acceptances	3.08	5.64
Total	3.08	5.64

Note 6: Long-term provisions

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Provision for employee benefits:		
(i) Provision for compensated absences	67.99	80.95
(ii) Provision for Gratuity	3.10	-
(b) Provision - Others:		
(i) Provision for Excise Duty	45.27	45.27
Total	116.36	126.22

Note 7: Short-term borrowings

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Loans repayable on demand		
From banks		
Secured (See Note 1 & 2 below)	593.12	554.55
(b) Loans and advances from related parties		
Unsecured (See note 3 below)	50.00	-
(c) NSIC RMA Account (Secured against Bank Guarantee)	73.29	76.36
Total	716.41	630.91

Notes:

(i) Details of security for the secured short-term borrowings:

Particulars	Nature of security	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Loans repayable on demand			
from banks:			
SBI Cash Credit A/c	Against pari passu charge on moveable Fixed Assets	62.12	133.25
ICICI Cash Credit A/c	and Current Assets of the Company	294.13	155.97
OBC Cash Credit A/c	Stock and Debtors	236.87	265.33
Total		593.12	554.55

(ii) Above short-term borrowings are also guaranteed by a promotor director.

(iii) The Subsidiary Company has availed an interest bearing unsecured loan from Mr. Surinder P. Kanwar, Chairman & Director at a rate of interest of 12% per annum repayable on 09 March, 2017.

Note 8: Trade payables

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of Trade Payable other than micro enterprises and small enterprises		
Acceptances	192.93	-
Other than Acceptances	4104.68	2455.75
Total	4297.61	2455.75

Note 9: Other current liabilities

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Current maturities of long-term debt (Refer Note (i) below)	91.99	75.74
(b) Unpaid dividends	11.64	11.39
(c) Other payables		
(i) Statutory Dues	54.93	44.70
(ii) Payables on Purchase of Fixed Assets & CWIP	4.67	5.25
(iii) Employees Dues	122.34	70.17
(iv) Contractually reimbursable expenses	7.77	-
(v) Security Deposits from customers	25.26	32.51
(vi) Contract Mobilisation Advances from customers	449.49	1277.19
(vii) Other Payables	211.00	152.94
(viii) Customers credit balances	7.10	-
Total	986.19	1669.89

Note (i): Current maturities of long-term debt (Refer Note (i) in Note 4 - Long-term borrowings for details of security):

Particulars	As at 31 March, 2016 Secured (₹ in Lacs)	As at 31 March, 2015 Secured (₹ in Lacs)
Term loans From banks (Secured)		
Axis Bank Excavator Loan	11.57	10.50
Axis Bank Rock Breaker Loan	2.29	2.05
Axis Bank Crane Loan	5.29	4.78
Axis Bank D G Set Loan	2.88	2.58
Axis Bank Batching Plant Loan	6.30	5.68
Axis Bank Crane Loan	6.35	6.26
HDFC Bank Crane Loan	20.80	17.28
Oriental Bank of Commerce Car Loan	22.82	20.54
Axis Bank D G Set Loan	6.15	6.07
Axis Bank Hydra Crane Loan	7.54	-
Total	91.99	75.74

Note 10: Short-term provisions

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Provision for employee benefits:		
(i) Provision for compensated absences	40.64	15.55
(b) Provision - Others:		
(i) Provision for proposed equity dividend	40.12	33.43
(ii) Provision for tax on proposed dividends	8.17	6.81
(iii) Provision for other Outstanding Liabilities	292.86	167.57
	341.15	207.81
Total	381.79	223.36

Note 11: Fixed Assets

(₹ in Lacs)

Particulars	Gross Block At Cost			Depreciation/Amortisation						Net Block	
Assets	As At 01/04/2015	Addition	Disposals	As At 31/03/2016	Upto 31/03/2015	For the Year	Disposals	Other Adjustment	Upto 31/03/2016	As At 31/03/2016	As At 31/03/2015
(A) Tangible Assets											
LAND	534.34	-	-	534.34	-	-	-	-	-	534.34	534.34
PLANT & MACHINERY	1060.23	45.13	20.95	1084.41	179.31	71.04	3.11	-	247.24	837.17	880.92
TOOLS & DIES	132.46	17.15	-	149.61	24.27	28.36	-	-	52.63	96.97	108.18
TRACTOR	1.56	-	-	1.56	1.48	-	-	-	1.48	0.08	0.09
OFFICE EQUIPMENTS	7.21	0.36	-	7.57	3.26	1.53	-	-	4.79	2.79	3.95
FURNITURE & FIXTURES	72.87	12.62	-	85.49	13.55	7.98	-	-	21.53	63.95	59.30
ELECTRICALS FITTINGS	4.73	0.49	-	5.22	2.20	0.80	-	-	3.00	2.23	2.55
ELECTRIC INSTALLATION	17.25	1.95	-	19.20	2.54	1.87	-	-	4.41	14.79	14.70
VEHICLES	93.52	-	-	93.52	9.15	11.01	-	-	20.16	73.35	84.37
COMPUTERS	106.82	5.09	-	111.91	80.55	11.03	-	-	91.58	20.33	26.28
TOTAL (A)	2030.99	82.79	20.95	2092.83	316.31	133.62	3.11	-	446.82	1646.00	1714.68
(B) Intangible Assets											
GOODWILL	0.07	-	-	0.07	-	-	-	-	-	0.07	0.07
SOFTWARE	10.34	40.51	-	50.85	2.02	6.69	-	-	8.71	42.14	8.33
TOTAL (B)	10.41	40.51	-	50.92	2.02	6.69	-	-	8.71	42.21	8.40
Depreciation Capitalised during the year	-	-	-	-	-	(0.71)	-	-	-	-	-
TOTAL (A+B)	2041.40	123.30	20.95	2143.74	318.33	139.60	3.11	-	455.53	1688.21	1723.08
PREVIOUS YEAR	1949.29	144.61	52.50	2041.40	357.04	115.83	19.33	137.86	318.32		1592.25
CAPITAL WORK-IN-PROGRESS											
TOOL ROOM										20.59	19.52
Total Capital Work-In- Progress										20.59	19.52

(C) The Group has revisited and changed the method of depreciation of fixed assets from written down value (WDV) method to straight line method (SLM) as on 01 April, 2014. As a result of this change, the surplus i.e. excess depreciation of ₹ 127.37 lacs as on 01 April, 2014 has been disclosed as an extraordinary item in Holding Company whereas in subsidiary Company, the surplus depreciation of ₹ 9.94 lacs has been netted off against the depreciation for the year ended 31 March, 2015.

Note 12: Non-current investments

(₹ in Lacs)

Particulars	As at 31 March, 2016			As at 31 March, 2015		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Investments (At cost less provision for other than temporary diminution)						
A Other investments						
(a) Investment in equity instruments:-						
(i) of other entities						
2,93,300 Equity Shares of ₹ 10 each fully paid up in Bharat Gears Ltd.	146.88	-	146.88	146.88	-	146.88
10,000 Equity Shares of ₹ 10 each fully paid up in BST Mfg. Ltd.						
(Net of Provision, for other than temporary diminution, ₹ 10,000)	-	1.25	1.25	-	1.25	1.25
Total - Other investments	146.88	1.25	148.13	146.88	1.25	148.13
Less: Provision for diminution in value of investments			1.15			1.15
Total			146.98			146.98
Aggregate amount of quoted investments			146.88			146.88
Aggregate market value of listed and quoted investments			184.63			213.08
Aggregate amount of unquoted investments (Net of Provision)			0.10			0.10

Note 13: Deferred Tax Assets (Net)

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Arising on account of timing difference in -		
(a) Provision for doubtful advances	0.18	0.19
(b) Provision for diminution in value of investment	0.44	0.41
(c) Depreciation	(65.37)	(55.77)
(d) Disallowance u/s 43B of I.T. Act.	16.91	17.36
(e) Employees Benefits as per AS-15	42.47	28.09
(f) Others	(0.06)	3.57
Total	(5.43)	(6.15)

Note 14: Long-term loans and advances

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Security deposits		
Unsecured, considered good	17.91	14.91
Capital Advances	2.00	-
Total	19.91	14.91

Note 15: Other non-current assets

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Long-term trade receivables		
Unsecured, considered good	29.33	4.89
Doubtful	-	38.51
	29.33	43.40
Less: Provision for doubtful trade receivables	-	38.51
Total	29.33	4.89

Note 16: Inventories

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Raw materials		
Stock in hand	148.05	77.25
Goods-in-transit	196.58	-
	344.63	77.25
(b) Work-in-progress Contracts Inventory	14560.50	10248.35
Less : Payments Received	12991.72	9326.49
	1568.78	921.86
(c) Finished goods	80.43	97.61
	80.43	97.61
(d) Stores & Spares	6.32	3.09
	6.32	3.09
Total	2000.16	1099.81

Note 17: Trade receivables

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Trade receivables outstanding for over six months		
Unsecured, considered good	352.31	291.94
Other Trade receivables		
Unsecured, considered good	3847.57	3030.42
Total	4199.88	3322.36

Note 18: Cash and cash equivalents

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Cash on hand	3.45	2.49
(b) Balances with banks		
(i) In current accounts	461.53	372.46
(ii) In earmarked accounts		
- Unpaid dividend accounts	11.64	11.39
- Balances held as margin money (Refer Note (i) below)	1268.90	1490.54
Total	1745.52	1876.88

Note:

- (i) Balances with banks held as margin money include deposits amounting to ₹ 423.40 Lacs (As at 31 March, 2015 - ₹ 517.64 Lacs) which have an original maturity of more than 12 months.

Note 19: Short-term loans and advances

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
(a) Security deposits		
Unsecured, considered good	4.66	8.09
(b) Loans and advances to employees		
Unsecured, considered good	11.47	8.21
(c) Prepaid expenses		
Unsecured, considered good	157.26	167.13
(d) Advance income tax (net of provisions)		
Unsecured, considered good	180.64	260.23
(e) Others		
Unsecured, considered good		
Advances recoverable in cash or in kind or for value to be received	270.63	282.46
Doubtful	0.54	0.54
	271.17	283.00
Less: Provision for other doubtful loans and advances	0.54	0.54
	270.63	282.46
Total	624.66	726.12

Note 20: Other current assets

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
Interest accrued on fixed deposits with Banks	36.45	37.60
Insurance claim receivable	57.00	-
Total	93.45	37.60

Note 21: Revenue from operations

Particulars	Year ended 31 March, 2016 (₹ in Lacs)	Year ended 31 March, 2015 (₹ in Lacs)
(a) Sale of products	2542.24	2037.50
(b) Sale of services (Completed Contracts/Supply Contracts)	8453.87	11250.89
(c) Increase/(Decrease) in WIP of contracts inventory (Net of Completed Contracts)	4294.08	(3329.34)
(d) Other Operating Revenues:- Sale of Scrap	29.01	22.77
Hire Charges Received	-	69.57
Revenue from operations (Gross)	15319.20	10051.39
Less:		
(e) Excise duty	334.84	255.43
Revenue from operations (Net)	14984.36	9795.96

Note 22: Other income

Particulars	Year ended 31 March, 2016 (₹ in Lacs)	Year ended 31 March, 2015 (₹ in Lacs)
(a) Interest income (Refer Note (i) below)	117.14	128.77
(b) Dividend income: from long-term investments associates	-	2.93
(c) Other non-operating income (Refer Note (ii) below)	40.46	19.41
Total	157.60	151.11

Notes: (i) Interest income comprises:-

Particulars	Year ended 31 March, 2016 (₹ in Lacs)	Year ended 31 March, 2015 (₹ in Lacs)
Interest from banks on:		
Deposits	117.13	128.77
Interest others	0.01	-
Total - Interest income	117.14	128.77
(ii) Other non-operating income comprises:-		
Profit on Sale of Fixed Asset	0.03	0.06
Unclaimed Balances written back	0.05	0.50
Discount received	0.09	-
Excess Provision written back	38.51	-
Foreign Exchange Fluctuation Gain	0.10	2.40
Export Incentives	1.50	-
Miscellaneous income	0.18	16.45
Total - Other non-operating income	40.46	19.41

Note 23: Cost of materials consumed

Particulars	Year ended 31 March, 2016 (₹ in Lacs)	Year ended 31 March, 2015 (₹ in Lacs)
Opening stock	77.25	161.42
Add: Purchases	6875.26	4222.82
	6952.51	4384.24
Less: Closing stock	148.05	77.25
Cost of material consumed	6804.46	4306.99

Note 23.a: Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended 31 March, 2016 (₹ in Lacs)	Year ended 31 March, 2015 (₹ in Lacs)
Inventories at the end of the year:		
Finished goods	80.44	97.61
Work-in-progress	64.45	46.38
	144.89	143.99
Inventories at the beginning of the year:		
Finished goods	97.61	107.23
Work-in-progress	46.38	-
	143.99	107.23
Net (increase)/decrease	(0.90)	(36.76)

Note 24: Employee benefits expense

Particulars	Year ended 31 March, 2016 (₹ in Lacs)	Year ended 31 March, 2015 (₹ in Lacs)
Salaries and wages	1127.06	1009.40
Contributions to provident and other funds	85.17	81.56
Staff welfare expenses	63.18	66.31
Total	1275.41	1157.27

Note 25: Finance cost

Particulars	Year ended 31 March, 2016 (₹ in Lacs)	Year ended 31 March, 2015 (₹ in Lacs)
(a) Interest expense on:		
(i) Borrowings	126.81	137.87
(ii) Trade payables	9.39	16.63
(b) Other borrowing costs	271.64	204.07
(Bank and other financing charges)		
Total	407.84	358.57

Note 26: Other expenses

Particulars	Year ended 31 March, 2016 (₹ in Lacs)	Year ended 31 March, 2015 (₹ in Lacs)
Consumption of stores and spare parts	284.77	224.00
Erection Expenses	3972.52	2446.17
Power and fuel	60.50	49.17
Hire Charges	102.96	30.92
Travelling & Conveyance	144.22	150.14
Rent	97.85	92.49
Repairs and maintenance - Machinery	22.75	15.04
Insurance	37.86	36.31
Rates and taxes	407.88	140.00
Freight and forwarding	197.80	141.95
Marketing Service Fees	152.88	105.84
Payments to auditors (Refer Note (i) below)	8.50	7.56
Loss on fixed assets sold	-	16.19
Foreign Exchange Fluctuation Loss	1.94	6.99
Legal & Professional Charges	113.21	77.43
Provision for Doubtful debts	-	38.51
Miscellaneous expenses	289.64	238.87
Total	5895.28	3817.58

Note:

(i) Payments to the auditors comprises (including service tax)

Fees :-

Statutory audit	3.46	3.41
Company Law Matters	0.68	0.62
Limited Review and other certifications	3.86	3.12
Reimbursement of expenses	0.50	0.41
Total	8.50	7.56

Note 27: Additional information to the financial statements

Note	Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
27.1	Contingent liabilities		
	1. Guarantees/Letter of Credit given by the banks which are counter Guaranteed by the Company and secured against Fixed & Current Assets	7304.30	8826.65
	2. Others where company had gone in to appeals before appropriate authorities:		
	- Sales Tax	9.74	2.11
	- Income Tax	5.72	5.72

Note 27: Additional information to the financial statements (Contd.)

27.2 Lease Rental:

In accordance with the Accounting Standard on 'Leases' (AS 19), the following disclosures in respect of Operating Leases are made :

The Subsidiary Company has acquired properties under cancellable operating leases for a period of 20 years. Details of total minimum lease payments for the current year (included under rent) and the future minimum lease payments in respect of properties taken under cancellable operating lease agreements are as follows:

Period	2015-16 (₹ in Lacs)	2014-15 (₹ in Lacs)
Not later than one year	28.29	26.84
Later than one year but not later than 5 years	124.23	119.98
More than 5 years	516.32	526.53
Operating Lease payments recognized in the Profit and Loss Statement for the year are as follows:		
Particulars	As on 31 March, 2016 (₹ in Lacs)	As on 31 March, 2015 (₹ in Lacs)
Car Lease Rent	18.12	16.65
Factory Shed Rent	26.72	22.38

27.3 In response to the request made in March 2016 to the Suppliers for providing copy of the registration certificate, if registered under Micro, Small and Medium Enterprises Development Act 2006, none has sent Certificate of Registration with prescribed authority. Based on these information there is no principal amount and the interest due thereon remaining unpaid as at the year ended on 31 March, 2016.

27.4 The Ministry of Corporate Affairs has notified Section 135 of the Act, on Corporate Social Responsibility with effect from 01 April, 2014. As per the provisions of the said Section, the amount of ₹ 12.82 lacs (year ended 31 March 2015: ₹ 16.34 Lacs) was required to be spent on CSR activities by the Holding Company during the year. The Holding Company has not spent any amount in this regard.

27.5 Employee Benefits:

Defined Contribution Plan:

The employer's contributions to the Provident Fund and Superannuation Fund are charged to the Profit and Loss Statement.

Defined Benefit Plan/Long Term Compensated Absences:

The liability towards gratuity (Funded) and compensated absences is determined on the basis of the year end actuarial valuation done by an independent actuary. The actuarial gains and losses determined by the actuary are recognized immediately in the Profit and Loss Statement as an income or expense.

27.5(a) Defined Contribution Plan:

During the year, the group has recognised the following amounts in the profit & loss statement:

Particulars	Year ended 31 March, 2016 (₹ in Lacs)	Year ended 31 March, 2015 (₹ in Lacs)
Contribution to Provident Fund and Family Pension Fund	50.22	48.71
Contribution to Superannuation Fund	15.84	19.33

Note 27: Additional information to the financial statements (Contd.)

27.5(b) Defined Benefit Plan:

A general description of the Employees Benefit Plans:

(i) Gratuity (Funded)

The Holding Company has an obligation towards gratuity, a funded defined benefits retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment, of an amount calculated in accordance with the provisions of the Payment of Gratuity Act, 1972.

Details of defined benefit plans - As per Actuarial Valuation as on 31st March 2016.

Particulars	Year ended 31 March, 2016		Year ended 31 March, 2015	
	Gratuity Funded	Gratuity Unfunded	Gratuity Funded	Gratuity Unfunded
Components of employers expenses				
Current service cost	9.05	1.15	9.30	1.03
Interest Cost	8.07	0.16	7.74	0.06
Expected return on Plan Assets	(8.89)	-	(9.56)	-
Actuarial Losses/(Gains)	5.02	(0.21)	0.42	0.17
Total expenses recognized in the Profit & Loss Statement * (*Included in Note No. 24)	13.25	1.10	7.90	1.26
Actual Contribution & Benefits payment for the year				
Actual Benefit payments	13.37	-	13.33	-
Actual Contributions	4.31	-	2.05	-
Net asset/(liability) recognised in the Balance Sheet				
Present Value of Defined Benefits Obligation	109.53	3.10	100.89	2.01
Fair value of Plan Assets	110.90	-	111.21	-
Funded Status [Surplus/(Deficit)]	1.37	(3.10)	10.32	(2.01)
Net asset /(liability) recognized in the Balance Sheet	1.37	3.10	10.32	2.01
Change in Defined Benefit Obligation during the year				
Present value of Defined Benefit Obligation as at the beginning of the year	100.89	2.01	96.76	0.74
Current Service Cost	9.05	1.15	9.30	1.03
Interest Cost	8.07	0.16	7.74	0.06
Actuarial Losses/(Gains)	4.89	(0.21)	0.42	0.17
Benefits paid	(13.37)	-	(13.33)	-
Present value of Defined Benefits Obligation as at the end of the year	109.53	3.11	100.89	2.00
Change in Fair Value of the Plan Assets during the year				
Plan Asset as at the beginning of the year	111.21	-	114.47	-
Expected return on Plan Assets	8.89	-	9.56	-
Actual Company Contributions	4.31	-	2.05	-
Actuarial (Losses) /Gains	(0.14)	-	-	-
Benefits Paid	(13.37)	-	(13.33)	-
Plan Assets as at the end of the year	110.90	-	112.75	-

Note 27: Additional information to the financial statements (Contd.)

Particulars	Year ended 31 March, 2016		Year ended 31 March, 2015	
	Gratuity Funded	Gratuity Unfunded	Gratuity Funded	Gratuity Unfunded
Actuarial Assumptions				
Discount Rate	8.00%	8.00%	8.00%	8.00%
Expected return on plan assets	8.00%	-	9.00%	-
Salary escalation Rate	5.00%	5.00%	5.00%	5.00%

The expected rate of return on the plan asset (Gratuity-Funded) is based on the average long term rate of return expected on investments of funds during estimated term of obligation. Actual return on Plan Assets is ₹ 8.89 lacs.

The assumption of the future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion & other relevant factors.

The major categories of plan assets as a percentage of the total plan assets.

Insurer Managed funds	100%	-	100%	-
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Experience Adjustments

Present value of Defined Benefit Obligation as at the end of the year	109.53	-	100.89	-
Fair value of plan asset as at the end of the year	110.90	-	111.21	-
Funded Status [Surplus/(Deficit)]	1.37	-	10.32	-
Experience adjustment on Plan Liabilities	4.89	-	(5.22)	-
Experience adjustment on Plan Asset	(0.72)	-	(0.69)	-

The liability for leave encashment is accounted for on accrual basis on actuarial valuation at the year end.

Note: Figures in brackets showing negative amount.

27.6 Segment Reporting

Accounting Standard on "Segment Reporting" (AS-17) is applicable to the group as the holding and subsidiary company are into different business activities having differing risks and returns. The Group has considered business segment as the reportable segment for the purpose of segment reporting disclosure. The business segments are Construction activity (civil, mechanical and engineering) and manufacturing of Automobile Components. The above segment have been identified taking into account the organisation structure as well as the differing risks and returns of these segments and so the Segment revenues, expenses, assets and liabilities.

Particulars	(₹ in Lacs)					
	Construction Activity		Automobile Components		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Segment Revenue	12747.95	7991.12	2236.41	1804.84	14984.36	9795.96
Segment Expenses	12156.71	7708.92	2374.26	2025.15	14530.97	9734.07
Segment Result	591.24	282.20	(137.85)	(220.31)	453.39	61.89
Segment Assets	8604.46	6554.76	2018.95	1886.91	10623.41	8441.67
Segment Liabilities	5423.27	4335.40	1073.90	1232.55	6497.17	5567.95
Capital expenditure for the year	92.51	90.89	31.85	51.24	124.36	142.13

27.7 Related party transactions**a) Enterprises over which key managerial Personnel is able to exercise significant influence (Associates):**

- Bharat Gears Limited (BGL)
- Vibrant Finance & Investment Pvt. Ltd. (VFIPL)
- Ultra Consultants Pvt. Ltd. (UCPL)
- Future Consultants Pvt. Ltd. (FCPL)
- Clip-Lok Simpak (India) Pvt. Ltd. (CSIPL)
- Samreet Investment & Management Consultancy Pvt. Ltd. (SIMCPL)
- Gulab Merchandise Pvt. Ltd. (GMPL)

Note 27: Additional information to the financial statements (Contd.)

b) Key Managerial Personnel:

- Mr. Surinder P. Kanwar (SPK) – CMD
- Mr. Sachit Kanwar (SK) – JMD
- Mr. Prabhat Chand Kothari (PCK)
- Mr. Jagdeep Singh (JS)

Note: Related parties are as identified by the company and relied upon by the Auditors.

Details of transactions with the related parties and their relatives during the year ended 31 March, 2016.

A. Enterprise over which Key Managerial Personnel is able to exercise Control (Subsidiary) :

Nature of Transaction	2015-16 (₹ in Lacs)	2014-15 (₹ in Lacs)
- Rent paid (BGL)	11.62	11.46
- Marketing Service Fee (BGL)	121.53	105.84
- Rent paid (VFIPL)	2.73	2.70
- Electricity Charges Paid (VFIPL)	0.88	-
- Corporate Guarantee (VFIPL) offered for credit limits availed by company from:		
- ING Vysya Bank Ltd.	1000.00	1000.00
- SBI Mumbai	7700.00	7700.00
- ICICI Bank Ltd.	2300.00	2300.00
- Issue of Preference Share Capital (GMPL)	70.00	-
- Issue of Preference Share Capital (UCPL)	55.00	-
- Repayment of Unsecured Loan (GMPL)	70.00	-
- Interest on Loan (GMPL)	3.32	7.00
- Repayment of Unsecured Loan (UCPL)	55.00	-
- Interest on Loan (UCPL)	2.61	5.50

B. Key Managerial Personnel:

Nature of Transaction	2015-16 (₹ in Lacs)	2014-15 (₹ in Lacs)
- Personal Guarantee Given To Banks For Credit Limits Availed By Company (SPK)	12055.00	12430.00
- Personal Guarantee Given To Banks For Credit Limits Availed By Company (SK)	405.00	405.00
- Interest on loan (SPK)	6.00	6.00
- Interest on loan (SK)	-	7.12
- Remuneration (SK)	101.00	96.69
- Remuneration (SPK)	*	*

*Token remuneration of ₹ 12 (Rupees Twelve) paid to Chairman & Managing Director.

Balance outstanding as at the end of the year

Particulars	As at 31 March, 2016 (₹ in Lacs)	As at 31 March, 2015 (₹ in Lacs)
- Amount recoverable from Enterprises over which Key Managerial personnel is able to exercise significant influence	28.97	152.43
- Amount payable to Key Managerial personnel (SPK)	80.00	200.00

No amounts have been written off/provided for or written back during the year in respect of amount receivable from or payable to the related parties.

Note 27: Additional information to the financial statements (Contd.)**27.8 Earning Per share:**

Profit Attributable to Equity Share Holders	As at 31 March, 2016 (₹/Lacs)	As at 31 March, 2015 (₹/Lacs)
Profit After Tax & Before Extra Ordinary Items (A)	379.02	85.30
Add/(Less): Extra Ordinary Items	-	127.37
Profit After Tax & After Extra Ordinary Items (B)	379.02	212.67
Weighted average number of Equity Shares outstanding during the period/year (C)	3343243	3343243
Basic and Diluted EPS before Extra Ordinary Items (A)/(C)	11.34	2.55
Basic and Diluted EPS after Extra Ordinary Items (B)/(C)	11.34	6.36

27.9 Details of subsidiary companies considered in the consolidated financial statements are:

Name of the Company	Country of Incorporation	Proportion of Ownership As on 31 March, 2016
Xlerate Driveline India Limited	India	100%

27.10 Loss by fire in Subsidiary company

During the year there was a fire in manufactuirng unit. Raw material worth ₹ 50.02 Lacs was destroyed along with packing material worth ₹ 6.98 Lacs The company has reduced the consumption of raw material and packing material totalling ₹ 57 lacs and shown it as loss by fire. At the same time an amount of ₹ 57 lacs has been shown as recoverable from Insurance Company.

As per our report of even date attached.

For and on behalf of the Board of Directors

For V. P. Jain & Associates

Chartered Accountants

Firm Registration No. 015260N

SURINDER P. KANWAR

Chairman and Managing Director
(DIN: 00033524)

SACHIT KANWAR

Joint Managing Director
(DIN: 02132124)

V.K. PARGAL (DIN: 00076639)

P.K. MITTAL (DIN: 00165315)

SATYA PRAKASH MANGAL (DIN: 01052952)

GAUTAM MUKHERJEE (DIN: 02590120)

SEETHALAKSHMI VENKATARAMAN (DIN: 07156898)

Directors

(V. P. Jain)

Partner

Membership No. 81514

SHALES KUMAR

Chief Financial Officer
(PAN: BOCPS4686F)

KAUSHAL NARULA

Company Secretary
(PAN: AFKPN7593J)

Place: New Delhi

Date: May 27, 2016

RAUNAQ EPC INTERNATIONAL LIMITED

“FORM AOC-I”

[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]

		(₹ in lacs)
S.NO.	PARTICULARS	
1.	NAME OF SUBSIDIARY	XLERATE DRIVELINE INDIA LIMITED
2.	SHARE CAPITAL	1,612.70
3.	RESERVE & SURPLUS	(705.85)
4.	TOTAL ASSETS	2,024.29
5.	TOTAL LIABILITIES	1,117.44
6.	INVESTMENTS	-
7.	NET TURNOVER	2,236.41
8.	PROFIT (LOSS) BEFORE TAXATION	(134.44)
9.	PROVISION FOR TAXATION	(2.63)
10.	PROFIT (LOSS) AFTER TAXATION	(131.81)
11.	% OF SHAREHOLDING	100%





Form No. SH-13 Nomination Form

[Pursuant to Section 72 of the Companies Act, 2013 and rule 19(1) of the Companies
(Share Capital and Debentures) Rules 2014]

To,
Raunaq EPC International Limited
20 K.M. Mathura Road, P.O. Box 353
P.O. Amar Nagar, Faridabad-121 003
Haryana

I/We _____ the holder(s) of the securities
particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall
vest, all the rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive Nos.

(2) PARTICULARS OF NOMINEE/S

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail id:
- (h) Relationship with the security holder:

(3) IN CASE NOMINEE IS A MINOR

- (a) Date of birth:
- (b) Date of attaining majority:
- (c) Name of guardian:
- (d) Address of guardian:

(4) PARTICULARS OF NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail id:
- (h) Relationship with the security holder:
- (i) Relationship with the minor nominee:

Name:

Address:

Name of the Security Holder(s)

Signature

Witness with name and address

Signature



Form No. SH-14
Cancellation or Variation of Nomination

[Pursuant to sub-section (3) of Section 72 of the Companies Act, 2013 and rule 19(9) of the Companies
(Share Capital and Debentures) Rules 2014]

To,
Raunaq EPC International Limited
20 K.M. Mathura Road, P.O. Box 353
P.O. Amar Nagar, Faridabad-121 003
Haryana

I/We hereby cancel the nomination(s) made by me/us in favor of _____
_____ (name and address of the nominee) in respect of the below mentioned securities.

Or

I/We hereby nominate the following person in place of _____ as nominee
in respect of the below mentioned securities in whom shall vest all rights in respect of such securities in the event of my/our
death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being cancelled /varied)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive Nos.

(2) (a) PARTICULARS OF THE NEW NOMINEE:

- i. Name:
- ii. Date of Birth:
- iii. Father's/Mother's/Spouse's name:
- iv. Nationality:
- v. Address:
- vi. E-mail id:
- vii. Relationship with the Security holder:

(b) IN CASE NEW NOMINEE IS A MINOR

- i. Date of birth:
- ii. Date of attaining majority:
- iii. Name of guardian:
- iv. Address of guardian:

(3) PARTICULARS OF NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail id:
- (h) Relationship with the security holder:
- (i) Relationship with the minor nominee:

Signature

Name of the Security Holder(s)

Witness with name and address



PROFORMA FOR UPDATION OF SHAREHOLDER'S INFORMATION

Folio No.	<input type="text"/>	No. of Equity Shares	<input type="text"/>	Specimen Signature (As per application/transfer deed)
Name(s):				
First Holder	<input type="text"/>			_____
Occupation	<input type="text"/>			
Jt. Holder 1	<input type="text"/>			_____
Jt. Holder 2	<input type="text"/>			_____
Address	<input type="text"/>			(In case of Joint Holding, all the Joint Holders to sign)
	<input type="text"/>			
Pin Code	<input type="text"/>			
E-mail Id	_____			
Cert. Nos.	<input type="text"/>			
Dist. Nos.	FROM <input type="text"/>	FROM <input type="text"/>		
	TO <input type="text"/>	TO <input type="text"/>		

- NOTES: 1. IN CASE THE SPACE IS NOT SUFFICIENT PLEASE ATTACH A SEPARATE SHEET.
2. THE ABOVE PROFORMA MAY BE FILLED AND RETURNED EVEN IF THERE IS NO CHANGE IN THE PARTICULARS.



ELECTRONIC CLEARING SERVICES(ECS) MANDATE FORM

To
M/s Link Intime India Pvt. Ltd.
(Unit : Raunaq EPC International Limited)
20 K.M. Mathura Road, P.O. Box 353,
P.O. Amar Nagar, Faridabad- 121 003
Haryana

Name of the First/Sole Share holder	
Folio No./DP Id - Client Id	

PAN/Email information

Income Tax Permanent Account Number (PAN) (Please attach a photocopy of PAN Card)	
Email ID	

ECS Mandate Form (for shares held in physical mode)

Bank Name								
Branch Name & Address								
Bank Account Type (tick)	Savings		Current		Others			
Bank Account Number								
9 Digit Code Number of the Bank and Branch appearing on the MICR Cheque issued by the Bank (Please attach a photocopy of the cheque)								

I hereby declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information supplied as above, Raunaq EPC International Limited, will not be held responsible.

I further undertake to inform the company any change in my Bank/Branch and account number, if any.

Signature of First/Sole Holder

Place :
Date :

Notes



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20 KM Mathura Road, P.O. Box-353,
P.O. Amar Nagar, Faridabad, Haryana
www.raunaqinternational.com
CIN: L51909HR1965PLC034315