



RAUNAQ EPC INTERNATIONAL LIMITED

NOTICE

TO THE MEMBERS OF THE COMPANY

NOTICE is hereby given that the **54th Annual General Meeting (AGM)** of the Members of Raunaq EPC International Limited will be held as under:

Day : Monday
Date : 05 August, 2019
Time : 11:30 A.M.
Venue : **Faridabad Industries Association**
FIA House, Bata Chowk,
Faridabad - 121001 (Haryana)

to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31 March, 2019 together with Reports of the Directors and Auditors thereon.

SPECIAL BUSINESS:

2. To consider the continuation of Ms. Seethalakshmi Venkataraman as a Non-Executive Independent Director on the Board of the Company and if thought fit, pass the following resolution as an **Special Resolution**, with or without modification(s):

“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.”

3. To consider the appointment of Mr. Rajiv Chandra Rastogi, Additional Director of the Company, as an Independent Director on the Board of the Company and if thought fit, pass the following resolution as an **Ordinary Resolution**, with or without modification(s):

“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.”

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

“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 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."

5. To consider and authorize the sale of Equity Shares held by the Company in Xlerate Driveline India Limited and if thought fit, pass the following resolution as **Special Resolution**, with or without modification(s):

"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 authorised 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".

By Order of the Board



Sukhvir

Company Secretary
Membership No. 54330

Place: New Delhi
Dated: 04 July, 2019

NOTES:

1. **A Member entitled to attend and vote at the Annual General Meeting (the Meeting) is entitled to appoint one or more proxies to attend and vote instead of himself/ herself and such proxy(ies) need not be a Member of the Company. A person can act as proxy on behalf of members not exceeding Fifty (50) and holding in the aggregate not more than Ten (10) percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than Ten (10) percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member. The instrument appointing proxy(ies) must, however, be deposited at the Registered Office of the Company, duly completed and signed, not less than Forty eight hours before commencement of the Meeting. Proxy(ies) submitted on behalf of the Companies, Societies etc. must be supported by an appropriate resolution/ authority, as applicable.**

During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members entitled to vote would be entitled to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing is given to the Company.

2. **NO GIFTS OR COUPONS SHALL BE DISTRIBUTED AT THE MEETING.**
3. Members/Proxies are requested to submit the enclosed Attendance Slip duly filled in and signed at the entrance of the venue for attending the Meeting. Members who hold

shares in dematerialized form are requested to mention their Client ID and DP ID details and those who hold shares in physical form are requested to write Folio number in the attendance slip. **No Attendance Slip shall be issued at the Meeting.**

4. Corporate Members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company, a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
5. Brief profile & other details of the Directors proposed to be continued/appointed, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standards (SS-2) issued by the Institute of Company Secretaries of India, is annexed to this Notice.
6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 and any other documents required by Act and any other law, will be made available for inspection by Members of the Company at the venue of the Meeting.
7. The relevant Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of Resolution(s) in item No. 2,3,4 as set out above is appended herein below.
8. A Route Map showing directions to reach to the venue of the 54th AGM along with prominent land mark is given at the end of the Notice.
9. The Non Resident Indian Shareholders are requested to inform the Company immediately about:
 - a. The change in residential status on return to India for permanent settlement.
 - b. The particulars of NRO Bank Account in India, if not furnished earlier.
10. The change in address, nomination etc, if any, to be effective must reach to the Registrar & Transfer Agent or the Registered Office of the Company by 29 July, 2019. (Relevant Forms for nomination and updation of Shareholders information are enclosed at the end of the Annual Report).
11. Members seeking any further clarification/information relating to the Annual Financial Statements are requested to write at the Registered Office of the Company at least ONE WEEK before the date of the Meeting i.e. on or before 29 July, 2019 to enable the management to keep the information ready at the Meeting.
12. The unclaimed dividend till the Financial Year 2010-11 has been transferred to the Investor Education and Protection Fund (IEPF). Further, the amount of unclaimed dividend standing in the "Raunaq EPC International Limited Final Dividend Account 2011-12" which is required to be transferred to "IEPF" on 23 August, 2019 shall be deposited to the "IEPF" within the prescribed time limits.

The Ministry of Corporate Affairs (MCA) on 05 September, 2016 notified the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") effective from 07 September, 2016 prescribing the uploading of

information relating to unpaid and unclaimed amounts lying with companies, which is applicable on the Company. The objective of IEPF Rules is to help the shareholders to ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the Financial Years from 2010-11, as on date of the 53rd Annual General Meeting (AGM) held on 02 August, 2018, on the website of the IEPF viz. www.iepf.gov.in and under "Investor Section" on the website of the Company viz. www.raunaqinternational.com.

Members who have not encashed their dividend drafts since 2011-12 are advised to write to the Company or Registrar & Transfer Agent of the Company immediately (for dividend of financial year 2011-12 on or before 23 August, 2019 since dividend of Financial Year 2011-12 being transferred to "IEPF" on even date), claiming dividends declared by the Company. The dividend for the Financial Year 2010-11 could not be claimed as the same has been transferred to IEPF on 23 August, 2018.

Compulsory transfer of Equity Shares into the Demat Account of the Investor Education and Protection Fund (IEPF) Authority:

In terms of provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") and the Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 ("the Amended Rules"), the Company is required to transfer the equity shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Account established by the Central Government.

In terms of above, pursuant to the transfer of the unclaimed dividend for the year 2010-11 to the IEPF on 23 August, 2018 i.e. upon completion of seven years from transfer of dividend into unclaimed dividend account, 2,382 (Two Thousand Three Hundred Eighty Two) Equity Shares relating to such dividend on which the dividend has not been claimed for the consecutive seven years since 2010-11 have been transferred into demat account of IEPF Authority.

Pursuant to the transfer of the aforesaid Equity Shares, 43,941 (Forty Three Thousand Nine Hundred Forty One) Equity Shares of the Company in aggregate are being held in demat account of IEPF Authority.

Further, upon transfer of the unclaimed dividend for the year 2011-12 to the Investor Education and Protection Fund (IEPF) on 23 August, 2019 i.e. upon completion of seven years from the transfer of dividend into unclaimed dividend account, the equity shares relating to such dividend on which the dividend has not been claimed for the consecutive seven years since 2011-12 (net of the shares already transferred) shall also be transferred into IEPF.

In terms of the Rule 6(3) of Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the necessary communications have been made to the respective shareholders whose shares are required to be transferred to the IEPF so as to enable them to claim their dividend attached to such shares before such dividend and shares are transferred to IEPF during

the Financial Year 2019-20 and further, the necessary information in this regard is available on the website of the Company i.e. www.raunaqinternational.com for the convenience of the shareholders. The Company has also simultaneously published notice in the leading newspaper in English language and regional language having wide circulation to such shareholders.

In case valid claim is not received by 23 August, 2019, the respective shares will be credited to the designated demat account of the Authority.

The Equity Shares once transferred into IEPF can only be claimed by the concerned shareholder from IEPF Authority after complying with the procedure prescribed under the Rules and the amended Rules.

13. The Shares of the Company are compulsorily traded in demat mode. Hence, the Members who are still holding physical Share Certificates are advised that it is in their own interest to dematerialize their shareholding to avail benefit of dematerialization viz. easy liquidity, electronic transfer, savings in stamp duty and prevention of forgery.
14. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the Share Certificate(s) to Link Intime India Private Limited, Registrar & Transfer Agent for consolidation into a single folio.
15. Members are requested to register their e-mail address(es) and changes in their particulars like change in address from time to time with Link Intime India Private Limited, Registrar & Transfer Agent for shares held in physical form and with the respective Depository Participants for the shares held in dematerialized form.
16. Members may please note that Securities and Exchange Board of India (SEBI) has made Permanent Account Number (PAN) as the sole identification number of all participants transacting in the securities market, irrespective of the amount of such transactions.

Further, SEBI has prohibited the transfer of shares in physical form except in case of transmission or transposition of shares. Members holding shares in physical form and intending to transfer their shares are advised to open a demat account with Depository viz. National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL) through respective Depository Participant(s) and transfer their shares after dematerialisation.

17. For security reasons, no article/baggage will be allowed at the venue of the meeting. The members/attendees are strictly requested not to bring any article/baggage etc. at the venue of the meeting.
18. In terms of the provisions of Section 136 of the Companies Act, 2013 read with Rule 11 of the Companies (Accounts) Rules, 2014, service of notice/documents to the shareholders can be made through electronic mode, provided the Company has obtained the e-mail address(es) of the shareholder(s). Also, the shareholders who have not registered their e-mail address for receiving the Balance Sheet etc. will be sent the physical copies through any recognized mode of delivery as specified under Section 20 of the Companies Act, 2013.

Further, in compliance of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company shall supply:

- (i) Soft copies of full annual reports containing its Balance Sheet, Statement of Profit & Loss and Board's Report to all those shareholder(s) who have registered their e-mail address(es) either with the Company or with Depository;
- (ii) Hard copy of statement containing the salient features of all the documents, as prescribed in Section 136 of the Companies Act, 2013 to those shareholder(s) who have not so registered;
- (iii) Hard copies of full annual reports to those shareholders, who request for the same.

As a result, Members are requested to register their e-mail address(es) and changes therein from time to time, by directly sending the relevant e-mail address along with the details of name, address, Folio No., shares held:

- (i) **To the Registrar and Share Transfer Agent, Link Intime India Private Limited for shares held in physical form and;**
- (ii) **In respect of shares held in demat mode, also provide DP ID/ Client ID with the above details and register the same with their respective Depository Participant(s).**

Upon registration of the e-mail address(es), the Company proposes to send Notices, Annual Report and such other documents to those Members via electronic mode/e-mail.

Further in terms of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 and Section 136(1) of Companies Act, 2013 Audited Financial Statement including Consolidated Financial Statement of the Company and separate Audited Financial Statement of **Xlerate Driveline India Limited**, a Wholly owned Subsidiary of the Company, is available on the website of the Company under the viz. www.raunaqinternational.com

19. Voting Through electronic means

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide the members with facility to exercise their right to vote at the 54th Annual General Meeting by electronic means and the business may be transacted electronically through the facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") as provided by Link Intime India Private Limited (LIPL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The members who have already cast their votes through remote e-voting may appoint a proxy to attend the meeting

instead of themselves, but such proxy will not be able to cast their vote at the meeting.

V. Instructions for shareholders to vote electronically:

A. Log-in to e-Voting website of Link Intime India Private Limited (LIPL)

1. Visit the e-voting system of LIPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on "Login" tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
4. Your User ID details are given below:
 - a. **Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID.
 - b. **Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID.
 - c. **Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company.
5. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section, register your details and set the password of your choice and confirm. The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter.

	For Shareholders holding shares in Demat Form or Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Attendance Slip indicated in the PASSWORD Field.
DOB/ DOI	Enter the DOB (Date of Birth)/DOI (Date of Incorporation) as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.

Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company record for the said demat account or folio number.</p> <p>Please enter the DOB/DOI or Dividend Bank Details in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction 4(c).</p>
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If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholder is having valid e-mail address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the Company in which they are a shareholder and eligible to vote, provided that the Company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

B. Cast your vote electronically

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/View "Event No" of the Company to vote.
7. On the voting page, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.

Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.

9. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
 10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
 11. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.
- ❖ **General Guidelines for shareholders:**
1. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as '**Custodian/Mutual Fund/ Corporate Body**'.
They are also required to upload a scanned certified true copy of the board resolution/authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian/Mutual Fund/Corporate Body**' login for the Scrutinizer to verify the same.
 2. During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
 3. Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
 4. In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call at :- Tel : 022 - 49186000.
- VI. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - VII. The remote e-voting period commences on 02 August, 2019 and ends on 04 August, 2019 at 5:00 P.M. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 29 July, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by LIPL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 20. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 29 July, 2019. The person who is not a member as on the cut-off date should treat this Notice for information purpose only.
 21. Any person, who acquire shares of the Company and become member of the Company after dispatch of the Notice of the AGM and holding shares as of the cut-off date i.e. 29 July, 2019, may obtain the user ID and password by sending a request at rajiv.ranjan@linkintime.co.in or delhi@linkintime.co.in. However, if you are already registered with LIPL for remote e-voting, then you can use your existing user ID and password for casting your vote.
 22. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 23. Mr. Sanket Jain, Proprietor, M/s Sanket Jain & Co., Company Secretaries, Jhansi, having his office at 'Satyraj', Behind Hotel Chanda, Civil Lines, Jhansi- 284002 (U.P) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and poll process at Annual General Meeting in a fair and transparent manner.
 24. The Chairman shall, at the AGM, at the discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 25. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the vote cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (Two) witnesses not in the employment of the Company and shall make, not later than 48 (forty eight) hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 26. The Results of the AGM shall be declared by the Chairman or person authorized or anyone of the director of the Company after the AGM within the prescribed time limits.
 27. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.raunaqinternational.com and on the website of LIPL and communicated to BSE Limited (BSE) accordingly.
 28. The documents referred to in the accompanying Notice and the Annual Report are open for inspection at the Registered Office of the Company during the office hours between 11:00 A.M. and 01:00 P.M. on all working days except Sunday up to the date of the Annual General Meeting and shall also be available at the venue of the meeting.

By Order of the Board



Sukhvir

Company Secretary
Membership No. 54330

Place: New Delhi
Dated: 04 July, 2019

EXPLANATORY STATEMENT (PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

Item No. 02

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.

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

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 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.

Item No. 03

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.

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.

Item No. 04

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.

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.	Cliplik 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 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 (XDIL), 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-imbursement of actual out-of-pocket expenses incurred in connection with the business of the Company.
- He shall be entitled to re-imbursement 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, 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. except Sundays upto the date of the Annual General Meeting and shall also be available at the venue of the meeting.

Item No. 05

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.

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) Regulation 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) Regulation 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 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.