

**Independent Auditors' Limited Review Report on the
Unaudited Standalone Quarterly and Year to Date Financial Results**

**To the Board of Directors of
Raunaq EPC International Limited**

We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Raunaq EPC International Limited ("the Company") for the quarter and six months ended on September 30, 2020 ("the Statement") being submitted by the Company pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), prescribed under section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on these standalone financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Indian Accounting Standards ("Ind-AS") specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular number CIR/CFD/CMD1/44/2019 dated March 29, 2019 of SEBI including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B. R. Maheswari and Co. LLP
Chartered Accountants
Firm Registration No. 001035N/N500050



Sanjay Nath
Sanjay Nath
Partner
Membership No. 082700

Date: November 6, 2020
Place: New Delhi

UDIN: 20082700AAABDQ5201

**Independent Auditors' Limited Review Report on the
Unaudited Consolidated Quarterly to Year to Date Financial Results**

To the Board of Directors of
Raunaq EPC International Limited

We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Raunaq EPC International Limited ("the Holding Company") and its subsidiary (the Holding Company and its Subsidiary together referred to as "the Group") for the quarter and six months ended on September 30, 2020 ("the Statement") being submitted by the Holding Company pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

This statement is the responsibility of the Holding Company's Management and has been approved by the Holding's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), prescribed under section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the consolidated financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of Holding company personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

The Statement includes the result of the subsidiary (namely, Xlerate Driveline India Limited)



Based on our review conducted as above and based on the consideration of the review report of the other auditor referred to in paragraph below, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards i.e. Indian Accounting Standards ("Ind-AS") specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular number CIR/CFD/CMD1/44/2019 dated March 29, 2019 of SEBI including the manner in which it is to be disclosed, or that it contains any material misstatement.

We did not review the financial results of one subsidiary included in the consolidated unaudited financial results, whose financial results reflect total assets of Rs. 3,081.35 lakhs as on 30 September 2020 and total revenue of Rs. 1,512.78 lakhs and total comprehensive income of Rs. (3.99) lakhs for the six months ended 30 September 2020, as considered in the consolidated unaudited financial results. These financial results have been reviewed by another auditor whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditor and the procedures performed by us as stated above. Our conclusion on the statement is not modified in respect of the above matter.

For B. R. Maheswari and Co. LLP
Chartered Accountants
Firm Registration No. 001035N/N500050



Sanjay Nath
Sanjay Nath
Partner

Membership No. 082700

UDIN: 20082700AAABDR9528

Date: November 6, 2020
Place: New Delhi

RAUNAQ EPC INTERNATIONAL LIMITED

Registered Office : 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad - 121003. (Haryana).

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E-mail : info@raunaqintl.com Website : www.raunaqinternational.com

CIN : L51909HR1965PLC034315

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020

(₹ in lakhs)

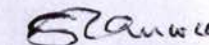
| S.No | Particulars | Quarter Ended | | | | | | Half Year Ended | | | | Year Ended | |
|------|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------|-----------------------|
| | | Standalone | | | Consolidated | | | Standalone | | Consolidated | | Standalone | Consolidated |
| | | 30.09.2020 Unaudited | 30.06.2020 Unaudited | 30.09.2019 Unaudited | 30.09.2020 Unaudited | 30.06.2020 Unaudited | 30.09.2019 Unaudited | 30.09.2020 Unaudited | 30.09.2019 Unaudited | 30.09.2020 Unaudited | 30.09.2019 Unaudited | 31.03.2020 Audited | 31.03.2020 Audited |
| 1 | Revenue from Operations | 206.94 | 213.95 | 329.93 | 1,277.38 | 647.63 | 1,261.07 | 420.89 | 869.50 | 1,925.01 | 2,901.94 | 1,853.13 | 6,167.61 |
| 2 | Other Income | 363.70 | 85.03 | 79.88 | 368.79 | 88.60 | 83.29 | 448.73 | 247.08 | 457.39 | 255.02 | 368.87 | 386.28 |
| 3 | Total Revenue (1+2) | 570.64 | 298.98 | 409.81 | 1,646.17 | 736.23 | 1,344.36 | 869.62 | 1,116.58 | 2,382.40 | 3,156.96 | 2,222.00 | 6,553.89 |
| 4 | Expenses | | | | | | | | | | | | |
| | a. Cost of Materials Consumed | 16.03 | 12.15 | 225.41 | 855.72 | 338.81 | 934.91 | 28.18 | 331.60 | 1,143.55 | 1,847.10 | 518.72 | 3,600.71 |
| | b. Changes in Inventory of Work-in-Progress | (27.67) | 100.62 | - | (79.07) | 100.62 | - | 72.95 | - | 72.53 | - | - | - |
| | c. Employee Benefits Expense | 100.73 | 88.07 | 149.82 | 189.96 | 133.99 | 239.01 | 188.80 | 313.24 | 323.95 | 490.82 | 562.72 | 912.39 |
| | d. Finance Cost | 43.09 | 44.03 | 101.40 | 73.87 | 72.89 | 132.61 | 87.12 | 192.53 | 146.76 | 258.40 | 291.70 | 423.54 |
| | e. Depreciation and Amortisation Expense | 19.27 | 20.32 | 18.63 | 42.91 | 44.21 | 43.59 | 39.59 | 37.06 | 87.12 | 86.37 | 83.64 | 181.22 |
| | f. Bad Debts Written off | - | - | - | - | - | - | - | 687.05 | - | 687.05 | 687.05 | 687.05 |
| | g. Allowance for Expected Credit Loss | 169.25 | 4.56 | 32.31 | 169.25 | 4.56 | 32.31 | 173.82 | 32.31 | 173.82 | 32.31 | 559.27 | 559.27 |
| | h. Decrease in Fair Value of Investment | - | - | 80.50 | - | - | 80.50 | - | 298.87 | - | 298.87 | 399.92 | 399.92 |
| | i. Allowance for Impairment Loss | - | - | - | - | - | - | - | 545.70 | - | - | 764.80 | - |
| | j. Other Expenses | 129.98 | 66.20 | 167.74 | 250.37 | 117.35 | 298.27 | 196.19 | 361.04 | 367.73 | 635.21 | 986.46 | 1,676.28 |
| | Total Expenses | 450.68 | 335.95 | 775.81 | 1,503.01 | 812.43 | 1,761.20 | 786.65 | 2,799.40 | 2,315.46 | 4,336.13 | 4,854.28 | 8,440.38 |
| 5 | Profit / (Loss) before Exceptional Items and Tax (3-4) | 119.96 | (36.97) | (366.00) | 143.16 | (76.20) | (416.84) | 82.97 | (1,682.82) | 66.94 | (1,179.17) | (2,632.28) | (1,886.49) |
| 6 | Exceptional Items | - | - | - | 0.38 | - | - | - | - | 0.38 | - | - | - |
| 7 | Profit / (Loss) before Tax (5-6) | 119.96 | (36.97) | (366.00) | 142.78 | (76.20) | (416.84) | 82.97 | (1,682.82) | 66.56 | (1,179.17) | (2,632.28) | (1,886.49) |
| 8 | Tax Expense | | | | | | | | | | | | |
| | a. Current Tax (including Prior Period Taxation) | - | - | - | - | - | - | - | - | - | - | - | - |
| | b. Deferred Tax | 0.75 | 9.52 | (92.32) | (4.75) | 2.60 | (88.11) | 10.27 | (466.33) | (2.15) | (254.46) | 289.50 | 291.17 |
| | Total Tax Expense | 0.75 | 9.52 | (92.32) | (4.75) | 2.60 | (88.11) | 10.27 | (466.33) | (2.15) | (254.46) | 289.50 | 291.17 |
| 9 | Net Profit / (Loss) for the Period (7-8) | 119.21 | (46.49) | (273.68) | 147.53 | (78.80) | (328.73) | 72.70 | (1,216.49) | 68.71 | (924.71) | (2,921.80) | (2,177.66) |
| | Profit / (Loss) for the Period attributable to: | | | | | | | | | | | | |
| | Equity holders of the Company | 119.21 | (46.49) | (273.68) | 131.89 | (78.80) | (328.73) | 72.70 | (1,216.49) | 70.91 | (924.71) | (2,921.80) | (2,177.66) |
| | Non- Controlling Interests | - | - | - | 15.64 | - | - | - | - | (2.20) | - | - | - |
| 10 | Other Comprehensive (Loss) / Income | | | | | | | | | | | | |
| | Items that will not be Reclassified to Statement of Profit and Loss | | | | | | | | | | | | |
| | Re-measurement Gains/ (Losses) on Defined Benefit Plan | 2.80 | 2.80 | 6.60 | 2.80 | 2.80 | 6.60 | 5.60 | 13.19 | 5.60 | 13.19 | 11.19 | 11.33 |
| | Income Tax Effect | - | - | (1.61) | - | - | (1.61) | - | (3.32) | - | (3.32) | - | (0.04) |
| | Other Comprehensive Income (Net of Tax) | 2.80 | 2.80 | 4.99 | 2.80 | 2.80 | 4.99 | 5.60 | 9.87 | 5.60 | 9.87 | 11.19 | 11.29 |
| 11 | Total Comprehensive Income after Tax (9+10) | 122.01 | (43.69) | (268.69) | 150.33 | (76.00) | (323.74) | 78.30 | (1,206.62) | 74.31 | (914.84) | (2,910.61) | (2,166.37) |
| | Total Comprehensive Income for the Period attributable to: | | | | | | | | | | | | |
| | Equity holders of the Company | 122.01 | (43.69) | (268.69) | 134.70 | (76.00) | (323.74) | 78.30 | (1,206.62) | 76.52 | (914.84) | (2,910.61) | (2,166.37) |
| | Non- Controlling Interests | - | - | - | 15.64 | - | - | - | - | (2.20) | - | - | - |
| 12 | Earnings Per Share [of Rs. 10 each (* Not Annualised)] | | | | | | | | | | | | |
| | Basic and Diluted (in Rs.) | *3.57 | *(1.39) | *(8.19) | *4.41 | *(2.36) | *(9.83) | *2.17 | *(36.39) | *2.05 | *(27.66) | (87.39) | (65.14) |

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Notes:

- 1 The statutory auditors of the company have carried out limited review of the Standalone and Consolidated Financial results for the quarter ended September 30, 2020, in compliance of Regulation 33 of SEBI (LODR) regulation, 2015. The above financial results have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors of the Company in their meeting held on 06th November, 2020.
- 2 The Company had already divested 55.21% equity investment in its wholly owned subsidiary Company, M/s Xlerate Driveline India Limited (XDIL) on September 17, 2020. Further, the Company has divested 19.88% equity investment in XDIL on November 3, 2020 and now has remained with the investment of 24.91% in XDIL. The sale value of the investment is determined based upon the independent valuation report.
- 3 The company is principally engaged in the business of Engineering contracting business. All other activities of the company revolved around the main business and accordingly, there is no separate reportable segment as per the Ind AS-108 "Operating Segment" specified under Section 133 of Companies Act, 2013.
- 4 Previous period figures have been regrouped/ reclassified wherever necessary to conform to current period classification.
Refer Annexure-1 for Consolidated and Standalone Balance Sheet and Annexure-2 for Consolidated and Standalone statement of Cash Flow.

Date: 06th November, 2020



SURINDER PAUL KANWAR
Chairman & Managing Director

**Annexure:- 1 Balance Sheet as on 30th September 2020**

| Particulars | Standalone | | Consolidated | |
|--|--------------------------|----------------------|--------------------------|----------------------|
| | As at 30 September, 2020 | As at 31 March, 2020 | As at 30 September, 2020 | As at 31 March, 2020 |
| ASSETS | | | | |
| Non-current Assets | | | | |
| Property, Plant and Equipment | 420.28 | 455.98 | 1,734.75 | 1,817.54 |
| Capital Work in Progress | - | - | 15.81 | 6.62 |
| Intangible Assets | 0.56 | 3.98 | 2.63 | 6.38 |
| Financial Assets | | | | |
| a. Investments | 436.32 | 783.44 | 113.44 | 60.54 |
| b. Loans and Advances | 2.53 | 2.53 | 2.53 | 20.40 |
| c. Trade Receivables | 320.07 | 227.63 | 320.07 | 227.63 |
| d. Other Financial Assets | 212.07 | 213.50 | 229.73 | 213.50 |
| Deferred Tax Assets (Net) | - | - | 217.70 | 180.26 |
| Total Non-current Assets | 1,391.83 | 1,687.06 | 2,636.66 | 2,532.87 |
| Current Assets | | | | |
| Inventories | 113.88 | 10.42 | 703.73 | 516.87 |
| Financial Assets | | | | |
| a. Trade Receivables | 1,999.53 | 2,557.71 | 2,823.19 | 3,627.90 |
| b. Cash and Cash Equivalents | 56.17 | 34.41 | 57.23 | 35.65 |
| c. Bank Balances other than (b) above | 230.63 | 232.33 | 265.39 | 267.09 |
| d. Loans and Advances | 19.52 | 20.31 | 35.39 | 44.17 |
| e. Other Financial Assets | 338.50 | 9.95 | 339.54 | 9.95 |
| Current Tax Assets | 75.92 | 134.79 | 77.84 | 137.39 |
| Other Current Assets | 413.71 | 422.94 | 459.19 | 468.34 |
| Total Current Assets | 3,247.86 | 3,422.86 | 4,761.50 | 5,107.36 |
| Total Assets | 4,639.69 | 5,109.92 | 7,398.16 | 7,640.23 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Equity Share Capital | 334.32 | 334.32 | 334.32 | 334.32 |
| Other Equity | 1,095.61 | 1,017.32 | 1,163.73 | 1,171.38 |
| Equity Attributable to Equity Holders of the Parent | 1,429.93 | 1,351.64 | 1,498.05 | 1,505.70 |
| Non-Controlling Interest | - | - | 481.96 | - |
| Total Equity | 1,429.93 | 1,351.64 | 1,980.01 | 1,505.70 |
| Liabilities | | | | |
| Non-current Liabilities | | | | |
| Financial Liabilities | | | | |
| a. Borrowings | 416.47 | 466.56 | 1,229.11 | 1,277.60 |
| Provisions | 28.34 | 42.06 | 52.46 | 64.27 |
| Deferred Tax Liability (Net) | 35.28 | 25.01 | 35.28 | - |
| Total Non-current Liabilities | 480.09 | 533.63 | 1,316.85 | 1,341.87 |
| Current Liabilities | | | | |
| Financial Liabilities | | | | |
| a. Borrowings | 257.69 | 465.30 | 618.56 | 516.61 |
| b. Trade Payables | - | - | 54.69 | 83.04 |
| Total Outstanding Dues of Micro Enterprises and Small Enterprises | - | - | 54.69 | 83.04 |
| Total Outstanding Dues of other than Micro Enterprises and Small Enterprises | 1,577.64 | 1,662.42 | 2,248.48 | 2,800.83 |
| c. Other Financial Liabilities | 301.41 | 344.22 | 331.27 | 376.62 |
| Other Current Liabilities | 420.62 | 588.83 | 504.72 | 685.00 |
| Provisions | 172.31 | 163.88 | 343.58 | 330.56 |
| Total Current Liabilities | 2,729.67 | 3,224.65 | 4,101.30 | 4,792.66 |
| Total Liabilities | 3,209.76 | 3,758.28 | 5,418.15 | 6,134.53 |
| Total Equity and Liabilities | 4,639.69 | 5,109.92 | 7,398.16 | 7,640.23 |
| Significant accounting policies and notes to standalone financial statements | | | | |



Annexure:- 2 Statement of Cash Flow for the Period Ended 30th September, 2020

(All amounts in Rs. Lakhs, Unless otherwise stated)

| Particulars | Standalone | | Consolidated | |
|--|------------------------------------|------------------------------|------------------------------------|------------------------------|
| | Period Ended 30 September, 2020 | Year Ended 31 March, 2020 | Period Ended 30 September, 2020 | Year Ended 31 March, 2020 |
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | | | |
| Profit/ (Loss) before tax | 82.97 | (2,632.28) | 66.56 | (1,886.49) |
| Adjustments for: | | | | |
| Net (gain)/Loss on fair value of financial assets through Statement of Profit & loss | (52.90) | 1,164.72 | (52.90) | 399.92 |
| Expected credit loss | 173.82 | 559.27 | 173.82 | 559.27 |
| Depreciation and amortization | 39.59 | 83.64 | 87.12 | 181.22 |
| Loss on sale of fixed Assets | - | 4.36 | - | 4.36 |
| Interest and other charges | 87.12 | 291.70 | 143.71 | 416.67 |
| Interest Income | (21.51) | (39.75) | (22.75) | (41.99) |
| Profit on sale of asset | - | (0.06) | - | (0.06) |
| Operating profit before working capital changes | 309.09 | (568.40) | 395.56 | (367.10) |
| Changes in working Capital | | | | |
| Adjustments for (increase)/decrease in operating assets: | | | | |
| Trade receivables | 384.37 | (713.67) | 630.89 | (644.00) |
| Inventories | (103.46) | 32.66 | (186.86) | (46.82) |
| Long Term loans & advances | - | 3.40 | 0.21 | 0.34 |
| Short term loans & advances | 0.79 | (8.16) | 8.78 | (30.54) |
| Non-current trade receivables | (92.44) | 2,071.40 | (92.44) | 2,071.40 |
| Other current financial assets | (328.55) | 4.34 | (329.59) | 4.34 |
| Other non current financial assets | 1.43 | 39.49 | 1.43 | 39.49 |
| Other current assets | 68.09 | 210.91 | 74.82 | 178.06 |
| Adjustments for increase/(decrease) in operating liabilities: | | | | |
| Trade payables | (84.78) | (1,334.54) | (282.50) | (1,233.35) |
| Provisions | 0.30 | (8.83) | 6.80 | 1.09 |
| Other current liabilities | (209.33) | 24.64 | (230.07) | (31.77) |
| Cash generated from operations | (54.48) | (246.75) | (2.97) | (58.85) |
| Direct Taxes paid (Net) | - | - | - | (1.41) |
| Net Cash from/ (used) in operating activities | (54.48) | (246.75) | (2.97) | (60.26) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase of fixed assets | (0.47) | (35.70) | (9.81) | (58.15) |
| Sale of fixed assets / Investments | 400.02 | 9.04 | 400.02 | 9.04 |
| Interest received | 21.51 | 39.75 | 22.75 | 41.99 |
| Investment in deposits | - | 361.93 | - | 359.92 |
| Net Cash from/ (used) in investing activities | 421.06 | 375.02 | 412.96 | 352.80 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Proceeds from long term borrowings | - | 270.00 | - | 231.16 |
| Proceeds/ (repayments) from short term borrowings | (207.62) | (199.05) | (194.63) | (199.05) |
| Repayment of long term borrowings | (50.08) | (22.91) | (50.08) | (22.91) |
| Interest and other charges paid | (87.12) | (291.70) | (143.71) | (416.67) |
| Dividend including dividend distribution Tax paid | (1.70) | (1.34) | (1.70) | (1.34) |
| Net Cash (used) / from financing activities | (346.51) | (245.00) | (390.11) | (408.81) |
| Net increase / (decrease) in cash and cash equivalents | 20.07 | (116.73) | 19.88 | (116.28) |
| Opening balance of Cash and cash equivalents * | 42.71 | 159.44 | 43.95 | 160.23 |
| Closing balance of Cash and cash equivalents * | 62.77 | 42.71 | 63.83 | 43.95 |

Reconciliation of cash and cash equivalents as per the cash flow statements

| Particulars | Period Ended 30 September, 2020 | Year Ended 31 March, 2020 | Period Ended 30 September, 2020 | Year Ended 31 March, 2020 |
|--|------------------------------------|------------------------------|------------------------------------|------------------------------|
| (a) Cash and cash equivalents as per above comprise of the following | | | | |
| Cash on hand | 1.18 | 1.12 | 1.66 | 1.29 |
| Balance with scheduled banks: | | | | |
| in current accounts | 61.59 | 41.59 | 62.17 | 42.66 |
| Cash and cash equivalents at the end of the year | 62.77 | 42.71 | 63.83 | 43.95 |

(b) The above Cash Flow statement is prepared as per "Indirect method" specified in Ind AS 7 "Statement of Cash Flows"

Sanwale