



RAGHUNATH INTERNATIONAL LIMITED

NOTICE

NOTICE is hereby given that the **Eighteenth Annual General Meeting** of the Members of RAGHUNATH INTERNATIONAL LIMITED will be held on Saturday, the 29th September, 2012 at 11.00 A.M. at the Registered Office of the Company at Mandhana Bithoor Road, Village Chaudharipur, 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, 2012 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 Shiv Prakash Trivedi who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Manish Bhatia , who retires by rotation and being eligible, offers himself for re-appointment
4. 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

5. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to Sections 198, 269, and 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, or any statutory modifications or re-enactment thereof, for the time being in force, and subject to the approval of members in the general meeting and such other sanctions and approvals as may be necessary, approval of the board be and is hereby accorded to the re-appointment of Mr. G.N. Choudhary as Whole Time Director (WTD) of the Company for a further period of five years, with effect from March 31st, 2012 on the following terms and conditions, which has been approved by the Remuneration Committee at their meeting held on March 31st , 2012 in accordance with the provisions of Part II, Section II of Schedule XIII to the Companies Act, 1965."
 1. Salary: Gross Monthly Salary Rs. 52,625/- (Rupees Fifty Two Thousand Six Hundred Twenty Five only).
 2. Perquisites: Whole time Director shall not entitled to the any perquisite and other benefits except house rent allowance and free uses of car with Driver for the Company's business and all the expenditure in connection there with to be borne by the Company.
 3. Increment: As per Company norms.

OTHER TERMS

- (a) Reimbursement of the travelling, entertainment and other expenses incurred by him during the course of business of the Company.
- (b) He is not entitled to sitting fees for the meeting of the Board of Directors or of the committee thereof.
- (c) The appointment shall be terminated by Company giving to said whole-time Director a notice of one month of such termination or on payment of one month salary in lieu thereof and by the director notice of the one month to the Company.

By Order of the Board

Sd/-

Place: Delhi
Dated: 30th May, 2012

(G.N. Choudhary)
Director
DIN NO.00012883

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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 Saturday, September 15, 2012 to Saturday, September 29, 2012 (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.



RAGHUNATH INTERNATIONAL LIMITED

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

ITEM NO. 5

Board of Directors of the Company at their meeting held on March 31st 2012 have, subject to the shareholders' approval and provision of the Companies Act, 1956 reappointed Mr. G. N. Choudhary as Whole-time Director for a period of five years w.e.f. March 31st 2012 on the terms and conditions as set out in the Resolution. As per the provisions of Section 269 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII, approval of the members of the Company is required for the reappointment of Mr. G. N. Choudhary as Whole-time Director of the Company.

The remuneration payable to and the terms of reappointment of Mr. G. N. Choudhary during the tenure of his reappointment for a period of five years will comprise of salary, allowances and perquisites, the aggregate monetary value of such salary, allowances and perquisites being limited to Rs. 24,00,000.00 (Rupees Twenty Four Lakhs Only) per annum.

The perquisites and allowances payable to Mr. G. N. Choudhary, subject to aforesaid limits will include the company's contribution to provident fund, Superannuation or annuity fund, gratuity and such other perquisites and / or allowances, within the amount specified above. The said perquisites and allowances shall be evaluated, wherever applicable as per the Income-tax Act, 1961 or any rules there under (including any statutory modification(s) or re-enactment thereof, for the time being in force). In addition he shall be entitled to encashment of leave at the end of the tenure as per the rules of the Company.

The terms and conditions set out for appointment and payment of remuneration herein and/ or in the agreement may be altered and varied from time to time by the board as it may, at its discretion, deem fit within the overall ceiling fixed herein.

He shall be entitled for the yearly increment on salary within the range of 10% to 20%, as may be decided by the Board of Directors of the Company.

The board or any committee thereof is entitled to revise the salary, allowances and perquisites payable to the whole-time director of the Company at any time, such that the overall remuneration payable shall not exceed the aggregate amount of Rs. 24, 00,000.00 (Rupees Twenty Four Lakhs Only) per annum as specified above.

The aforesaid agreement may be terminated by either party (Company or the whole-time director) by giving one month prior notice of termination in writing to the other party.

The above may also be treated as abstract of the terms of the contract/agreement between the Company and Mr. G. N. Choudhary pursuant to section 302 of the Companies Act. 1956.

Mr. G. N. Choudhary is interested in the resolution, which pertains to his appointment and / or remuneration payable to him. Save and except the above, no other director of the Company is, in any way, concerned or interested, in this resolution.

Your Directors recommend the resolution for approval.

By Order of the Board

Sd/-

(G.N. Choudhary)

Director

DIN NO.00012883

Place: Delhi
Dated: 30th May, 2012

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DIRECTORS' REPORT

To

The Members of Raghunath International Limited

Your Directors have pleasure in presenting the Eighteenth Annual Report of the Company together with the Audited Accounts of the Company for the year ended March 31, 2012.

FINANCIAL RESULTS

The highlights of the Financial Results are as under:

| (Rupees in Lakhs) | | |
|--|---------------------------|---------------------------|
| PARTICULARS | Year ended 2011-12 | Year ended 2010-11 |
| Sales and Other Income (Gross) | 52.86 | 75.55 |
| Profit/(Loss) before Interest and Depreciation | 08.56 | 05.59 |
| Less: Finance Charges | (12.83) | (14.19) |
| Less: Depreciation | (06.58) | (07.25) |
| Profit/(Loss) for the Year | (10.85) | (15.85) |
| Add/(Less): Extraordinary Items | (02.16) | (02.10) |
| Less: Fringe Benefit Tax | Nil | Nil |
| Add/Less: Provision for Income Tax | (07.58) | 00.05 |
| Less: Provision for Wealth Tax | (0.09) | (0.09) |
| Add/(Less): Deferred Tax Assets/ (Liability) | 06.64 | 07.85 |
| Net Profit/(Loss) for the Year | (14.04) | (10.14) |
| Add: Balance brought forward | 137.76 | 147.89 |
| Amount available for appropriation | 123.72 | 137.76 |
| Appropriation: | | |
| Transfer to General Reserves | Nil | Nil |
| Surplus carried to the Balance Sheet | 123.72 | 137.76 |

OPERATIONS

During the year under review, the Sales and Other Income of the Company declined to Rs. 52.86 lacs as compared to 75.55 lacs in the previous year. The Company has posted a loss of Rs. (14.04) lacs as against loss of Rs. (10.14) lacs in the previous year. Net loss of the company increased to Rs. (14.04) lacs in comparison to net loss of Rs. (10.14) lacs in the previous year.

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

DIVIDEND

Since your Company has not made any profit, your Directors have not recommended any dividend.

DIRECTORS

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company, Shri Manish Bhatia and Shiv Prakash Trivedi are liable to retire by rotation and are eligible for re-appointment.

Mr. G.N. Choudhary is reappointed as Whole-time Director for the tenure of five year, subject to the approval of the members of the Company at ensuing Annual General Meeting of the Company.



RAGHUNATH INTERNATIONAL LIMITED

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, 2012, 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, 2012, 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 Securities Identification Number (ISIN) allotted by NSDL and CDSL to the Company is INE753B01014. The Dematerialization status of the Company as on March 31st, 2012 is as under:—

| Particulars | Nos. of Shares | Percentage |
|------------------------|------------------|---------------|
| <i>Electronic Mode</i> | | |
| NSDL | 26,78,552 | 53.57% |
| CDSL | 4,38,368 | 08.77% |
| | 3116920 | 62.34% |
| <i>Physical Mode</i> | 18,83,280 | 37.66% |
| 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 May 30, 2012 of the Auditors of your Company confirming the compliance of conditions of Corporate Governance is also annexed thereto.

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.

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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 is 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

Sd/-

Sd/-

Place: Delhi
Date: May 30, 2012

(G. N. Choudhary)
Director
DIN NO.00012883

(Manish Bhatia)
Director
DIN NO. 02181290



RAGHUNATH INTERNATIONAL LIMITED

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, 2012

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The Board consists of 4 Directors, out of which 3 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. G.N. 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 | — | — | — |

*Reappointed as a Whole Time Director w.e.f. 31st March 2012.

3. Board Meetings

The Board held 22 (Twenty Two) Meetings during the year 2011-2012 on 11.04.2011, 29.04.2011, 30.05.2011, 16.06.2011, 09.07.2011, 13.07.2011, 15.07.2011, 08.08.2011, 13.08.2011, 02.09.2011, 05.09.2011, 30.09.2011, 01.10.2011, 12.10.2011, 28.10.2010, 14.11.2011, 03.12.2011, 11.01.2012, 12.01.2012, 09.02.2012, 14.02.2012, and 31.03.2012.

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. G.N. Choudhary* | 22 | Yes |
| Mr. Samar Bahadur Singh | 17 | Yes |
| Mr. Shiv Prakash Trivedi | 18 | Yes |
| Mr. Manish Bhatia | 17 | Yes |

*Reappointed as a Whole Time Director w.e.f. 31st March 2012

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

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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 2011-2012, 5 (Five) Meetings of the Audit Committee were held on 11.04.2011, 30.05.2011, 13.08.2011, 14.11.2011 and 14.02.2012

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

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

During the financial year 2011-2012, 1 (One) Remuneration Committee meeting was held on 31st March, 2012.

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:

- 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, 2012 to Mr. G.N. Choudhary, Whole-time Director is Rs. 6,09,910/- (Rupees Six Lakhs Nine Thousand Nine Hundred Ten Only)



RAGHUNATH INTERNATIONAL LIMITED

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* | 31 st March, 2012 | 5 years | 31 st March, 2012 | 30 th March, 2017 |

*Reappointed as a Whole Time Director w.e.f. 31st 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 24 (Twenty Four) Meetings during the year 2011-2012 on 15.04.2011, 30.04.2011, 16.05.2011, 31.05.2011, 15.06.2011, 30.06.2011, 15.07.2011, 01.08.2011, 16.08.2011, 01.09.2011, 16.09.2011, 30.09.2011, 15.10.2011, 31.10.2011, 15.11.2011, 30.11.2011, 15.12.2011, 31.12.2011, 16.01.2012, 31.01.2012, 15.02.2012, 29.02.2012, 15.03.2012, and 31.03.2012.

Details of Complaints received during the year:

| Nature of Complaint | 2011 – 2012 | | |
|---|-------------|---------|---------|
| | Received | Cleared | Pending |
| Non receipt of Share Certificate duly transferred | – | – | – |
| Non-receipt of Annual Report | – | – | – |

5. (a) General Body Meetings:

The Last three Annual General Meetings were held as per the details given below:

| YEAR | DATE | DAY/TIME | VENUE |
|-----------|------------|-------------------------|--|
| 2008-2009 | 30.09.2009 | Wednesday 11.00 A.M. | Mandhana Bithoor Road, Village Chaudharipur, Bithoor, Kanpur |
| 2009-2010 | 29.09.2010 | Wednesday 11.00 A.M. | Mandhana Bithoor Road, Village Chaudharipur, Bithoor, Kanpur |
| 2010-2011 | 30.09.2011 | Friday 11.00 A.M. | Mandhana Bithoor Road, Village Chaudharipur, Bithoor, Kanpur |

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(b) Special Resolution passed during last three Annual General Meetings

During the last three Annual General Meeting, There was no Special Resolution was passed by The Company's Shareholders.

(c) Postal Ballot

During the year ended 31st March, 2012, there was no special resolution passed by the Company's shareholders requiring voting by postal ballot.

6. Disclosures

(a) Disclosure on materially significant related party transactions, pecuniary or business relationship with the Company

There have been no materially significant related party transactions that may have potential conflict with the interests of the Company or its associates, with any of the directors or their relatives during the year 2011-12. However, a detailed disclosure on Related Party Transactions has been made at Sr. No. 28 (b) in the Notes to Accounts appearing under (Significant Accounting Policies and Notes to Accounts) forming part of Balance Sheet.

(b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchange(s) or SEBI or any Statutory Authority on any matters related to Capital Market:

No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority, on any matter related to capital markets during the last 3 years.

(c) Whistle Blower Policy:

The Company has formulated a policy known as 'Whistle Blower Policy' to allow and encourage our employees to bring to the Management's Notice (Audit Committee) directly, without necessarily informing their superiors about suspected unethical behavior, malpractice, wrongful conduct, fraud, violation of the Company's policies including code of conduct, violation of law or questionable accounting or auditing matters by any employee/director in the Company without fear of reprisal.

The Company further undertakes that it has not denied any personnel access to the Audit Committee of the Company in respect of matters involving alleged misconduct/malpractice/unethical behavior and that it has provided protection to 'Whistle Blowers' from unfair termination and other unfair or prejudicial employment practices.

(d) Details of compliance with the mandatory requirements and adoption of non-mandatory requirements of Clause 49:

The Company has complied with the mandatory requirements and is in process of adopting non-mandatory requirements of Clause 49, wherever feasible.

(e) Risk Management:

The Executive Management controls risk through means of a properly defined framework.

(f) Code of Conduct:

The Board of Directors of your Company has laid down the Code of Conduct for all Board Members and Senior Management of the Company, which delineates the principles governing the conduct of employees including Directors, with all the stakeholders of the Company. The code covers transparency, legal compliances, concern of occupational health, safety and environment, a gender friendly work place and philosophy of leading by personal examples.

All Board Members and Senior Management of your Company ensure the compliances with these principles. The Board is responsible for ensuring that these principles are communicated to, understood and observed by all employees. Compliance of the code is subject to the review by the Board supported by the Audit Committee of the Board.