



**XLERATE DRIVELINE INDIA
LIMITED**

**Annual Report
2017-18**

NOTICE

TO THE MEMBERS OF THE COMPANY

NOTICE is hereby given that the **23rd Annual General Meeting** of the Members of Xlerate Driveline India Limited will be held as under:

Day : Thursday
Date : 02 August, 2018
Time : 09:30 A.M.
Venue : Shed No. I, Gurukul Industrial Estate
Faridabad- 121003, Haryana

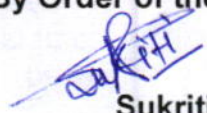
to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the Company for the year ended 31 March, 2018 together with Reports of the Board and Auditors thereon.
2. To consider re-appointment of Mr. Surinder Paul Kanwar, who retires by rotation and is eligible for re-appointment.

By Order of the Board

Place: Faridabad
Dated: July 05, 2018

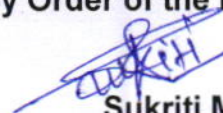

Sukriti Manna
Company Secretary

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and vote instead of himself/herself and such proxy(ies) need not be a Member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument appointing proxy(ies) must, however, be deposited at the Registered office of the Company, duly completed and signed, not less than forty-eight hours before commencement of the Meeting.
2. **NO GIFTS OR COUPONS SHALL BE DISTRIBUTED AT THE MEETING.**
3. Members seeking any further clarification/information(s) relating to the Annual Financial Statements are requested to write at the Registered Office of the Company.
4. Members are requested to promptly notify change in their address, if any, at the Registered Office of the Company.

By Order of the Board

Place: Faridabad
Dated: July 05, 2018


Sukriti Manna
Company Secretary

**BRIEF RESUME OF THE DIRECTORS SEEKING APPOINTMENT/
RE-APPOINTMENT AS REQUIRED UNDER SECRETARIAL STANDARD - 2
ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA****1. MR. SURINDER PAUL KANWAR**

Mr. Surinder Paul Kanwar, aged 65 years has been affiliated with the Company as a member of the Board of Directors since 25th October, 1995 and is presently designated as Chairman and Director of the Company. He is a Commerce Graduate from University of Delhi. He has a vast experience of 43 years.

During the financial year 2017-18, 4(Four) meetings of the Board of Directors had been held and all the meetings were attended by Mr. Surinder Paul Kanwar. He is father of Mr. Sachit Kanwar, Managing Director of the Company.

Mr. Surinder Paul Kanwar is a Member of Nomination and Remuneration Committee of the Company.

Mr. Surinder Paul Kanwar is a Director and Chairman/Member of Committees of Board of the following other Companies:

S. No.	Name of the Company/Entity in which interested	Committees Chairmanship/ Membership
1.	Bharat Gears Limited	Chairman - Corporate Social Responsibility Member - Nomination and Remuneration Committee Member - Finance Committee
2.	RaunaqEPC International Limited	Chairman - Corporate Social Responsibility Committee Member- Nomination and Remuneration Committee Member- Stakeholder's Relationship Committee Member-Finance Committee Member- Share Issue Committee

Mr. Surinder Paul Kanwar holds Directorship in the following Private Limited Companies:

S. No.	Name of the Company/Entity in which interested
1.	Ultra Consultants Private Limited
2.	Future Consultants Private Limited
3.	Vibrant Finance and Investment Private Limited
4.	CliplokSimpak (India) Private Limited

As on 31 March, 2018, he holds 1(One) Equity Share of the Company as a nominee of "Raunaq EPC International Limited", Holding Company.

BOARD'S REPORT
(SECTION 134 OF THE COMPANIES ACT, 2013)
To The Members

The Directors have pleasure in presenting the 23rd Annual Report together with the Audited Financial Statements of your Company for the financial year ended on 31 March, 2018.

FINANCIAL RESULTS:

Particulars	(₹ In Lacs)	
	Year ended 31 March, 2018	Year ended 31 March, 2017
Revenue from Operations and other income	3345.79	2672.61
Profit before Finance Cost and Depreciation	108.29	(33.64)
Finance Cost	75.68	68.22
Depreciation	74.02	70.62
Profit Before Tax	(41.41)	(172.48)
Less: Tax Expense	8.03	(34.78)
Profit for the year	(49.44)	(137.70)
Other Comprehensive Income		
Items that will not be reclassified to Profit and Loss (net of tax)	(0.23)	0.80
Total Comprehensive Income for the year	(49.67)	(136.90)
(₹/Lacs)		
Surplus in Statement of Profit and Loss	Year ended 31 March, 2018	Year ended 31 March, 2017
Opening balance	(603.47)	(466.57)
Add: Profit for the year	(49.65)	(136.90)
Less:		
Dividend paid- Equity		0.00
Tax on distributed profits		0.00
Transferred to General Reserve		-
Closing Balance	(653.12)	(603.47)

DIVIDEND:

In view of the financial performance of your Company, your Directors have not recommended any dividend for the financial year 2017-18.

PERFORMANCE OVERVIEW:

In 2017-18, XDIL's revenues have achieved a significant increase of 25.17% from Rs. 26.73 cr. in FY 2016-17 to Rs. 33.46 cr. in FY 2017-18. The major reasons for the increase in sales is due to rise in the revenue share in the OEM/OES segment which has provided strength to the working capital needs of the Company and further post demonetization and settling of GST demand has been steady in the aftermarket business too. XDIL in the current FY has achieved cash profits of Rs. 32.61 lacs and lower its losses to Rs.49.67 lacs from Rs. 1.37 cr. in the last FY 2016-17. With the business volume is picking up pace now will result in reduction of the overhead costs per unit production.

During the year, the Company has increased its growth momentum with the OEM (Original Equipment Manufacturer) and OES (Original Equipment Supplier) of commercial clutches which are major commercial segment players. This had provided the Company the much needed volume growth, steady business inflow and better cash flows which in turn had reduced the per unit overhead costs and breakeven.

OUTLOOK:

The Company focuses on leveraging existing OEM credentials to expand its OEM business portfolio necessary for scaling operations and effectively sweating production lines that are currently running at one-third capacities. Further, it intends to fortify market share in the commercial segment and diversify to passenger vehicles segment, for which it is actively scouting for partners who can provide ready access to passenger vehicle market. Entry in passenger vehicle segment would be an important breakthrough for the Company as this segment has highest volume opportunity.

INDIAN ACCOUNTING STANDARDS (IND AS) IFRS CONVERGED STANDARDS:

The Company has adopted "IND AS" w.e.f. 01 April, 2017. Accordingly, the Financial Statements for the financial year ended 31 March, 2018 have been prepared in accordance with IND AS. Explanations capturing areas of differences and reconciliations from Indian GAAP to IND AS have been provided in the notes forming part of the financial statements.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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, 2018 and of the profit and loss of the Company for the period ended on that date;
- (c) 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;
- (d) 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 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. 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:

During the period under review, the Company has not made any loan, guarantee or investment in terms of provisions of Section 186 of the Companies Act, 2013.

DIRECTORS:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association (AOA) of your Company, Mr. Surinder Paul Kanwar, Director retire by rotation at the ensuing Annual General Meeting.

Mr. Surinder Paul Kanwar, Non-Executive Director of the Company, liable to retire by rotation in terms of Companies Act, 2013 has offered himself for re-appointment 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. Surinder Paul Kanwar as Non Executive Director at the ensuing Annual General Meeting (AGM) of the Company, liable to retire by rotation.

During the financial year 2017-18, the members of the Company at their Annual General Meeting held on 08 August, 2017 approved:

- Re-appointment of Mr. P.C Kothari as Non Executive Director of the Company, liable to retire by rotation in terms of the provisions of Section 152 of the Companies Act, 2013.

NUMBER OF MEETINGS OF THE BOARD:

During the financial year 2017-18, 4 (Four) Board Meetings were held on the following dates:-

- 26 May, 2017;
- 08 August, 2017;
- 06 November, 2017; and
- 01 February, 2018

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.

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 Company at the meeting of the Board of Directors held on 25th May, 2018 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.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

In terms of provisions of Section 178 of the Companies Act, 2013, 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.

EVALUATION PROCESS:

The Board of Directors of the Company has established a framework for the evaluation of its own performance 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.

During the year under review, the Board of Directors, at its meeting held on 01 February, 2018 has carried out the evaluation of its own performance and Independent Directors of the Company and the Independent Directors in their separate 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.

The evaluation results reflect that the Company is well equipped as far as the management as well as governance aspects are concerned.

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:

- | | |
|----------------------------|-------------------------|
| 1. Mr. Sachit Kanwar | Managing Director |
| 2. Mr. Sachin Kumar Mittal | Chief Financial Officer |
| 3. Ms. Sukriti Manna | Company Secretary |

During the period under review, Mr. Shalesh Kumar has resigned from the post of Chief Financial Officer of the Company w.e.f. 20th September, 2017 and Mr. Sachin Kumar Mittal, Manager – F & A and (CFO) of Raunaq EPC International Limited, Holding Company has been designated as Manager – F & A and (CFO) of the Company w.e.f 01st February, 2018.

Further, Ms. Chanchal Gupta has resigned from the post of Company Secretary of the Company w.e.f. 24th April, 2018 and Ms. Sukriti Manna has been appointed as the Company Secretary of the Company w.e.f. 25th May 2018.

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- "C"** to the Board's Report.

AUDIT COMMITTEE:

The Audit Committee comprises of Dr. Sanjeev Kumar, Mr. V.K. Pargal, Mr. Rajiv Chandra Rastogi and Mr. P.C. Kothari. There is no change in the composition of the Audit Committee during the year.

SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES:

During the year under review, no Company has become or ceased to be subsidiary, joint venture or associate of the Company.

FIXED DEPOSITS:

During the financial year under review, your Company has not accepted any deposits from the public.

AUDITORS:

The Statutory Auditors, M/s Gupta & Dua, Chartered Accountants (ICAI Registration No. 003849N) had been appointed as Statutory Auditors of the Company in the 22nd Annual General Meeting held on 08th August, 2017 for a period of 5 (five) years in terms of provisions of Section 139 of the Companies Act, 2013 to hold office from the conclusion of 22nd AGM in the calendar year 2017 till the conclusion of 27th Annual General Meeting in the year 2022.

REPORT ON FINANCIAL STATEMENTS:

The report of M/s Gupta & Dua (ICAI Registration No. 003849N), Chartered Accountants, the Statutory Auditors of the Company on the financial statements of the Company for the year ended 31st March, 2018 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.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:

Xlerate Driveline India Limited has a proper and adequate system of internal financial controls which includes the policies and procedures 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. During the year, such controls were tested and no material weaknesses in the design or operations were observed.

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.

INTERNAL COMPLAINTS COMMITTEE FOR PREVENTION OF SEXUAL HARASSMENT

Pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, as the Company don't have adequate women employee at the senior level, the women employees of the Raunaq EPC International Limited, Holding Company (Formerly Known as Raunaq International Limited) have been nominated as members of the Internal Complaints Committee (ICC) of the Company to deal with the complaints related to the sexual harassment.

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company through various interventions and practices.

The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

During the year ended 31 March, 2018, no complaints pertaining to sexual harassment was received by ICC.

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 is given in **Annexure- "D"** to the Board's Report.

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-"E"** 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.

INDUSTRIAL RELATIONS

During the year under review, industrial relations in the Company continued to be cordial and peaceful.


ACKNOWLEDGEMENTS

The Board hereby places on record its sincere appreciation for the continued assistance and support extended to the Company by its Bankers, customers, vendors, Government Authorities and employees.

Your Directors appreciate and is obliged for the faith and confidence reposed by you, the shareholder in the Company.

For and on behalf of the Board of Directors

Place: New Delhi
Dated: 25.05.2018


✓ **Surinder Paul Kanwar**
Chairman and Director
DIN: 00033524

Form No. AOC-2

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


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

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/ arrangement s/ 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.	Raunaq EPC International Limited (REIL) (Formerly known as Raunaq International Limited), Holding Company	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 w.e.f 01 April, 2017	Transaction value not exceeding ₹ 1.00 Crore	NA	-

For and on behalf of the Board of Directors

Place: New Delhi
Dated: 25.05.2018


✓ **Surinder Paul Kanwar**
Chairman and Director
DIN: 00033524

POLICY ON NOMINATION AND REMUNERATION**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 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 Auto Component 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 July 31, 2014.

Effective Date:

This policy shall be effective with retrospective effect from 01 April, 2014.

Constitution of the Nomination and Remuneration Committee:

The Board has constituted Nomination and Remuneration Committee on May 30, 2014. The Nomination and Remuneration Committee comprises of following Directors:

Sr. No. Committee Members

1. Dr. Sanjeev Kumar, Chairman (Independent Director)
2. Mr. Surinder P. Kanwar, Member (Chairman and Director)
3. Mr. R.C. Rastogi, Member (Independent Director)
4. Mr. V.K. Pargal, 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 mean Directors of the Company.
- Committee means Nomination and Remuneration Committee of the Company as constituted or Reconstituted by the Board.
- Company means Xlerate Driveline India 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, not more than one level below the Directors who is in whole-time employment, designated as Key Managerial Personnel (KMP) by the Board; and
- (vi) Such other officer as may be prescribed.

• **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 Rs. One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

For Xlerate Driveline India Limited



✓ **Surinder Paul Kanwar**
Chairman and Director

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, 2018

S. No.	Name	Age in Years	Qualification	Designation	Date of Commencement Of Employment	Years of Experience	Remuneration (Rs. in Lacs)	Particulars of Last Employment	Percentage of Shareholding in the Company
A. Top Ten Employees of the Company in terms of remuneration drawn for the year ended 31 March, 2018.									
1.	Alok Sood	48	B.E.	Process Head	10.03.2014	26	31.99	Clutch Auto Ltd.	0.00
2.	Narinder Kumar	44	DME & ITI	Sr. Manager	12.02.2013	25	12.76	Sabharwal Auto	0.00
3.	Ravinder Singh Panwar	28	DME	Section Leader	22.08.2016	07	7.89	Makino Auto Industries Ltd.	0.00
4.	Vipin Mandyal	33	B.Tech	Section Leader	18.04.2016	11	5.93	Borgwarner Emission (USA based)	0.00
5.	Amandeep Singh	35	B.E.	Section Leader	23.02.2015	10	4.63	Argentum Auto Pvt Ltd	0.00
6.	Vipin Dua	43	MBA & B.Com	Leader	10.12.2012	10	4.63	Subros Ltd.	0.00
7.	Pramod Kumar sharma	30	B.E.	Leader	21.01.2013	08	3.60	Venus Industrial Corporation Pvt Ltd.	0.00
8.	Chanchal Gupta	28	CS & B.Com(H)	Company Secretary	03.06.2015	03	3.52	-	0.00
9.	Suresh Chand	45	ITI	Leader	12.12.2012	21	3.34	Kangaro India Pvt Ltd.	0.00
10.	Rakesh Sharma	34	BA	Member	17.09.2013	09	3.07	Ecocat India Ltd.	0.00
B. Employed throughout the year ended 31 March, 2018 & were in receipt of Remuneration aggregating not less than Rs. 1,02,00,000/- per annum. NIL									
C. Employed for the part of the year ended 31 March, 2018 & were in receipt of Remuneration aggregating not less than Rs. 8,50,000/- per month NIL									
D. 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 Funds, and Value of other perquisites.									
Place: New Delhi Dated: 25.05.2018									
For and on behalf of the Board of Directors Surinder Paul Kanwar Chairman and Director DIN: 00033524									

Report on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo and forming part of Board's Report for the year ended 31 March, 2018

A. Conservation of energy:

(i) Steps taken or impact on conservation of energy:-

- Following steps were taken for Energy saving:
 - LED Light of 70 Watt replaced by 400 Watt flood light.
 - Double reflector light (80 Watts) on machines replaced with 40 Watt Led Lights.

(ii) The steps taken by the company for utilizing alternate sources of energy:-

No such implementation plan till now. The Company proposes to utilize alternate sources of energy in future.

(iii) Capital investment on energy conservation equipments:- NIL

B. Technology Absorption:

(i) Efforts made in technology absorption:-



1.	The efforts made towards the technology absorption	No new technology adopted in the last year
2.	The benefits derived like product improvement, cost reduction, product development, import substitution, etc.	-
3.	In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year): a) The details of technology imported b) Year of import c) Whether the technology has been fully absorbed d) If not fully absorbed, areas where this has not taken place and the reasons thereof.	Not Applicable
4.	The expenditure incurred on Research and Development (R&D)	The Company is in the business of manufacturing and supply Clutch cover assemblies to OEMs and for aftermarket sales. The nature of business activity carried on by the Company at present does not entail any Research and Development as such.

C. Foreign Exchange Earnings and Outgo:

		(₹ in Lacs)	
	Particulars	2017-2018	2016-2017
	Foreign Exchange Earned	115.65	104.04
	Foreign Exchange used	145.12	145.18
	Net Foreign Exchange earnings	(29.47)	(41.14)

For and on behalf of the Board of Directors

Place: New Delhi
Dated: 25.05.2018


 **Surinder Paul Kanwar**
 Chairman and Director
 DIN: 00033524

Form No. MGT-9

EXTRACT OF ANNUAL RETURN**as on the financial year ended on 31st March, 2018**

[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 : U35990HR1995PLC050123
- ii) Registration Date : 25th October, 1995
- iii) Name of the Company : Xlerate Driveline India Limited
- iv) Category/Sub-Category of the Company : Public Limited Company
- v) Address of the Registered office and contact details : Shed No. 1, Gurukul Industrial Estate, Sarai Khwaja P.O. Amar Nagar Faridabad-121003 Haryana Ph: 0129-4288670 Fax: 0129-4288680 E-mail: info@xleratedriveline.com
- vi) Whether listed company Yes/No : No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : RCMC Share Registry Private Limited B-25/1, First Floor, Okhla Industrial Area, Phase-II, New Delhi-110020 Ph: 011-26387320,21,23 Fax: 011-26387322 E-mail: investor.services@rcmcdelhi.com Website: www.rcmcdelhi.com

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.	Clutch and Clutch Plates	Group 293 - Manufacture of parts and accessories for motor vehicles	100.00

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.	Raunaq EPC International Limited (Formerly Known as Raunaq International Limited)	L51909HR1965PLC034315	Holding Company	100.00	2(46)