



RAUNAQ EPC INTERNATIONAL LIMITED

(AN ISO 9001: 2008 Company)

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

August 30, 2019

The Manager (Listing)

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

STOCK CODE: 537840

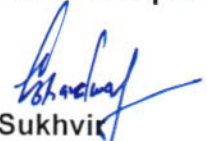
Sub: Compliance of Part-A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

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

You are requested to take the same on your records.

For Raunaq EPC International Limited


Sukhvir
Company Secretary



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

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PRESENT:

MEMBERS:

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

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

DIRECTORS:

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

IN ATTENDANCE:

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

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

Following registers were placed before the meeting:

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

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

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

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QUOTE:

Dear Ladies and Gentlemen,

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

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

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

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

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

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

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

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

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The Company's consolidated Sales and other Income was ₹ 98.83 Crores against ₹ 79.03 Crores in the previous year and a loss of ₹ 4.45 Crores against loss of ₹ 1.27 Crores in the last year.

Going forward, we intend to grow in our new focus areas of water distribution having strong belief in the EPC business complimented by our core competencies in project management and timely execution.

Before I conclude, I would like to thank our clients for their unstinted support and thank our business associates, bankers and all stakeholders for the trust they have reposed in the Company.

I would also like to convey my appreciation for the valuable advice of the Board Members and the management team; and for the committed dedication of all the employees across various locations.

With best regards,

Surinder Paul Kanwar
Chairman and Managing Director

UNQUOTE:

Thereafter, on the request of the Chairman, Mr. Sukhvir, Company Secretary read out the Auditors' Report before the Members present. With the permission of members present, the Notice of the 54th Annual General Meeting was taken as read.

The Chairman announced that voting by show of hands will not be available to the members, members can cast their votes by polling paper in terms of the Companies Act, 2013. The Company has provided remote e-voting facility to members to cast their vote. Those members attending the Annual General Meeting and eligible to vote were also given opportunity to vote through voting by Poll.

The Chairman informed the members that the Board of Directors of the Company in its meeting held on 22nd May, 2019 appointed Mr. Sanket Jain, Proprietor, M/s Sanket Jain & Co., Company Secretaries, Jhansi as Scrutinizer for the remote e-voting and poll process at the Annual General Meeting.

The Chairman further stated that the results of the resolutions passed at the Annual General Meeting shall be declared within prescribed time limits upon conclusion of the meeting upon receiving of the consolidated report of Remote E-voting and Poll process by the Scrutinizer and authorized Mr. Sukhvir, Company Secretary to announce the results.

Subsequently, the Chairman took up resolutions for the business(es) as set out at Item Nos. 1 to 5 of the notice of 54th Annual General Meeting as follows, for consideration of the members:

ORDINARY BUSINESS:

1. ADOPTION OF ANNUAL FINANCIAL STATEMENTS: ORDINARY RESOLUTION

Proposed by : Mr. Deepak Joshi
(DP ID Client ID: 1202990002407868)

Seconded by : Ms. Kiran Ghai (Folio No: 0001509)

"RESOLVED THAT the Audited Financial Statements as at 31 March, 2019, inclusive of Balance Sheet as at 31 March 2019 and the Statement of Profit & Loss and the Cash Flow Statement along with the notes forming part of the financial statements for the year ended on that date and the report of the Directors & Auditors thereon be and are hereby adopted."



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SPECIAL BUSINESS:

2. CONTINUATION OF MS. SEETHALAKSHMI VENKATARAMAN AS A NON-EXECUTIVE INDEPENDENT DIRECTOR ON THE BOARD OF THE COMPANY: SPECIAL RESOLUTION

Proposed by : Mr. Subhash Jain
(DP ID Client ID: 1201910100079441)

Seconded by : Ms. Jyoti Gupta
(DP ID Client ID: IN302822/10001783)

“RESOLVED THAT pursuant to the provisions of Section 149 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Regulations”), as amended, the consent and approval of the Company be and is hereby accorded to the Board (which includes a Committee, constituted for the time being in force thereof) for the continuation of Ms. Seethalakshmi Venkataraman (holding DIN 07156898) as a Non-Executive Independent Director of the Company w.e.f. 01 April, 2019 till the end of her current tenure upto the conclusion of the 55th Annual General Meeting (AGM) of the Company in the Calendar Year 2020, more particularly described in the explanatory statement forming part of this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board (which includes a Committee, constituted for the time being in force thereof) be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable or expedient for such purpose without being required to seek any further consent or approval of the shareholders and any such acts and things done or caused to be done by the Board (which includes a Committee, constituted for the time being in force thereof) prior to this date thereof are hereby ratified, confirmed and approved as the acts and deeds of the Company.

RESOLVED FURTHER THAT all actions taken by the Board or its Committee in connection with any matter(s) referred in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.”

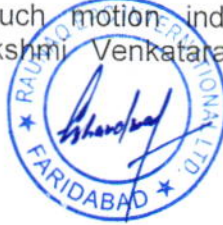
EXPLANATORY STATEMENT FORMING PART OF THE ABOVE RESOLUTION

The Members of the Company in their Annual General Meeting held on 30 July, 2015 approved the appointment of Ms. Seethalakshmi Venkataraman as a Non-Executive Independent Director of the Company 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 in terms of the provisions of Section 149 of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force).

In terms of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, No listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of 75 (seventy five) years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion indicates the justification for continuation of Ms. Seethalakshmi Venkataraman as a Non-Executive Independent Director.

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The Board of Directors of the Company on recommendation of the Nomination and Remuneration Committee, passed the resolution through circulation on 22 April, 2019 to approve the continuation of Ms. Seethalakshmi Venkataraman as a Non-Executive Independent Director of the Company w.e.f. 01 April, 2019 till the end of her current tenure upto the conclusion of the 55th Annual General Meeting (AGM) of the Company in the Calendar Year 2020 in terms of the provisions of Section 149 of the Companies Act, 2013, subject to the approval of members by way of special resolution as mandated under regulation 17 of the Regulations.

A brief profile along with the other details of Ms. Seethalakshmi Venkataraman along with the justification for the said continuation is appended herein below.

Brief Profile: Ms. Seethalakshmi Venkataraman, age 76 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.

During the financial year 2018-19, 4 (Four) meetings of the Board of Directors had been held and 3 (Three) meetings were attended by Ms. Seethalakshmi Venkataraman.

As on 31 March, 2019, she holds Nil (0.00%) Equity Shares in the Company.

Ms. Seethalakshmi Venkataraman is not a Member in any of the Committees of Board of Directors of the Company.

S. No.	Name of the Company/Entity in which interested	Committees Chairmanship/ Membership
NIL	NIL	NIL

Ms. Seethalakshmi Venkataraman has a diversified experience in the field of Human Resource and management and had a long tenure with NTPC Limited over 20 years. 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.

In view of her enriched experience and appreciable contribution, the approval of members by way of special resolution is being sought to continue Ms. Seethalakshmi Venkataraman as a Non-Executive Independent Director of the Company w.e.f. 01 April, 2019 till the end of her current tenure upto the conclusion of the 55th Annual General Meeting (AGM) of the Company in the Calendar Year 2020 in terms of the provisions of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Ms. Seethalakshmi Venkataraman fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. Accordingly, the Board recommends the

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resolution in relation to continuation of Ms. Seethalakshmi Venkataraman as a Non-Executive Independent Director w.e.f. 01 April, 2019, for the approval of the shareholders.

Except Ms. Seethalakshmi Venkataraman, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 02 of the Notice.

INSPECTION OF DOCUMENTS

All resolutions passed in this regard are available for inspection by the Members of the Company at its Registered Office during the office hours between 11:00 A.M. to 01:00 P.M. on all working days except Sundays upto the date of Annual General Meeting and shall also be available at the venue of the meeting.

3. APPOINTMENT OF MR. RAJIV CHANDRA RASTOGI, ADDITIONAL DIRECTOR OF THE COMPANY, AS AN INDEPENDENT DIRECTOR ON THE BOARD OF THE COMPANY: ORDINARY RESOLUTION

Proposed by : Mr. Rakesh Kumar
(DP ID Client ID: 1201410000010225)
Seconded by : Ms. Savita Rani
(DP ID Client ID: IN300206/11044534)

“RESOLVED THAT Mr. Rajiv Chandra Rastogi (holding DIN 00035460), who was appointed as an Additional Director of the Company by the Board of Directors in the capacity of Independent Director w.e.f. 22 April, 2019, in terms of Section 161(1) of the Companies Act, 2013 and Article 164 of the Articles of Association (AOA) of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying their intention to propose Mr. Rajiv Chandra Rastogi as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term upto the conclusion of the 59th Annual General Meeting of the Company in the calendar year 2024 pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013.”

EXPLANATORY STATEMENT FORMING PART OF THE ABOVE RESOLUTION

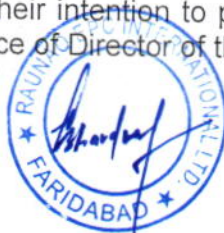
Mr. Rajiv Chandra Rastogi, aged 67 years has been appointed as an Additional Director in the capacity of Independent Director w.e.f. 22 April, 2019. Mr. Rajiv Chandra Rastogi, is a Commerce graduate from University of Delhi. He has a wide exposure of different aspects of industry.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Rajiv Chandra Rastogi being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of five consecutive years up to the conclusion of the 59th Annual General Meeting of the Company.

A notice has been received from a member under Section 160 of the Companies Act, 2013 signifying their intention to propose Mr. Rajiv Chandra Rastogi as a candidate for the office of Director of the Company.

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In the opinion of the Board, Mr. Rajiv Chandra Rastogi fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Rajiv Chandra Rastogi as an Independent Director, for the approval by the shareholders.

Mr. Rajiv Chandra Rastogi has vast knowledge and experience of sector in which company operates which will ensure sound decision making at level of the Board as a whole.

As on 22 April, 2019, he holds nil (0.00%) Equity Shares in the Company.

Except Mr. Rajiv Chandra Rastogi, being an appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 03 of the Notice.

INSPECTION OF DOCUMENTS

All resolutions passed in this regard are available for inspection by the Members of the Company at its Registered Office during the office hours between 11:00 A.M. to 01:00 P.M. on all working days except Sundays upto the date of Annual General Meeting and shall also be available at the venue of the meeting.

Dr. Sanjeev Kumar, Director took the Chair for Item No. 04 and Item No. 05 as Mr. Surinder Paul Kanwar was a Director interested in the resolutions proposed thereat.

4. PAYMENT OF REMUNERATION TO MR. SACHIT KANWAR, JOINT MANAGING DIRECTOR OF THE COMPANY FOR A FURTHER PERIOD OF 2 (TWO) YEARS W.E.F. 01ST JUNE, 2019 FOR HIS PRESENT TENURE: SPECIAL RESOLUTION

Proposed by : Ms. Sunita Kumari (Folio No. 0001189)

Seconded by : Ms. Anita Jain (DP ID Client ID: 1204980000156962)

“RESOLVED THAT pursuant to the provisions under Section 196, 197, 198, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) including any statutory amendments, modifications or re-enactment thereof, the consent of the Shareholders be and is hereby accorded for the payment of maximum permissible remuneration as specified in Section II of Part II of Schedule V of the Companies Act, 2013 to Mr. Sachit Kanwar, Joint Managing Director of the Company w.e.f. 01 June, 2019 for a further period of 2 (Two) years on such terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and as set out in the explanatory statement which forms part of this resolution notwithstanding that the remuneration may exceed the limits prescribed in the provisions of Section 197, 198 and within the limits prescribed under Schedule V to the Companies Act, 2013 in case of no profits/inadequate profits.

RESOLVED FURTHER THAT the remuneration as set out in the explanatory statement which forms part of this resolution, payable to Mr. Sachit Kanwar, Joint Managing Director for a period of 2 (Two) years w.e.f. 01 June, 2019, is subject to the condition that:

- a) the total remuneration payable in any financial year by way of salary, perquisites, commission and other allowances shall not exceed the overall limit of five percent (5%) of the net profits of the Company as applicable to each of the Managing/Whole time Directors of the



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Company and/or ten percent (10%) of the net profits of the Company for all Managing/Whole-time Directors in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V (including any statutory amendments, modifications or re-enactments thereof, for the time being in force) or

- b) if the Remuneration exceeds the limits as prescribed in the provisions of Section 197, 198 of the Companies Act, 2013, the remuneration payable shall be within the maximum permissible limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 in case of no profits/ inadequate profits.

RESOLVED FURTHER THAT notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/ re-enactment thereof or any revised/new schedule thereof, in the event of absence of profits or inadequate profits in any financial year, the salary, perquisites and statutory benefits, as set out in the explanatory statement which forms a part of this resolution, be paid as minimum remuneration to Mr. Sachit Kanwar, Joint Managing Director.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit."

EXPLANATORY STATEMENT FORMING PART OF THE ABOVE RESOLUTION

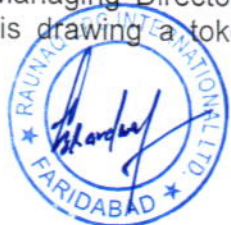
Mr. Sachit Kanwar, aged 36 years has been appointed as the Joint Managing Director of the Company on 01 June 2011. He has a Bachelor's Degree in Administrative Studies from York University, Atkinson Faculty of Liberal & Professional Studies, Toronto, Ontario, Canada. After completing his graduation in the year 2004, he worked as Corporate Sales/Lease Portfolio Manager, Airport Kia, Toronto, Ontario, Canada for a period of four years, where he got the experience in the fields such as dealership sales, lease portfolio management, fleet management sales and service management etc.

He has been affiliated with the Company as a member of the Board of Directors since 23 March, 2009 and from then the Company has been taking the advantage of his guidance and supervision. He has an experience of about 15 years.

Further, Mr. Sachit Kanwar has inherited an enormous legacy and shouldered higher assignments during his tenure with the Company. His sincerity, commitment and ideas have resulted in the opening up of new opportunities for the Company. The Company has performed outstandingly well under his supervision and the Company is aggressively gearing up to capture huge growth opportunities in water distribution with increased focus on Turnover and widening the customer base. Mr. Sachit Kanwar has been associated with the Company since 2008 and has rendered valuable services to the Company.

Mr. Sachit Kanwar is also the Managing Director of Xlerate Driveline India Limited (XDIL), from where he is drawing a token remuneration of ₹ 1.00 (Rupee One only) per month.

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During the financial year 2018-19, 4 (Four) meetings of the Board of Directors had been held and all the meetings were attended by Mr. Sachit Kanwar.

As on 22 May, 2019, he does not hold any shares in the Company and Mr. Surinder Paul Kanwar, Chairman and Managing Director of the Company is father of Mr. Sachit Kanwar.

Mr. Sachit Kanwar does not hold the position of Chairman of any of the Committee of Board of the Company. He is a Member of Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Finance Committee of the Company.

Mr. Sachit 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.	Xlerate Driveline India Limited	Finance Committee- Member

Mr. Sachit Kanwar holds Directorship in the following Public/Private Limited Companies:

S. No.	Name of the Company/Entity in which interested
1.	Vibrant Finance & Investment Private Limited
2.	Cliplok Simpak India Private Limited
3.	Gulab Merchandise Private Limited

Mr. Sachit Kanwar had been re-appointed as the Joint Managing Director of the Company for a period of 5 (Five) years w.e.f. 01 June, 2016 in the Annual General Meeting held on 03 August, 2016 along with a remuneration for a period of 3 (Three) years w.e.f. 01 June, 2016 and the same was approved by the shareholders in the Annual General Meeting held on 03 August, 2016.

However, Mr. Sachit Kanwar was drawing a maximum remuneration of ₹ 84.00 Lakhs p.a. for a period of 3 (Three) years w.e.f. 01 June, 2016 as per the then prevailing Section II of Part II of Schedule V to the Companies Act, 2013 in reference to the Shareholders approval granted in the Annual General Meeting of REIL held on 03 August, 2016.

Further, the Board of Directors of the Company in its meeting held on 22 May, 2019 approved the payment of remuneration to Mr. Sachit Kanwar, Joint Managing Director for the remaining period of 2 (Two) years of his tenure w.e.f. 01 June, 2019 as recommended by the Nomination and Remuneration Committee in its meeting held on 22 May, 2019 in terms of Section 197, 198, Schedule V and any other applicable provisions of the Companies Act, 2013.

Further, as per the amended Schedule V of the Companies Act, 2013, the maximum remuneration payable to the managerial person in the applicable slab for the Company is ₹ 84 Lakhs p.a. and the remuneration in excess of the same may be paid if the resolution passed by the Shareholders in this regard is a special resolution.

Seeing the current market scenario and business operations of the Company, it was decided by the Board in their meeting held on 22 May, 2019 to reduce the remuneration of Mr. Sachit Kanwar from ₹ 84.00 Lakhs p.a. to ₹. 72.00 Lakhs p.a.

Accordingly, the Board of Directors of the Company in its meeting held on 22 May, 2019 approved the payment of remuneration to Mr. Sachit Kanwar, Joint Managing Director for the period of 2 (Two) years of his tenure w.e.f. 01 June, 2019, as recommended by the Nomination and Remuneration Committee in its meeting held on even date, in terms of the provisions of



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Section 197, 198, Schedule V and any other applicable provisions of the Companies Act, 2013, at the terms and conditions set out below:

A. Salary: ₹ 58,00,000/- (Rupees Fifty Eight Lakhs Only) per annum
Perquisites: ₹ 14,00,000/- (Rupees Fourteen Lakhs Only) per annum

pursuant to the approval of the shareholders 50% (Fifty Percent) of which shall be paid by the Company and 50% (Fifty Percent) shall be paid by Xlerate Driveline India Limited, in which Mr. Sachit Kanwar holds the office of the Managing Director as per the following details, provided that the total remuneration drawn from the Companies shall not exceed the aforesaid higher maximum limit admissible from any one of the Company or XDIL in terms of Section V of Schedule V to the Companies Act, 2013.

(₹)

S. No.	Name of Company	Salary (Per Annum)	Perquisites (Per Annum)	Total
1.	Xlerate Driveline India Limited	29,00,000.00	7,00,000.00	36,00,000.00
2.	Raunaq EPC International Limited	29,00,000.00	7,00,000.00	36,00,000.00
Maximum Permissible Limit		58,00,000.00	14,00,000.00	72,00,000.00

A. The Joint Managing Director shall also be eligible to the following perquisites which shall not be included in the computation of ceiling on remuneration specified in the said Part II Section IV of Schedule V of the Companies Act, 2013:

- Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- Encashment of the leave at the end of the tenure.

B. Other terms:

- He shall be entitled to re-imbusement of actual out-of-pocket expenses incurred in connection with the business of the Company.
- He shall be entitled to re-imbusement of entertainment expenses incurred for the business of the Company.
- As long as he functions as Joint Managing Director, he shall not be paid any sitting fees to attend any meeting of the Board and/or Committee thereof.
- He shall be entitled to earned/privileged leave as per the Rules of the Company.
- Subject to the superintendence, control and direction of the Board of Directors of the Company, he shall perform such duties and functions as would be commensurate with his position as the Joint Managing Director of the Company and as may be delegated to him from time to time.
- He shall not be liable to retire by rotation.

The Company shall pay the above said remuneration to Mr. Sachit Kanwar, Joint Managing Director upon the approval of the Shareholders.

Further, pursuant to the provisions of Sections 117(3), 196(4), 197, Schedule V as applicable and other applicable provisions, if any, of the Companies Act,

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2013, the said terms & conditions of remuneration shall be placed for the approval of the Shareholders in the Annual General Meeting.

Therefore, the Board of Directors of your Company recommends the passing of Special Resolution as set out at Item No. 4 of the Notice.

Except Mr. Sachit Kanwar, himself and his father, Mr. Surinder Paul Kanwar, Chairman & Managing Director of the Company, no other Director or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the passing of the above resolution(s) as set out in Item No. 04 of the notice.

INSPECTION OF DOCUMENTS

All resolutions passed in this regard are available for inspection by the Members of the Company at its Registered Office during the office hours between 11:00 A.M. to 01:00 P.M. on all working days except Sundays upto the date of Annual general Meeting and shall also be available at the venue of the meeting.

5. SALE OF EQUITY SHARES HELD BY THE COMPANY IN XLERATE DRIVELINE INDIA LIMITED: SPECIAL RESOLUTION

Proposed by : Ms. Sunita Kumari (Folio No. 0001189)

Seconded by : Mr. Prabhawati Singh (Folio No. 0001998)

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and 188(1) of the Companies Act, 2013, read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 and any other relevant rules under the Companies Act, 2013 as amended from time to time; and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force) and Regulation 23 and 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other law for the time being in force, and subject to consents, approvals and/or permissions of relevant authorities as may be required, the consent of the Company be and is hereby accorded to the Board of Directors to transfer by way of sale, 1,48,77,038 (One Crore Forty Eight Lacs Seventy Seven Thousand and Thirty Eight) Equity shares constituting 100% of the equity paid-up capital of Xlerate Driveline India Limited, wholly owned subsidiary company for a total consideration of ₹ 9,42,00,000 (Rupees Nine Crores Forty Two Lakhs Only) to Bharat Gears Limited, a group company in one or more tranches.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company or a Committee thereof, be and is hereby authorized to take such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed sale and further to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith”.

EXPLANATORY STATEMENT FORMING PART OF THE ABOVE RESOLUTION

The Company has a Wholly Owned Subsidiary Company, Xlerate Driveline India Limited with an investment of 1,48,77,038 Equity Shares of face value of ₹ 10 each. Xlerate Driveline India Limited is into the business of Manufacturing and trading of Automotive clutches which is a non-core business for the Company as the Company has been in the EPC business for the more than four decades.



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Bharat Gears Limited one of the group Company and a related party who is one of the leading gear manufacturer in India and is an established name in the auto component industry, has shown keen interest in acquiring the Xlerate Driveline India Limited which has a similar line of business. Bharat Gears Limited has offered to buy the said 1,48,77,038 Equity Shares for a total consideration of ₹ 9.42 Crores i.e. at a price around ₹ 6.33 per share. The fair value of the equity shares of Xlerate Driveline India Limited is ₹ 6.33 per share computed by Keynote Financial Services Limited, a SEBI Registered Merchant Banker, whose valuation report was considered and taken on record by the Board of Directors of the Company at its meeting held on 04 July 2019. Further, Board of Directors of the Company on the even date has approved the disposal of the Company's entire stake in Xlerate Driveline India Limited subject to the approval of the members.

Your directors believe that selling the entire stake in Xlerate Driveline India Limited would be beneficial to your Company in the long term, as the proceeds of the stake sale partly could be utilised to pay off the debts which will drastically bring down the financial burden on the Company and rest of the funds can be utilised in procuring the projects in the Water sector and bidding across international borders.

The proposed sale of investments held by the Company in Xlerate Driveline India Limited may amount to disposal of substantially whole of the undertaking which requires the consent of the Company by a Special Resolution under section 180(1)(a) of the Companies Act, 2013 and Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

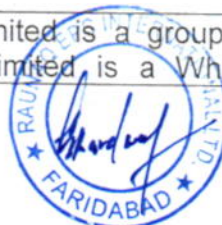
The Acquirer is a related party to your Company in terms of Section 2(76) of the Companies Act, 2013, and accordingly as required under Section 188 of the Companies Act, 2013 read along with Companies (Meeting of the Board and its Powers) Rules 2014, Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and our Policy on the Related Party Transactions, the proposed transaction with Acquirer shall be treated as a material Related Party Transaction which warrants your Company to seek for approval of the members by means of Ordinary Resolution. All related parties shall abstain from voting on the transaction pursuant to the provisions of the proviso to Section 188 of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The particulars of the transaction pursuant to the provisions of Section 188 of the Companies Act, 2013 read with Rule 15(3) of Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

Name of the related party	Bharat Gears Limited (Acquirer) and Xlerate Driveline India Limited (Target Company)
Name of the director or key managerial personnel who is related, if any	Mr. Surinder Paul Kanwar, Chairman and Managing Director is the Chairman and Managing Director of Bharat Gears Limited. Mr. Surinder Paul Kanwar Chairman and Managing Director, Mr. Sachit Kanwar, Joint Managing Director, Dr Sanjeev Kumar, Independent Director and Mr. Rajiv Chandra Rastogi, Independent Director are directors on the Board of the Target Company. Mr. Sachin Mittal and Mr. Sukhvir are the Chief Financial Officer and Company Secretary of the Target Company respectively.
Nature of relationship	Bharat Gears Limited is a group company and Xlerate Driveline India Limited is a Wholly Owned Subsidiary

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	Company and are related parties within the meaning of Section 2(76)(v) of the Companies Act, 2013.
Nature, material terms and monetary value of the contract or arrangement	The Contract/arrangement pertaining to the sale of shares by Raunaq EPC International Limited in Xlerate Driveline India Limited to Bharat Gears Limited as mentioned in the resolution no. 05 and its explanatory statement. The total consideration proposed for the said acquisition is ₹ 9.42 Crores i.e. around ₹ 6.33 per share which is as per the fair value of ₹ 6.33 per share computed by Keynote Financial Services Limited, Merchant Bankers
Any other information relevant or important for the members to take a decision on the proposed resolution	None

Therefore, the Board of Directors of your Company recommends the passing of the resolution in Item No. 05 of the Notice as a Special Resolution u/s 180(1)(a) and 188 of the Companies Act, 2013.

Except Mr. Surinder Paul Kanwar and his son Mr. Sachit Kanwar, none of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 05 of the Notice.

INSPECTION OF DOCUMENTS

All resolutions passed in this regard and the Valuation Report are available for inspection by the Members of the Company at its Registered Office during the office hours between 11:00 A.M. to 01:00 P.M. on all working days except Sundays upto the date of the Annual General Meeting and shall also be available at the venue of the Meeting.

Conduct of Poll

Mr. Sanket Jain, Proprietor of M/s Sanket Jain & Co., Company Secretaries, Jhansi, Scrutinizer appointed for the purpose assisted the members for casting their votes through Poll. Before start of voting on Poll, the Polling papers were distributed to the Members and proxies. Empty Ballot box was shown to the Members and thereafter the Ballot Box was locked and sealed in the presence of Members and proxies. After ensuring that all members and proxies participating in the Poll had casted their votes, the Scrutinizer closed the Poll. The Scrutinizer then took custody of ballot box.

Results of the Remote Electronic Voting and Poll on the Ordinary and Special Business(es) at the Annual General Meeting of the Company held on Monday, 05th August, 2019

The Consolidated report on remote e-voting along with the results of the Poll received from the Scrutinizer:

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[Handwritten Signature]

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**CONSOLIDATED REPORT OF SCRUTINIZERS
FOR VOTING THROUGH REMOTE E-VOTING AND BALLOT PAPERS**

[Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended]

To,

The Chairman

**Annual General Meeting of the Equity Shareholders of
Raunaq EPC International Limited
20 K.M. Mathura Road,
P.O. Amar Nagar
Faridabad – 121003, Haryana**

For 54th Annual General Meeting of the Members of Raunaq EPC International Limited held on Monday, 5th August, 2019 at 11.30 A.M. at Faridabad Industries Association, FIA House, Bata Chowk, Faridabad – 121001 (Haryana)

Sub: Passing of the Resolution(s) through Electronic Voting And Voting through Ballot Paper pursuant to Section 108 and 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended

I, Sanket Jain (Practicing Company Secretary, C.P. No. 12583), Proprietor of M/s Sanket Jain & Co., Company Secretaries was appointed as the Scrutinizer by the Board of Directors of Raunaq EPC International Limited (the Company) vide resolution dated May 22, 2019, for the purpose of scrutinizing the voting by electronic means (Remote e-voting) and voting through Ballot Paper carried by the Company pursuant to Section 108 and 109 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, as amended, on all the resolution(s) contained in the notice to the Annual General Meeting (AGM) dated July 4, 2019 of the Equity Shareholders of Raunaq EPC International Limited held on August 5, 2019 at 11:30 A.M. at Faridabad Industries Association, FIA House, Bata Chowk, Faridabad – 121001 (Haryana).

The Company has appointed Link Intime India Private Limited (LIPL) to provide the facility of casting the votes by the members using an electronic voting system from a place other than the AGM of the Company (Remote e-voting). As on cut-off date, i.e. July 29, 2019, there were 2,639 shareholders of the Company and the total paid-up share capital of the Company was Rs. 3,34,32,430 (Rupees Three Crore Thirty Four Lakhs Thirty Two Thousand Four Hundred Thirty Only) divided into 33,43,243 (Thirty Three Lakhs Forty Three Thousand Two Hundred Forty Three) equity shares of Rs.10/- (Rupees Ten only) each.

The Company completed the dispatch of the Notice of the Meeting to the Equity Shareholders of the Company by Courier on July 10, 2019. The Service Provider had sent notices of the AGM by email to 1,138 shareholders whose email id was available. The Notice of the Meeting is also available on the website of the Company.

The Company has published on July 11, 2019 an advertisement about the dispatch of the AGM Notice and other relevant information in "Financial Express" (English newspaper) and "Jansatta" (Hindi newspaper) – Delhi editions.

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