



RAGHUNATH INTERNATIONAL LIMITED



FIFTEENTH ANNUAL REPORT
2008-2009



RAGHUNATH INTERNATIONAL LIMITED

BOARD OF DIRECTORS:	MR. G.N. CHOUDHARY, Chairman (Director) MR. SHIV PRAKASH TRIVEDI, Director MR. SAMAR BHADUR SINGH, Director MR. MANISH BHATIA, Director MR. DURGESH KUMAR, Director
AUDITORS	KUMAR PIYUSH & CO. Chartered Accountants C-5, Lajpat Nagar, Phase-III, New Delhi - 110024
REGISTERED OFFICE:	Mandhana Bithoor Road, Village Choudhaipur, Bithoor, Kanpur - 209 201
CORPORATE OFFICE:	6926, Jaipuria Mills, Clock Tower, Subzi Mandi, Delhi - 110 007
HEAD OFFICE:	123/778, Fazalganj, Kanpur (U.P.)
SHARE TRANSFER AGENT:	LINK INTIME INDIA PRIVATE LIMITED, A-40, 2nd Floor, Naraina Industrial Area, Phase-II, Near Batra Banquet Hall, New Delhi - 110 028

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RAGHUNATH INTERNATIONAL LIMITED

NOTICE

NOTICE is hereby given that the **Fifteenth Annual General Meeting** of the Members of RAGHUNATH INTERNATIONAL LIMITED will be held on Wednesday, the 30th September, 2009 at 11.00 A.M. at the Registered Office of the Company at Mandhana Bithoor Road, Village Choudharipur, Bithoor, Kanpur-209201 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2009 and the Balance Sheet as at that date and the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Manish Bhatia who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s Kumar Piyush & Co., Chartered Accountants, retiring Auditors are eligible for re-appointment.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Durgesh Kumar who was appointed as an Additional Director of the Company and who holds office up to the date of this Annual General Meeting and is eligible for appointment and has given his consent, be and is hereby appointed as Director of the Company."

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By Order of the Board

Place: Delhi
Dated: June 30, 2009

(G.N. Choudhary)
Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Link Intime India Private Limited, A-40, 2nd Floor, Naraina Industrial Area, Phase- II, Near Batra Banquet Hall, New Delhi-110028 is the Registrar and Share Transfer Agent for physical shares of the Company. Link Intime India Private Limited is also the depository interface of the Company with both NSDL and CDSL.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 16, 2009 to Wednesday, September 30, 2009 (both days inclusive).
4. Members/Proxies should bring the attendance slips duly filled in and signed for attending the meeting.
5. Members, who are holding shares in the identical order of names in more than one folio, are requested to write to the Company to enable it to consolidate their holding in one folio.
6. As per the provisions of the Companies Act, 1956, facility for making nomination is available for Members of the Company in respect of shares held by them. Members who wish to nominate a person, may furnish the required details to the Company in prescribed form.

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EXPLANATORY STATEMENT (PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956)

ITEM NO. 4

Shri Durgesh Kumar was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956. The Company has received a Notice from a Member in terms of Section 257 of the Companies Act, 1956 proposing the candidature of Shri Durgesh Kumar as a Director of the Company.

None of the directors, except Mr. Durgesh Kumar himself, is concerned or interested in the proposed resolution.

By Order of the Board

Place: Delhi
Dated: June 30, 2009

(G.N. Choudhary)
Director





RAGHUNATH INTERNATIONAL LIMITED

DIRECTORS' REPORT

To
The Members of Raghunath International Limited

Your Directors have pleasure in presenting the Fifteenth Annual Report of the Company together with the Audited Accounts of the Company for the year ended March 31, 2009.

FINANCIAL RESULTS

The highlights of the Financial Results are as under:

(Rupees in Lakhs)

PARTICULARS	Year ended 2008-2009	Year ended 2007-2008
Sales and Other Income (Gross)	686.81	815.35
Profit/(Loss) before Interest and Depreciation	66.36	57.28
Less: Finance Charges	(18.85)	(10.87)
Less: Depreciation	(13.51)	(16.87)
Profit/(Loss) for the Year	34.00	29.54
Add/(Less): Extraordinary Items	7.61	7.09
Less: Fringe Benefit Tax	(1.06)	(1.23)
Less: Provision for Income Tax	(9.15)	(5.03)
Less: Provision for Wealth Tax	(0.12)	(0.21)
Add/(Less): Deferred Tax Assets/ (Liability)	(0.05)	(0.16)
Net Profit/(Loss) for the Year	31.21	30.00
Add: Balance brought forward	132.49	107.49
Amount available for appropriation	163.70	137.49
Appropriation:		
Transfer to General Reserves	5.00	5.00
Surplus carried to the Balance Sheet	158.70	132.49

OPERATIONS

During the year under review, the Sales and Other Income of the Company decreased to Rs. 686.81 lacs as compared to 815.35 lacs in the previous year. However the Company was able to earn profit of Rs. 31.21 lacs as against profit of Rs. 30.00 lacs in the previous year. The net profit of the company enhanced to Rs. 31.21 lacs in comparison to Rs. 30.00 lacs in the previous year registering a growth of 4.03%.

The Company will focus on real estate and allied business and will formulate its strategies accordingly.

DIVIDEND

With a view to conserve resources, the Board of Directors considered it expedient not to recommend any dividend during the financial year.

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DIRECTORS

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Manish Bhatia is liable to retire by rotation and is eligible for re-appointment.

Mr. Durgesh Kumar was appointed as Additional Director w.e.f. 20th January, 2009 and eligible for appointment as Director of Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 217 (2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the annual accounts for the financial year ended 31st March, 2009, the applicable accounting standards had been followed and no material departure have been made from the same;
- (ii) That 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 at the end of the financial year and of the profit of the Company for the year under review;
- (iii) That Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That Director has prepared the annual accounts for the financial year ended 31st March, 2009, on 'going concern' basis.

DEMATERIALIZATION OF EQUITY SHARES

The Company's equity shares are available for trading in the Depository systems of both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). The International Security Identification Number (ISIN) allotted by NSDL and CDSL to the Company is INE753B01014. The Dematerialisation status of the Company as on March 31st, 2009 is as under:-

Particulars	Nos. of Shares	Percentage
Electronic Mode		
NSDL	26,06,725	52.13
CDSL	4,48,695	8.98
	30,55,420	61.11
Physical Mode	19,44,780	38.89
Total:	50,00,200	100.00

CORPORATE GOVERNANCE

Your Company has successfully implemented the mandatory provisions of Corporate Governance in accordance with the provisions of Clause 49 of the Listing Agreement of the Stock Exchanges. Separate Reports on Corporate Governance and Management Discussion & Analysis are included in the Annual Report and Certificate dated June 30, 2009 of the Auditors of your Company confirming the compliance of conditions of Corporate Governance is also annexed thereto.



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PARTICULARS OF EMPLOYEES

There was no employee in respect of whom information is required to be given pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended up-to-date.

AUDITORS

M/s. Kumar Piyush & Co. Chartered Accountants, the Statutory Auditors, will retire at the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

AUDITORS' REPORT

In respect of observation made by the Auditors in their Report, your Directors wish to state that the respective notes to the accounts are self-explanatory, and do not call for any further comments.

INDUSTRIAL RELATIONS

During the year under review, your Company had cordial and harmonious relations at all levels of the Organization.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any fixed deposits from the public within the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under.

SUBSIDIARY COMPANY

There was no Subsidiary Company during the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

The information required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is attached hereto as Annexure-'A' and forms part of the Directors' Report.

ACKNOWLEDGEMENTS:

The Directors acknowledge with gratitude, the co-operation and assistance received from the Government, Banks, Authorities and other Business Constituents. The Directors would also like to thank the employees, shareholders, customers and suppliers for their continuous support given by them to the Company and their confidence in the Management.

For and on behalf of the Board

Place: Delhi
Date: June 30, 2009

Sd/
(G. N. Choudhary)
Director

Sd/-
(Manish Bhatia)
Director

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CORPORATE GOVERNANCE REPORT

1. The Company's Philosophy on Code of Corporate Governance

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stem from the culture and mindset of the organization. The Company believes that good Corporate Governance practices should be enshrined in all activities of the Company. This would ensure efficient conduct of the affairs of the Company and help the Company achieve its goal of maximizing value for all its stakeholders. The Company has a strong legacy of fair, transparent and ethical governance.

The Company recognizes that good Corporate Governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all the stakeholders.

2. Board of Directors

Composition as on March 31, 2009

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The Board consists of 5 Directors, out of which 4 are Independent Directors. The Chairman of the Company is a Whole-time Director. The Composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

Name	Category	No. of Directorships held in other Public Limited Companies	No. of Board Committee position held in other Public Limited Companies	
			Chairman	Member
Mr. Gajanand Choudhary	Executive, Whole Time Director	-	-	-
Mr. Manish Bhatia	Non-Executive Independent Director	-	-	-
Mr. Samar Bahadur Singh	Non-Executive Independent Director	-	-	-
Mr. Shiv Prakash Trivedi	Non-Executive Independent Director	-	-	-
Mr. Durgesh Kumar	Non-Executive Independent Director	-	-	-

3. Board Meetings

The Board held 19 (Nineteen) Meetings during the year 2008-2009 on 07.04.2008, 10.04.2008, 01.05.2008, 05.05.2008, 15.05.2008, 02.06.2008, 21.06.2008, 30.06.2008, 31.07.2008, 30.08.2008, 01.09.2008, 30.09.2008, 31.10.2008, 20.11.2008, 20.01.2009, 31.01.2009, 01.02.2009, 28.02.2009, 31.03.2009.

Attendance of Directors at Board Meetings and at the Annual General Meeting

Name of the Director	No. of Board Meetings Attended	Whether Attended the Last AGM
Mr. Gajanand Choudhary	19	Yes
Mr. Atal Bihari Bajpai*	02	No
Mr. Samar Bahadur Singh	19	Yes
Mr. Shiv Prakash Trivedi	19	Yes
Mr. Manish Bhatia**	17	Yes
Mr. Durgesh Kumar***	05	No

* Mr. Atal Bihari Bajpai resigned from directorship on 5th May, 2008.

** Mr. Manish Bhatia appointed on 1st May, 2008.

*** Mr. Durgesh Kumar appointed on 20th January, 2009



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The Board ensures compliance of all laws applicable to the Company and takes steps to rectify non-compliances, if any.

4. Committees of the Board

(i) Audit Committee

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreements with the Stock Exchanges. The terms of the reference of the Audit Committee are as per the Guidelines set out in the Listing Agreement with the Stock Exchanges that inter-alia include the overview of the Company's financial reporting processes, review of quarterly, half-yearly and annual financial statements, review of adequacy of internal control systems, review of financial and risk management policies and review of significant finding and adequacy of internal control system etc.

Composition and Attendance

During the year 2008-2009, 5 (Five) Meetings of the Audit Committee were held on 10.04.2008, 30.06.2008, 31.07.2008, 31.10.2008 and 31.01.2009

Name of the Member	Category	No. of Meetings Attended
Mr. Atal Bihari Bajpai (Chairman)	Non-Executive Independent	1
Mr. Manish Bhatia ** (Chairman)	Non-Executive Independent	4
Mr. Shiv Prakash Trivedi	Non-Executive Independent	5
Mr. Samar Bahadur Singh	Non-Executive Independent	5

* Mr. Atal Bihari Bajpai has resigned from the directorship w.e.f. 5th May, 2008.

** Mr. Manish Bhatia has been appointed on the Board and also as a committee member w.e.f. 1st May, 2008

The Members of the Audit Committee have requisite knowledge in the field of Finance, Accounts and Management. Minutes of each Meeting of Audit Committee are placed and discussed before the Board of Directors. The representative of Statutory Auditors attends the meetings of Audit Committee.

(ii) Remuneration Committee

The terms of reference of Remuneration Committee are as per the Guidelines set out in the Listing Agreement with the stock exchange(s), falling under the category of non-mandatory requirements of Corporate Governance that inter alia includes formulation and recommendation to the Board from time to time, a remuneration structure for the Whole-time Members of the Board.

Composition of Remuneration Committee

Name	Category
Mr. Shiv Prakash Trivedi (Chairman)	Non-Executive, Independent
Mr. Manish Bhatia	Non-Executive, Independent
Mr. Samar Bahadur Singh	Non-Executive, Independent

No Meetings of Remuneration Committee was held during the year.

Remuneration Policy

The Remuneration Committee determines and recommends to the Board, the remuneration of the Directors and the same is subject to the approval of Members.

The key components of the Company's Remuneration policy are:

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- Remuneration will be a major driver of performance.
- Remuneration will be transparent, fair and simple to administer.
- Remuneration is determined in accordance with experience and nature of responsibilities.
- Remuneration will be fully legal and tax compliant.

At present, the Company is not paying remuneration / sitting fees to its Non-Executive Directors. However, remunerating the Non Executive Directors by way of payment of sitting fee is under consideration. Non Executive Directors do not hold any shares of the Company

The salary paid during the year ended 31st March, 2009 to Mr. G.N. Choudhary, Whole-time Director is Rs. 4, 48,800/-

The detail of service contract of Whole-time Director of the Company is as under:

Name	Date of Appointment	Tenure	From	To
Mr. G.N. Choudhary	31st March, 2007	5 years	31st March, 2007	30th March, 2012

- Notice period as per Company's Rules.
- No Severance Fee and Stock is payable.

(iii) Shareholders/Investors' Grievance Committee:

The terms of reference of Shareholders/Investors' Grievance Committee are as under

- a. Approval of requests received for transfer/transmission of shares including dematerialization/ rematerialization of securities.
- b. Approval of requests received for issue of duplicate certificates.
- c. Rejection of requests for share transfers, wherever applicable.
- d. Redressal of serious complaints received from shareholders/investors on non-receipt of shares after transfer in the physical form, complaints on Non-receipt of Balance Sheet, dividend etc.

Composition of Shareholders/ Investors' Grievance Committee

Name	Category
Mr. Samar Bahadur Singh (Chairman)	Non-Executive, Independent
Mr. Shiv Prakash Trivedi	Non-Executive, Independent
Mr. Manish Bhatia	Non-Executive, Independent

Shareholders/Investors' Grievance Committee Meetings

The Committee held 19 (Nineteen) Meetings during the year 2008-2009 on 15.04.2008, 30.04.2008, 15.05.2008, 31.05.2008, 16.06.2008, 30.06.2008, 15.07.2008, 30.08.2008, 12.09.2008, 01.10.2008, 15.10.2008, 31.10.2008, 15.11.2008, 01.12.2008, 31.12.2008, 15.01.2009, 31.01.2009, 16.02.2009, 16.03.2009.

Details of Complaints received during the year:

Nature of Complaint	2008 – 2009		
	Received	Cleared	Pending
Non receipt of Share Certificate duly transferred	-	-	-
Non-receipt of Annual Report	-	-	-