



# 30th ANNUAL REPORT 2012-13



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## RAUNAQ AUTOMOTIVE COMPONENTS LIMITED





## **BOARD OF DIRECTORS**

<b>Mr. Gursharan Singh</b>	Chairman and Managing Director
<b>Mr. Madan Lal</b>	Director
<b>Mr. Anil Sharma</b>	Director
<b>Mr. Raj Kumar Kapoor</b>	Director
<b>Mr. Devender Singh</b>	Nominee Director (PICUP)
<b>Mr. Ashok Mishra</b>	Nominee Director (PICUP)
<b>Mr. D.R.Arya</b>	Director & C. S.

### **Compliance Officer**

Mr. D.R. Arya

### **Statutory Auditors**

A.Sachdev & Co.  
Chartered Accountants  
New Delhi

### **Internal Auditors**

Gianender & Associates  
Chartered Accountants  
New Delhi

### **Bankers**

Bank of India  
AXIS Bank Ltd.  
The Ratnakar Bank Ltd.

### **Registered Office**

15th Floor, Chiranjiv Tower  
43, Nehru Place, New Delhi-110019.

### **Works**

#### **Unit No. 1**

A-3, Industrial Area  
Gajraula, Dist. Amroha - 244223.  
(UP).

#### **Unit No. 2**

H-201, Sector-63, Noida  
Distt. Gautam Budh Nagar (U.P.)

### **Registrar & Share Transfer Agents**

MAS Services Ltd.  
T-34, 2nd Floor,  
Okhla Industrial Area-II  
New Delhi - 110020

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## **NOTICE**

NOTICE is hereby given that 30th Annual General Meeting of the members of Raunaq Automotive Components Limited will be held on Monday, 30th September, 2013, at 11.00 AM at Shivam Garden, Bawana Road, Narela, Delhi-110040, to transact the following business :

### **AS AN ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit and Loss Account for the Financial year ended on that date, along with reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. D.R. Arya, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint M/s.A.Sachdev & Co., Chartered Accountants, as Statutory Auditors to hold office from conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

### **AS A SPECIAL BUSINESS**

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

**"RESOLVED THAT** subject to the provisions of Section 198, 269, 310, Schedule XIII & other applicable provisions (if any) of the Companies Act, 1956 and subject to approval of Central Government as may be required, consent of the members of the company be & is hereby accorded for Reappointment of Mr. Gursharan Singh as Managing Director of the company for a further period of 5 years w.e.f. 23.08.2012 with an authority to the Board of Directors to alter or vary the terms and conditions in accordance with law from time to time.

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

**"RESOLVED THAT** subject to the provisions of Section 198, 269, 310, Schedule XIII & other applicable provisions (if any) of the Companies Act, 1956 and subject to approval of Central Government as may be required, consent of the members of the company be & is hereby accorded for Reappointment of Mr. D.R. Arya as Director( Finance) of the company for a further period of 5 years w.e.f. 22.10.2012 with an authority to the Board of Directors to alter or vary the terms and conditions in accordance with law from time to time.

**For RAUNAQ AUTOMOTIVE COMPONENTS LIMITED**

**Sd/-**

**(D. R. ARYA)**

**DIRECTOR (F) & C.S.**

**Place : New Delhi**

**Dated : 29th July, 2013**

### **NOTES :**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him/her and such proxy need not be a member. **Proxies in order to be effective must be received, duly completed in the enclosed format, at the Registered Office of the Company not later than 48 hours before the time fixed for the Annual General Meeting.**
2. Members/Proxies are requested to deposit the enclosed Attendance Slip duly filled in and signed at the entrance of the meeting for attending the meeting. **No Attendance Slip shall be issued at the meeting.**
3. M/s. A. Sachdev & Co., Statutory Auditors of the company, have intimated that their appointment, if made, will be within the limits specified in Section 224 (1B) of the Companies Act, 1956.
4. Members who have multiple folios in identical names or joint folios in same order are requested to send all their relevant Share Certificate(s) to the Company for consolidation into one folio to facilitate better service.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 26th September, 2013 to 30th September, 2013 (both days inclusive).



6. Members desiring to seek any information on the Annual Accounts are requested to write to the Company at least seven days in advance so as to keep the information ready at the meeting.
7. Members are requested to bring their copy of the Annual Report at the meeting.
8. Members are requested to notify the change in their address, if any, to the Company immediately quoting their Folio number.
9. Corporate members are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
10. The Ministry of Corporate Affairs ("MCA"), Government of India has announced a "Green Initiative in Corporate Governance" by allowing Companies to send Annual Report to its shareholders by e-mail.

With a view to lending strong support to this environment friendly initiative of the Government of India, your Company proposes to send Notices for General Meetings with Annual Report communication through electronic mode to the e-mail addresses which are made available to the Depositories from time to time.

We are sure that you would like to support this initiative of the Government of India. In future, the Annual Report and Notice for the Annual General Meeting will be sent to you in electronic form at the registered e-mail addresses made available by your Depository Participant.

In case you desire to have the above documents at any alternative e-mail address then, update the same with your Depository Participant.

The Members holding shares in Physical mode and wish to receive Annual Report in electronic form at their registered e-mail address may provide their information in the below mentioned column and send back to the Company for updation of records.

Folio No.	Name of Shareholder	Registered email address	Signature

If you desire to continue receiving notices, annual reports communications in physical form, then please let us know.

**Note :** The Annual Report for the financial year 2012-13 has been sent to all the shareholders in physical form.



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

### **Item No. 4**

Mr. Gursharan Singh, Chairman & Managing Director has been holding the office of Managing Director since 24.04.2004 which has been regulated from time to time. The shareholders of the company at their General Meeting held on 29th September 2008 has approved his reappointment as the Managing Director of the company for a period of 5 years upto 22.08.2012.

The Board of Directors of the company at their meeting held on 29.07.2013 has approved his reappointment as Managing Director of the company for a further period of 5 years w.e.f. 23.08.2012.

It is due to his untiring efforts that company has achieved a consistent growth on every front. The overall performance of the company has achieved a significant growth during the last 5 years. From a Marginal Exporter of goods, the company has emerged as a successful Exporter to various parts of globe and has been recognised & awarded various prizes on Export from various government agencies.

The existing plant of the company with a small Forging unit ( as a backward integration project) has been identified as one of the most technologically advanced plant in the North India catering to the world known Automobile Giants such as BMW/KTM/KUBOTA etc.

Mr. Gursharan Singh has been awarded "OUTSTANDING ENTREPRENEUR 2013" by COUNCIL OF STATE INDUSTRIAL DEVELOPMENT & INVESTMENT CORPORATIONS OF INDIA.

He is considered to be Promoter and Persons Acting in concert as per Shareholding Pattern being submitted to Stock Exchanges/SEBI/Any other Forum/Authorities.

There is no change in the payment of remunerations payable to Mr. Gursharan Singh which has been approved by the shareholders at their general meeting held on 30th September, 2011 which may be considered abstract of the terms & conditions of reappointment and payment of remunerations to him U/S 302 of the Companies act, 1956.

Mr. Gursharan Singh does not hold the office of Director in any other Public Ltd. Company.

None of the directors except Mr. Gursharan Singh is considered & deemed to be interested in this resolution.

The Board of Directors recommend the members to approve his reappointment.

### **Item No. 5**

Mr. D.R. Arya, Director (Finance) & Company Secretary has been holding the office of Director (Finance) since 22.10.2002 which has been regulated from time to time. The shareholders of the company at their General Meeting held on 29th September 2008 has approved his reappointment as the Director (Finance) of the company for a period of 5 years upto 21.10.2012.

The Board of Directors of the company at their meeting held on 29.07.2013 has approved his reappointment as Director (Finance) of the company for a period of 5 years w.e.f. 22.10.2012.

Mr. D.R. Arya has been looking after and supervising the secretarial functions of the Company. He is also supervising accounts and finance department & day to day affairs of the company, including taxation and costing. He has been instrumental in turning around the company, after taking over the control of day to day affairs of the company in association with other Directors.

Under his able guidance and dynamic leadership, the company has turned around and is progressing steadily since February, 2002. In view of rich knowledge and experience related to the industry, he is considered suitable for the position in the company.

Mr. D.R. Arya had been working in the company as Company Secretary since 18.8.1997 and as a Director w.e.f. 22.10.2002. He has been designated /recognized as a promoter of the company in accordance with Sanctioned Scheme of the Hon'ble BIFR and as per guidelines issued by Stock Exchange/SEBI (as per disclosure made to the above institutions).



He is considered to be Promoter and Persons Acting in Concert as per Shareholding Pattern being submitted to Stock Exchanges/SEBI/Any other Forum/Authorities

There is no change in the payment of remunerations payable to Mr. D.R. Arya which has been approved by the shareholders at their general meeting held on 30th September, 2011 which may be considered abstract of the terms & conditions of reappointment and payment of remunerations to him U/S 302 of the Companies act, 1956.

Mr.D.R.Arya does not hold the office of Director in any other Public Ltd. Company.

None of the directors except Mr.D.R. Arya is considered & deemed to be interested in this resolution.

The Board of Directors recommend the members to approve his reappointment

**Item No. 6**

**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES**

<b>Name of Director</b>	Mr. Gursharan Singh	Mr. D.R. Arya
<b>Date of Birth</b>	07-09.1962	31.03.1951
<b>Date of Appointment</b>	23.08.2002	22.10.2002
<b>Expertise in Specific Functional Areas</b>	Manufacture of Automotive Components, Administration, Purchase, Marketing and Business Development	Corporate Laws/Finance & Accounts/Legal
<b>Qualifications</b>	Diploma in Mechanical Engineering, PG Diploma in Export Management	M.A. LLB, FCS, Grad. CMA
<b>Directorships held in other Public Companies (excluding foreign companies)</b>	NIL	NIL
<b>Membership/Chairmanship of other Public Companies (only Audit Committee/Investor Grievance Committee)</b>	NIL	NIL
<b>Shareholdings in the Company (exclusive of relatives)</b>	65501	31834



## DIRECTORS' REPORT

TO  
THE MEMBERS,

Your Directors present 30th Annual Report and Audited Statement of Accounts of your Company for the Financial year ended 31st March, 2013.

### FINANCIAL RESULTS : (Rs.in Lacs)

Particulars	2012-2013	2011-2012
Sales and Other Income	10529	10897
Operational Expenses	9356	9700
Depreciation	332	305
Financial Charges	595	486
Gross Profit/(Loss)	246	406
Provision for Taxes/ Def.Tax Liab/ including earlier years	(88)	(134)
Net Profit	158	272
Profit b/f from last year	1089	817
Profit carried to Balance Sheet	1247	1089

## MANAGEMENT DISCUSSION AND ANALYSIS

### a) The Global Economy 2012-13

Throughout the world all developed economies are showing sign of stagnation or decline except select Asian countries, notably China & India, which were growing over 7% in past 2 years. However, on going debt crisis in Europe, fluctuating crude oil prices, heavy fluctuations in inter currency exchange rates & political situation in some European countries is putting severe inflationary pressure on economies throughout the world. Although, it is creating additional trade opportunities for developing economies to tap new avenues in the developed countries by providing low cost products and services.

The global recession provided a food for thought to Indian economy to find ways & means for, not only, its survival but consistent growth. The Govt. policies in financial sector proved to the world at large that Indian systems/sectors are one of the best systems that did not yield to the very strong pressure of economic recession as it had shaken the major economic powers of the globe.

Indian automotive industry duly backed by robust domestic demand, was growing consistently in the past few years. An emerging middle class sector which got boost from I.T, B.P.O and Banking sectors had been creating a huge demand potential for 2 wheelers & small and mid sized Cars. Similarly growth in agricultural sector duly backed by Government support is considerably boosting the rural economy, which created increased business opportunities for 3 wheelers, light passenger and cargo vehicles. All

these factors provided enough stimulus to transport sector, resulting in boosting the sales for medium and heavy commercial vehicles.

However, rise in interest costs, ever increasing fuel costs and heavy inflation witnessed in past one year is creating road blocks for maintaining the consistent growth trends in automotive sector. All these factors are putting the demand squeeze of automobiles, due to which automotive components sector is also under tremendous pressure of low profitability due to decline in demand as well as tremendous cost pressures, since OEMs are having stiff competition between themselves due to which they have put a squeeze on the profit margins of component suppliers. However, component industry has huge demand potential from overseas export customers, as India is still considered a low cost source with acceptable level of quality and price economy. On top of it current decline in INR is attracting overseas buyers to enhance their sourcing activities from Indian component manufacturers which shall create new business opportunities.

### b) Opportunities and threats

#### An Opportunity for Indian Economy

All over the World, Automobiles Giants have been looking towards India as their destination for procurement of their domestic as well as export requirements since Indian components manufacturers could provide them sufficient confidence to achieve the desired quality norms for products at competitive rates, mainly because of their strong Engineering skills & low cost of production as compared to their counter parts in other parts of the Globe.

However, it is felt that Indian economy is still struggling against some basic infrastructural facilities and other problems such as

Good Highways/Ports  
 Availability of Regular & Cheaper electricity.  
 Low Cost Raw Material  
 Simple taxation structure  
 Latest Technology & RD facilities  
 Erratic fluctuation in fuels prices / Exchange rate  
 High inflation rate

Though, Indian economy has started loosing steam but it has the potential of curbing such temporary downfall in demand and can move faster in every sector, provided Government addresses above areas with a pro-active approach and puts the best policies and requisite funds for speedy development of most essential infrastructure.





Besides above, the Industrial sector itself has to gear up fully to tap the huge opportunity made available by such recession with a particular thrust in the following areas:

Continual improvement in Product quality & environment Management systems. Technology up gradation. Exploring new business avenues in domestic & as well as export market.

Focus on skill development at all levels. Adherence to principles of corporate Governance at international levels.

#### **Threats**

Though, the Indian economy enjoys several advantages of being one of the biggest market for vehicle users and has the distinction of being one of the largest automotive components manufacturers in the world still it faces the following threats

- Continued volatility of Raw material prices
- Free Trade/ W.T.O.
- Foreign Currency fluctuations
- Increased competition from China, Taiwan & other Asian countries

#### **c) Risks & Concerns**

##### **Risks**

The growth of Automotive Component Industry is entirely dependent upon the performance of Automotive Sector/infrastructure development. Though, the global recession has adversely affected the export market and recovery may be slower than expected but the efforts made by the company during the last 2 years have yielded good results and the company has bagged prestigious and high valued orders from abroad from some of the world renowned OEM. However, the volatility in the market may further deteriorate the sustainability of business in the long run.

##### **Concerns**

The major impediments in the overall growth of the Industry are:

- Inadequacy of good quality of infrastructure specially Highways, Ports, Airports
- Lack of Good Quality & continued availability of power at cheaper rates
- Volatility in prices and availability of basic raw material

- Multiple taxation system and other complicated administrative procedures
- Inability to pass on increasing cost to customers

#### **d) Internal Control Systems and their adequacy**

The Company has adequate internal control systems, which ensure proper recording of transactions of its operations and also protection against misuse or loss of the company's assets. Internal audit of the company is carried out at periodic intervals by an independent firm of Chartered Accountants, to ensure that the company's internal control system is adequately complied with and adhered to.

#### **e) Cautionary Note**

Certain statements in the management discussion and analysis section may be forward looking and are stated as required by applicable Laws & Regulations. Many other factors may affect the actual results, which would be different from what the Directors envisage in terms of the future performance and outlook.

#### **PERFORMANCE OF THE COMPANY**

In the Financial Year 2012-2013, the company achieved an Income of Rs.10529 Lacs as compared to Rs. 10897 Lacs in 2011-12 thus leading to fall of 3 %. The company achieved an operating profit of Rs.246 Lacs (PBT) as compared to Rs.406 Lacs (PBT) last year. The company has made a provision of Rs.88 lacs on account of Income Tax / Deferred Tax Liabilities.

The company has MAT credit of Rs. 160 Lacs which shall be utilized/ adjusted for payment of Income Tax in future. Company has a Reserve & Surplus of Rs.2474.69 lacs as compared to Rs. 1214.68 Lacs last year.

In the export front the demand from our existing Customers has increased significantly and the company is fully geared up to meet the additional demand of our Export Customers.

During the year under review, the company had been successful in capturing the business from some of the world renowned automotive manufacturers and its further impact shall be visible in the performance of the current year.

During the Financial Year under review, the profit margins of the company have been adversely bit due to severe inflationary pressure. However, a part of the same has been passed over to customers.



## **EXPORTS**

The company has successfully broadened the export horizons during the year under review. Many prestigious MNCs have been included in our list of customers. The company is not only catering to their existing demand, but has also geared itself for their global requirement. In 2012-13, the company has improved its export sales significantly. It has been exporting goods to every part of globe, may be it is Asian countries, European Countries or USA. Our exports are very well accepted and are being appreciated for their good quality and competitive price.

During the year under review, the company achieved an export turnover of Rs.2946 Lacs as against Rs. 1893 Lacs in 2011-12. Thus, achieving a growth of 55%. The Company has already tapped prestigious business from most reputed global brands. Our export customers are fully satisfied with the quality, timely delivery & cost competitiveness. In the current year we have targeted an overall export sales of Rs.4800 lacs.

## **FUTURE OUTLOOK**

### **A YEAR OF DIVERSIFIED GROWTH**

#### **A) THRUST ON BEST CORPORATE HUMAN RESOURCES PRACTICES**

Company has taken sufficient steps to impart practical training to its work force at all levels. A separate cell in HR function has already been created for imparting such training in the plant itself. In order to encourage the senior staff, they are being deputed to attend Conferences, Seminars, In-house Workshops and are even being sent to overseas countries to upgrade their skills to global levels, so that they are satisfied & bring in knowledge & skills to RACL for mutual benefits.

#### **B) INFRASTRUCTURAL & TECHNOLOGY UP GRADATION:**

The company is consistently making investment in bringing in State of the Art Technology in the field of Gear Honing, Gear Cutting, Heat Treatment & Gear Finishing processes. A consistent thrust on technology up-gradation is being maintained to ensure technology level in line with global customers demand.

#### **C) TAPPING NEW BUSINESS**

The company has been exploring various avenues for development of new customers in Domestic and Export market by participating in Exhibition / National Auto Expo show / states sellers/buyers meets and

other programmes organized by ACMA or other related agencies. With our new installed technology, We have already bagged orders from world class OEMs for sports Motor Cycle segment.

During the previous years RACL has explored business opportunities with various new customers. Some of these are at various stages of development. Commercial production has started for many new products & we are hopeful that commercial production for additional parts shall be commencing in the current year.

Considering the existing business scenario the company has started exploring business opportunities with some new OEMs & we are hopeful that slow down witnessed (if any) by the existing customers shall be compensated by such new customers.

#### **D) SETTING OF A SMALL FORGING UNIT**

The company has installed a small forging unit (A Backward integration Initiation) for captive consumption. Though it faced certain startup problems but it is successfully operating & commercial production of a few components have started in-house, which ensures not only uninterrupted supply of Raw Material but ensures cost savings also. The company expects to achieve the maximum capacity utilization shortly with a significant cost saving in Raw material consumption.

#### **E) IMPROVEMENT IN QUALITY SYSTEM & MANAGERIAL SYSTEMS**

- a) The vigorous efforts put in by management have yielded good results in lean manufacturing programme and it has benefited the company in a big way.
- b) The Company contemplates to implement SPC & SQC techniques to be implemented in all critical process.
- c) As planned last year, RACL has started supplier development programme under project name as "UDAAN" for which an external faculty has been organized. The entire programme is co-ordinated by quality and purchasing team to ensure 100% defect free supplies from Job work suppliers at right time. Initially 8 suppliers have been included in this programme. It is targeted that programme shall bring RACL suppliers in line with global requirements of RACL customers.



#### **F) NEW INITIATIVES FOR COST REDUCTIONS**

During the year under review, the company hired the professional services for improving the profitability and cost reduction by way of practical training on Theory of constraints. The training imparted to the Sr. Executives of the company has brought a sea-change in the performance of the Sr. Managerial Team, which has been also percolated to the lower streams. We hope the result of this activity shall be visible in the Current Year.

#### **MANUFACTURING EXCELLENCE & DEMING PRIZE JOURNEY**

The new Plant & Machinery installed during the last 2 years have made a remarkable change in the quality of goods produced, which can match any international levels quality at local prices. The improved quality system with stringent Quality audit norms shall prove to be a milestone assisting us to achieve our goal of winning the Deming Prize in the near future.

#### **DIVIDEND**

Considering the fund requirements for our future plans for up-gradation of machinery / technology up-gradation, the Board of Directors considered it appropriate not to declare any dividend for the current year.

#### **FIXED DEPOSITS**

The Company has not accepted any fixed deposits from the public during the financial year ending 31st March, 2013.

#### **LISTING FEES**

The annual listing fee for the year under review has been paid to Bombay Stock Exchange Ltd., Mumbai, where your company's shares are listed.

The Financial Results of the company can be accessed at the company's website <http://www.raunaqauto.com>

#### **CORPORATE GOVERNANCE**

As required under Clause 49 of the Listing Agreement with the Stock Exchange, a Report on Corporate Governance is provided elsewhere in this Annual Report along with the Auditor's Certificate on the compliance thereof.

#### **DIRECTORS**

In accordance with the provisions of The Companies Act, 1956 and Memorandum and Article of Association of the company Mr.D.R. Arya, Director of the company retires by rotation and being eligible offers themselves for reappointment.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

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

- i) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that the directors have 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 or loss of the company for that period;
- iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) That the directors have prepared the annual accounts on a going concern basis.

#### **DEVELOPMENT IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company believes that employees are its real strength and their contribution remains main force towards its growth and development.

During the year under review, the relationship between the Workers & Management has been very cordial. The Management has been taking effective steps to raise the morale of work force by introduction of Kaizen Scheme, Incentives for Production, Best worker & most disciplined employees. The company has introduced direct interaction of workforce with the very senior management on frequent intervals which has further boosted morale of the workers.

The Board of Directors recognize and place on record the concerted efforts made by the Company's Executives, Officers, Staff and Workers at all levels.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 is enclosed at Annexure "A" and forms part of this report.



### **AUDITORS AND AUDIT REPORT**

The Company has obtained the requisite certificate from M/s.A.Sachdev & Co., U/s 224(1B) of the Companies Act, 1956 according to their consent to act as Statutory Auditors of the Company if appointed as per provisions contained under Companies Act, 1956. The Director's reply to Auditors Report is stated elsewhere in the report. (Please see notes to accounts)

M/s .A .Sachdev & Co., Chartered Accountants, New Delhi Auditors of the company retire at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.

### **AUDITORS' CERTIFICATE**

The Auditors have certified the Company's compliance of the requirements of Corporate Governance in terms of Clause 49 of the Listing Agreement and the same is annexed to the Report on Corporate Governance.

### **COST AUDIT**

The appintment of M/s Jaspreet Singh & Co. as Cost Auditors for Auditing the Cost Accounting Records of the Company for the year ended 31st March, 2013 has been dully approved by the Central Government.

### **RECONCILIATION OF SHARE CAPITAL AUDIT**

As per the directives of the Securities and Exchange Board of India (SEBI), M/s.K.K.Malhotra & Company, Company Secretaries, New Delhi, undertakes a

Reconciliation of Share Capital Audit on quarterly basis. The audit is aimed at reconciliation of total shares held in CDSL, NSDL and in physical form with the admitted, issued and listed capital of the company.

The Reconciliation of Share Capital Audit Reports as furnished by the Auditor on quarterly basis was forwarded to the Bombay Stock Exchange, where the original shares of the Company are listed.

### **ACKNOWLEDGEMENTS**

Your Directors wish to place their appreciation of the continued support, assistance and co-operation extended to the Company by the Company's Bankers, The Pradeshia Industrial & Investment Corporation of U.P. Ltd (PICUP), the State and Central Government and other Government Agencies.

Your Directors also wish to place on record their appreciation of the confidence reposed by its valued Customers, Suppliers and Esteemed Shareholders, without whose continuing support the achievements of the company would not have been possible.

For and on behalf of Board  
**for RAUNAQ AUTOMOTIVE COMPONENTS LIMITED**

Place : New Delhi  
Date : 29th July, 2013

Sd/-  
**(GURSHARAN SINGH)**  
Chairman and Managing  
Director

### **ANNEXURE "A" TO THE DIRECTORS' REPORT**

Information Pursuant to Section 217 (2A) of the Companies Act, 1956, read with Companies

(Particulars of Employees) Rules, 1975 as amended up to Date and Forming Part of the Directors' Report for the year ended 31st March, 2013

- A. Employed throughout the year ended 31st March, 2013 & were in receipt of Remuneration aggregating not less than Rs.60,00,000/- per annum - NIL
- B. Employed for the part of the year ended 31st March, 2013 & were in receipt of Remuneration aggregating not less than Rs.5,00,000/- per month - NIL

For and on behalf of Board  
**for RAUNAQ AUTOMOTIVE COMPONENTS LIMITED**

Place : New Delhi  
Date : 29th July, 2013

Sd/-  
**(GURSHARAN SINGH)**  
Chairman and Managing Director





## **ANNEXURE "A" TO THE DIRECTORS' REPORT**

Particulars required under The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

### **A. CONSERVATION OF ENERGY**

Your company continues to invest in the latest energy efficient technologies for maintaining the competitive edge. Company has undertaken the following projects to conserve the energy:

1. Common blower in SQF.
2. Installation of energy efficient imported Air Compressor
3. Installation of IPSEN makes SQF for reduction in LPG consumption.
4. Installation of Robot for machines loading to reduce power consumption & operator fatigue.
5. Construction of New Forging unit as a **Green Building** utilizing maximum solar energy.
6. Harvesting of Rain water in the Plant area and specifically newly constructed areas.

#### **Power and Fuel Consumption :**

	2012-13	2011-12
<b>(a) Electricity</b>		
<b>(i) Purchased</b>		
Units (in Lacs)	44.56	44.63
Total amount (Rs.in Lacs)	251.32	222.76
Rate per Unit (Rs.)	5.60	5.10
Average rate per Unit (Rs.)		
As on Date	6.90	—
<b>(ii) Own Generation</b>		
<b>(a) Through Diesel Generator</b>		
Units (in Lacs)	8.01	6.67
Unit per Ltr of Diesel Oil	3.65	3.50
Cost Per Unit (Rs.)	11.69	12.28
<b>(b) Through Steam Turbine/Generator</b>	<b>NIL</b>	<b>NIL</b>
<b>(b) Coal</b>	<b>NIL</b>	<b>NIL</b>
<b>(c) Furnace Fuel (LPG)</b>		
Consumed (in MT)	760.29	759.21
Total Amount (Rs.in Lacs)	517.92	434.82
Average Rate per MT (Rs.in Lacs)	0.68	0.57
<b>(d) Other/Internal Generation</b>	<b>NIL</b>	<b>NIL</b>

### **B. TECHNOLOGY ABSORPTION**

#### **a) Research & Development**

The Company is engaged in the manufacturing of Automotive Gear to OEM & for Replacement Market for domestic & Overseas Customers. Since, the product is manufactured as per design and specifications drawn by the OEM hence it

does not require any Research & Development as such. However, the Company is undertaking every possible step for improvement in processes and product development. Moreover, it interacts with its customer for further improvement in its R&D division and design development.

#### **b) Technology Absorption**

Your company has initiated to absorb / adopt modern technology. These steps include speeding up of all operations to reduce cycle time, to reduce H.T. time and manpower requirement, standardization of process etc. It has implemented / commissioned the following equipments:

1. IPSEN (GERMANY) make Sealed Quench Furnace, which is time saving due to straight thro' design & low energy consumption.
2. FASSLER (SWITZERLAND) make Gear Honing Machines, which can produce DIN 6 quality gears
3. Kanzaki make 5 axis CNC Gear Shaving Machines
4. CNC Contour measuring machine.
5. Modular Storage System using FIFO concept thus reducing the manpower & fatigue factor.
6. Infra Red Metal Spectroscope.

#### **c) Environment Friendly Company**

Company has constructed a new production facility under the name and style of Forging Unit. This has the following features:

1. It is a green building / maximum utilization of sunlight
2. Company has introduced rain water harvesting system
3. Company has undertaken saplings plantation throughout the year

### **C. FOREIGN EXCHANGE INFLOW AND OUTGO**

Expenses incurred in foreign exchange are as follows :

	2012-13 (₹ in Lacs)	2011-12 (₹ in Lacs)
- Foreign Travelling	16.85	25.16
- Purchase of Machineries & Spares (Including Advances)	231.22	163.95
Purchase of Raw Materials & Tools	124.13	52.53
Earnings in Foreign Exchange	2878.12	1878.71



## **CORPORATE GOVERNANCE REPORT**

In compliance of Clause 49 of Listing Agreement as executed with Stock Exchange, Mumbai. RACL has implemented good Corporate Governance practice in true spirit. A report on the implementation of Corporate Governance Code is furnished as under

### **RACL PHILOSOPHY ON CORPORATE GOVERNANCE**

Raunaq Automotive Components Ltd is committed to pursue growth by way adherence to national standards of Corporate Governance which brings direction and control to the affairs of the company in a manner that ensure optimum transparency, overall well being & welfare of the system which takes into account the interest of every stakeholder in every business decision.

The Company's Philosophy on Corporate Governance is based upon the principles of promotion of ethical and responsible decision taking to encourage enhanced performance, integrity in financial reporting, compliance with the laws & regulations in each of the areas the company operates. The company is guided by a key set of values for all its internal & external interaction, recognizing to the legitimate rights of every stakeholder. It is a means of effective control, professionalism responsibility and accountability in all area of enhancing the customers' satisfaction and nurturing the national values.

### **BOARD OF DIRECTORS**

#### **(A) COMPOSITION OF BOARD**

The present Board consists of 2 Executive Directors, 2 Nominee Directors and 3 Non-Executive Independent Directors.

#### **(B) NON EXECUTIVE DIRECTORS**

With their vast experience and knowledge and with their independence of judgment Non Executive Directors deliberate the subject thoroughly at the board meeting. Non Executive Directors are paid sitting fee only and that they do not have any material pecuniary relationship with the company.

The sitting fee paid to Non Executive Directors is within the limits prescribed under the Companies Act, 1956.

#### **(C) COMPOSITION OF BOARD OF DIRECTORS**

Name of Director	Designation/ Description	No. of Board Meetings attended (1.4.2012 to 31.3.2013)	Last AGM Attendance (Yes/No)	No of outside Director- ships held	No of Membership in other committee	Gross remuneration/ sitting fee drawn during the period 1.4.2012 to 31.3.2013
Mr.Gursharan Singh	Chairman and MD	4	Yes	0	1	Rs.4776000/-
Mr.D.R.Arya	Director (F) & C.S.	4	Yes	0	1	Rs.2700000/-
Mr.Anil Sharma	Independent Director	4	Yes	0	2	Rs. 90000/-
Mr.Madan Lal	Independent Director	4	Yes	1	3	Rs. 121000/-
Mr.Raj Kumar Kapoor	Independent Director	3	No	0	1	Rs. 60000/-
Mr.Devender Singh	Nominee Director	2	No	1	—	Rs. 20000/-
Mr.Ashok Mishra	Nominee Director	—	No	—	—	—

### **INFORMATION SUPPLIED TO THE BOARD**

The Board of RACL is regularly presented with all information under the following heads, wherever applicable. These are submitted either as part of the agenda papers well in advance of the Board Meetings or are tabled in the course of the Board Meeting.

Among others, this includes :

- Annual operating plans and budgets, capital budgets, updates
- Quarterly results of the company along with detailed business analysis/Internal Audit Reports
- Minutes of the meetings of Audit Committee/Share Transfer Committee and other committee



- Materially important show cause, demand, prosecution and penalty notices,
- Significant labour problems and their proposed solution-wise agreement,

#### **DIRECTORS WITH MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS, PECUNIARY OR BUSINESS RELATIONSHIP WITH THE COMPANY**

The Directors, apart from drawing Directors remunerations, have no other related party transactions, pecuniary or business relationship with the company & the same are reported in the Notes to Accounts & Accounting Policies.

#### **AUDIT COMMITTEE**

##### **(A) QUALIFIED AND INDEPENDENT AUDIT COMMITTEE:**

The company has been complying with the provisions of Clause 49 of the Listing Agreement and in terms of the provisions of section 292A of the Companies Act, 1956, its functions, powers and role is in compliance with the same.

Mr.R.K.Kapoor, a professional and independent director, is the Chairman of Audit Committee.

##### **(B) REVIEW OF INFORMATION BY AUDIT COMMITTEE**

The Audit Committee review the day to day functions of the company and receive every information that flows from the company during the year and in particular on the following subject:

1. Management discussions and analysis of financial condition, quarterly results and technical operations of the company.
2. Scrutiny and Analysis of Internal Audit Reports/Statutory Audit Reports.
3. Report and comments on weakness /deficiencies in Internal Control System.
4. Appointment and Remuneration of Internal Auditors/Statutory Auditors.

#### **SUBSIDIARY COMPANIES:**

The company does not have any subsidiary company.

#### **CONSTITUTIONS OF COMMITTEE (As on 31.3.2013)**

<b>AUDIT COMMITTEE</b>		<b>SHARE TRANSFER COMMITTEE</b>	
<b>Name of Director</b>	<b>No. of meetings attended</b>	<b>Name of Director</b>	<b>No. of meetings attended</b>
Mr.R.K.Kapoor	3	Mr.Gursharan Singh	17
Mr.Anil Sharma	4	Mr.D.R.Arya	17
Mr.Madan Lal	4	Mr.Madan Lal	17

#### **REMUNERATION COMMITTEE**

##### **Name of Directors**

Mr.Raj Kumar Kapoor  
 Mr.Anil Sharma  
 Mr.Madal Lal

Mr.D.R.Arya, Director (Finance) & C.S. is Secretary to all the above Committees.

#### **COMPLIANCE OFFICER**

Mr.D.R.Arya, is the Compliance Officer of the Company.

#### **CORPORATE GOVERNANCE DISCLOSURES :**

Raunaq Automotive Components Limited is making all efforts to benchmark itself with the guidelines issued by Securities & Exchange Board of India (SEBI) from time to time.

1. Raunaq Automotive Components Limited has an optimum combination of Executive & Non-Executive Directors.
- 2a. As per directions of SEBI, the company has appointed MAS Services Ltd., T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi as Share Transfer Agents (Common Agency) to look into the Electronic Connectivity & Physical Share Transfer Work of the Company.



- 2b. To expedite the process of share transfers and dematerialization of shares, the Board has delegated the power of share transfers to a committee that attends to share transfer formalities and Demat Procedures. The Meetings of Share Transfer Committee are held frequently and shares received for transfer/dematerialization are returned within stipulated statutory period. Share transfers/ transmissions/dematerialization of shares approved by the Committee are placed at the next Board Meeting.

During the 12 months ending 31.3.2013, the Share Transfer Committee met 17 times.

### 3. MEETING OF BOARD & AUDIT COMMITTEE (2012-13)

BOARD MEETING			AUDIT COMMITTEE MEETING		
Date of Meeting	Place	No. of Directors present	Date of Meeting	Place	No. of Directors present
30.05.12	New Delhi	6	30.05.12	New Delhi	3
30.07.12	New Delhi	6	30.07.12	New Delhi	3
30.10.12	Gajraula	4	30.10.12	Gajraula	2
31.01.13	New Delhi	5	31.01.13	New Delhi	3

### MEANS OF COMMUNICATION

- The quarterly results are now published in Business Standard (English and Hindi)
- The quarterly financial statements and all other information is disseminated to analysts/institutional investors and is posted on Company's website ([www.raunaqauto.com](http://www.raunaqauto.com))

### SHAREHOLDERS INFORMATION

#### 1. Annual General Meeting

Date : 30th September, 2013  
 Venue : Shivam Garden, Bawana Road, Narela, Delhi - 110 040  
 Time : 11.00 A.M.

Details of last three AGMs held

YEAR	DATE	TIME	VENUE	BOOK CLOSURE
2009-2010	29.09.2010	10.30 AM	New Delhi	24.09.2010 to 29.09.2010
2010-2011	30.09.2011	10.00 AM	New Delhi	24.09.2011 to 30.09.2011
2011-2012	28.09.2012	10.30 AM	New Delhi	24.09.2012 to 28.09.2012

#### 2. Financial Calendar :

Financial Period : 1st April, 2012 to 31st March, 2013

For the Financial Year 1st April, 2012 to 31st March, 2013 Quarterly results were announced on :

- 30th July, 2012, 30th October, 2012, 31st January, 2013

For the Financial Year 1st April, 2012 to 31st March, 2013 Audited results were announced on :

- 30th May, 2013

#### 3. Book Closure :

The dates of book closure are from 26th September, 2013 to 30th September, 2013 (both days inclusive)

#### 4. Listing :

The company's shares are listed and traded on the The BSE Ltd., Mumbai

The ISIN Number of RAUNAQ on both the NSDL and CDSL is INE704B01017.

The Company has already paid the Listing Fee for the Current Year to The BSE Ltd., Mumbai.





**5. Investor Services (Investor Grievances Committee)**

- Details of non-compliance by RACL, penalties, strictures imposed on RACL by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years : NIL
- Letters received during the year 2012-13

Nature of Letters	Received	Cleared
Enquires relating to Transfer Transmission, Demat etc.	01	01

**6. Stock Market Price Data for the year 2012-13**

The High & Low Prices during each month in the Last Financial Year on Mumbai Stock Exchange are given below :

MONTH	MUMBAI STOCK EXCHANGE	
	HIGH(Rs.)	LOW (Rs.)
April,12	17.00	14.10
May	15.85	12.45
June	13.65	11.80
July	13.12	11.34
Aug	12.99	10.00
Sept	12.05	9.00
Oct	15.60	10.94
Nov	14.72	12.30
Dec	16.60	11.61
Jan,13	16.45	13.20
Feb	15.00	11.45
Mar	15.75	12.30

**7. Categories of Shareholders as on 31st March, 2013**

**Shareholding Pattern**

Category	No. of shares	% of Paid up capital
<b>A Promoters' Holding</b>		
<b>1. Promoters</b>		
a) Indian Promoters		
- PICUP	1503300	16.831
- REWT	3398687	38.052
b) Foreign Promoters	—	—
<b>2. Persons acting in concert</b>	97335	1.090
<b>Sub Total (A)</b>	<b>4999322</b>	<b>55.974</b>
<b>B Non-Promoters Holding</b>		
<b>3. Institutional Investors</b>		
a. Mutual Funds and Unit Trust of India	—	—
b. Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Govt. Institutions)	500	0.006
c. Foreign Institutional Investor	—	—
<b>4. Others</b>		
a. Private Corporate Bodies	261644	2.929
b. Indian Public	2625234	29.393
c. Non Resident Indians/Overseas	1044900	11.699
<b>Sub Total (B)</b>	<b>3932278</b>	<b>44.026</b>
<b>G.TOTAL (A+B)</b>	<b>8931600</b>	<b>100.00</b>



**8. Distribution of shareholding as on 31st March, 2013**

Distribution	No. of Share holders	% of Shareholders	No of shares	% of Shareholding
Up to 5000	6166	91.281	997664	11.170
5001 - 10000	331	4.900	281779	3.155
10001 - 20000	105	1.554	167103	1.871
20001 - 30000	57	0.844	146336	1.638
30001 - 40000	21	0.311	76547	0.857
40001 - 50000	16	0.237	76926	0.861
50001 - 100000	22	0.326	157125	1.759
100001 & Above	37	0.548	7028120	78.688
<b>TOTAL</b>	<b>6755</b>	<b>100.00</b>	<b>8931600</b>	<b>100.00</b>

**9. Shares held in physical and dematerialized form**

As on 31st March, 2013, 79.4% of RACL's shares were held in dematerialized form and the remaining 20.6% in physical form.

Break up of physical and dematerialized shares as on 31st March, 2013

	No. of Folios (Physical)	No. of Folios (Demat)	No. of Shares (Physical)	No. of Shares (Demat)	Total Folios	Total Shares
RACL	3861	2894	1836396	7095204	6755	8931600

- 10. PLANT LOCATION :**
- UNIT-I : Raunaq Automotive Components Limited  
A-3, Industrial Area, Gajraula  
Distt. Amroha - 244223 (U.P.)
- UNIT-II : Raunaq Automotive Components Limited  
H-201, Sector-63, Noida  
Distt. Gautam Budh Nagar (U.P.)

- 11. REGD. OFFICE :  
OF THE COMPANY**
- Raunaq Automotive Components Limited  
15th Floor, Chiranjiv Tower, 43, Nehru Place  
New Delhi - 110 019

- 12. INVESTOR :  
CORRESPONDENCE**
- (1) Mr. D.R.Arya  
Compliance Officer  
Raunaq Automotive Components Limited  
15th Floor, Chiranjiv Tower, 43, Nehru Place  
New Delhi- 110 019  
Tel : (011) 26418622 / 33 / 55  
Fax : (011) 26448962
- (2) MAS Services Ltd  
T-34, 2nd Floor, Okhla Indl. Area, Phase-II  
New Delhi - 110 020  
Tel : (011) 26387281/ 82 / 83  
Fax : (011) 26387384



## CODE OF CONDUCT

The Board of Directors has a well defined code of conduct for all the Board members and Sr. Management of the company.

The members of the Board of Directors and Senior Management personnel have affirmed compliance with the code applicable to them during the year ending 31.03.2013. The annual report of the company contains a Certificate duly signed by the CMD in this regard.

### DISCLOSURES:

- 1) There is no related party transaction that have potential conflict with the company.
- 2) During the last 3 years there has been no non-compliance by the company and there is no penalties, strictures imposed on the company by Stock Exchange or SEBI or any other statutory authority in any manner related to capital market or otherwise.
- 3) The company has complied with the mandatory conditions of corporate governance and also constituted Remuneration committee which review the managerial remunerations payable to CMD and whole time Director.
- 4) Receipt from Public Issues, Rights Issues, Preferential Issues

During the year under review, the company has not issued any share capital by way of Public Issue, Rights Issue & Preferential Issue.

### CEO & CFO CERTIFICATION:

The CMD, the CEO and the Chief Financial Officer have certified to the Board of Directors of the company that:

- (a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate the company's code of conduct.
- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) They have indicated to the auditors and the Audit Committee that there is:
  - (i) No significant change in internal control over financial reporting during the year.
  - (ii) No significant change in Accounting policies during the year under review, and
  - (iii) No instance of fraud in the company in which the management or an employee having a role.

**Whether Special Resolutions were put through Postal ballot last year :**

No

Details of voting pattern

Not applicable

Persons who conducted the postal ballot exercise

Not applicable

Whether Special resolutions are proposed to be conducted through postal ballot

Not applicable



## **AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members  
Raunaq Automotive Components Limited  
New Delhi

We have reviewed the relevant records of Raunaq Automotive Components Limited (the company) for the year ended on 31st March, 2013 relating to compliance with the requirements of Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our review was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and according to information and explanations given to us, we state that to the best of our knowledge the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

We have to state that no investor grievance against the Company is pending for a period exceeding one month as per the records maintained and certified by the Registrars of the Company.

We further state that such compliance is neither an assurance as to future viability of the company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For and on behalf of  
**A. Sachdev & Co.,**  
Chartered Accountants  
Firm Registration No. 001307C

Sd/-  
**B. K. AGARWAL**  
Partner  
Membership No.90771

Place : New Delhi  
Date : 29th July, 2013

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## **COMPLIANCE WITH CODE OF CONDUCT**

This is to certify that the company has laid down Code of Conduct for all Board Members and Senior Management of the company.

It is further certified that the members of the Board of Directors and Senior Management personnel have affirmed having complied with the code applicable to them during the year ended 31st March, 2013.

Sd/-  
**GURSHARAN SINGH**  
Chairman and Managing Director

Place : New Delhi  
Date : 29th July, 2013





## **AUDITOR'S REPORT**

To,  
The Members,

### **Raunaq Automotive Components Limited**

We have audited the attached Balance Sheet of Raunaq Automotive Components Limited as at 31st March, 2013 and also the statement of Profit & Loss Account and the Cash Flow statement for the Financial Year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order 2003, as amended by Companies (Auditor's Report) Amendment Order 2004 (together the 'Order') issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we annex hereto a Statement on the matters specified in paragraphs 4 & 5 of the said Order to the extent applicable and based on such checks we considered appropriate.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, the Company has kept proper books of accounts as required by law, so far, as appears from our examination of those books.
  - c) The Balance Sheet, statement of Profit & Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account.
  - d) On the basis of the written representation / information received from the Directors as on 31st March 2013, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2013 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - e) In our opinion, the Balance Sheet, statement of Profit and Loss account and Cash Flow statement dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us the said Accounts read together with the Notes thereon give the information required by the Companies Act, 1956 in the manner so required, and give a true & fair view in conformity with the accounting principle generally accepted in India :
    - i) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2013;
    - ii) in the case of the statement of Profit & Loss Account, of the profit of the Company for the Financial Year ended on that date; and
    - iii) in the case of Cash Flow statement, of the Cash Flows for the Year ended on that date.

**For A SACHDEV & Co.**  
Chartered Accountants  
Firm Registration No. 001307C

Sd/-  
**(B K AGARWAL)**  
PARTNER  
Membership No.90771

**Place : New Delhi**  
**Date : 30th May, 2013**



## **ANNEXURE TO THE AUDITORS' REPORT**

**Referred to in paragraph 1 of our report of even date.**

1. a) The Company has maintained proper records showing full particulars, including quantitative details and location of fixed assets.  
b) According to the information & explanations given to us, the fixed assets of the Company have been physically verified by the management as at the end of the financial year and no serious discrepancy has been found on such verification. In our opinion, having regard to the size of the company and the nature of its assets the system of verification of the Fixed Assets of the company is reasonable.  
c) Since there is no disposal of substantial part of the Fixed Assets during the Year, paragraph 4(i)(c) of the Companies (Auditor's Report) Order 2003 (hereinafter referred to as the order) is not applicable.
2. a) The inventories, except for stocks lying with third parties where certificates confirming stocks have been received in respect of most of the stocks held, have been physically verified by the management during the year at reasonable interval.  
b) In our opinion and according to information & explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of Inventory. According to information & explanations given to us, the discrepancies noticed on verification between the physical stock and books record, which in our opinion were not material, have been properly dealt with in the Books of Accounts.
3. a) According to the information & explanations given to us, the Company has not granted any loans secured or unsecured to companies, firm or other parties listed in the registers maintained under Section 301 of the Companies Act, 1956; and  
b) Since the company has not granted any loans secured or unsecured during the period covered under audit, Paragraph No.4(iii) (b) of the order is not applicable.  
c) The company has been pursuing civil suit against Mr. JPS Kanwar for the recovery of Rs.488.88 lacs outstanding against him.  
d) The company has not taken any loan during the period covered under Audit from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. However, the company had taken Interest Free Secured Deferred Sales Tax Loan of Rs.732.02 lacs from PICUP, during previous years.  
e) In our opinion, the terms & conditions on which Loans referred to above had been taken are prima facie not prejudicial to the interest of the company; and  
f) The loan is interest free deferred sales tax loan and as per the terms and conditions of the loan, the repayment of the Principal amount has been started as per repayment schedule.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for sale of goods and services. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. a) According to the information and explanations given to us we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act 1956 have been so inserted.  
b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements entered in the register maintained under section 301 of the Companies Act 1956 and exceeding the value of Rs. 5 lacs during the year for each party have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.



- 6 In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year under consideration.
- 7 In our opinion, the company has an adequate Internal Audit system commensurate with the size and the nature of its business.
- 8 We have generally reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of the cost records under section 209(1)(d) of the Companies Act, 1956. We are of the opinion that prima facie the prescribed accounts and records are being maintained. We are not required for detailed examinations of the records maintained & accordingly, we have not examined the same in details.
- 9 According to the information and explanations given to us, and according to the records of the Company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees state Insurance, Income Tax, Tax Deducted at source, professional tax, sales tax, wealth tax, service tax, custom duty, excise duty, octroi charges, property tax, water tax, license fees, works contract tax, cess and other material statutory dues applicable to it .
- 10 In our opinion, the company does not have accumulated losses at the end of Financial year 31st March, 2013. The company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding Financial year.
- 11 In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to the Financial Institutions / Banks.
- 12 Since the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities, paragraph 4(xii) of the order is not applicable.
- 13 As the Company is not a nidhi / mutual benefit fund / society, paragraph 4(xiii) of the order is not applicable.
- 14 Since the company is not dealing or trading in shares, securities, debentures and other investments, paragraph 4(xiv) of the order is not applicable.
- 15 Since the company has not given any guarantee for loans taken by others from bank / Financial Institutions, paragraph 4(xv) of the order is not applicable.
- 16 As per records of the Company the Term Loans / Corporate Loans obtained by it during the period covered under audit have been applied for the purpose for which they were obtained.
- 17 According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that the company has not used any funds raised on short-term basis for long-term investments.
- 18 According to the records of the company and the information and explanations provided by the management, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- 19 Since the company has neither issued any debentures nor has created any securities during the year, Paragraph 4 (xix) of the order is not applicable.
- 20 The company has not raised any money by Public issues during the period covered under audit.
- 21 Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

**For A SACHDEV & Co.**  
Chartered Accountants  
Firm Registration No. 001307C

**Place : New Delhi**  
**Date : 30th May, 2013**

Sd/-  
**(B K AGARWAL)**  
PARTNER  
Membership No.90771



**BALANCE SHEET AS AT 31ST MARCH 2013**

(₹ in Lacs)

Particulars	Notes No.	As At 31st March, 2013	As At 31st March, 2012
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Fund</b>			
Share capital	1	893.16	893.16
Reserves and surplus	2	2,474.69	1,214.68
<b>Non-current liabilities</b>			
Long-term borrowings	3	1,547.13	1,740.49
Deferred tax liabilities (Net)	4	402.25	340.41
Other Long term liabilities	5	58.59	135.83
Long-term provisions	6	279.89	249.79
<b>Current liabilities</b>			
Short-term borrowings	7	2,363.76	1,220.87
Trade payables	8	1,400.74	1,256.05
Other current liabilities	9	852.48	780.90
Short-term provisions	10	139.38	187.23
<b>TOTAL</b>		<b>10,412.07</b>	<b>8,019.41</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	11	5,205.15	4,297.48
Intangible assets		—	—
Capital work-in-progress	11	492.13	64.92
Intangible assets under development		—	—
Non-current investments		—	—
Deferred tax assets (net)		—	—
Long-term loans and advances	12	204.53	180.94
Other non-current assets			
Misc expenditure	13	190.22	125.06
<b>Current assets</b>			
Current investments		—	—
Inventories	14	2,050.52	1,744.71
Trade receivables	15	1,774.69	1,232.32
Cash and cash equivalents	16	87.55	68.72
Short-term loans and advances	17	78.41	28.34
Other current assets	18	328.87	276.92
<b>TOTAL</b>		<b>10,412.07</b>	<b>8,019.41</b>

Significant Accounting Policies & notes to accounts are forming integral part of Balance sheet.

**For A. SACHDEV & CO**

Chartered Accountants

Firm Registration No. 001307C

Sd/-

**B. K. AGARWAL**

(Partner)

Membership No. 90771

Sd/-

**GURSHARAN SINGH**

(Chairman cum  
Managing Director )

Sd/-

**MADAN LAL**

(Director)

Sd/-

**RAJ KUMAR KAPOOR**

(Director)

**By order of the Board**

**For Raunaq Automotive Components Ltd.**

Sd/-

**ANIL SHARMA**

(Director)

Sd/-

**D. R. ARYA**

(Director & C.S.)

Place : Gajraula

Date : 30th May, 2013





**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2013**

(₹ in Lacs)

Particulars	Notes No.	2012-13	2011-12
I. Revenue from operations	20	<b>9,505.07</b>	9,872.39
II. Other income	21	<b>187.17</b>	190.13
III. <b>Total Revenue (I + II)</b>		<b>9,692.24</b>	10,062.52
IV. Expenses:			
Cost of materials consumed	22	<b>4,332.53</b>	4,844.80
Purchases of Stock-in-Trade			—
Changes in inventories of finished goods			
work-in-progress and Stock-in-Trade	23	<b>(8.90)</b>	4.92
Employee benefits expense	24	<b>1,238.53</b>	1,103.20
Finance costs	25	<b>594.82</b>	485.68
Depreciation and amortization expense	26	<b>332.35</b>	304.83
Other expenses	27	<b>2,957.10</b>	2,913.26
Total expenses		<b>9,446.43</b>	9,656.69
V. <b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>245.81</b>	405.83
VI. Exceptional items		—	—
VII. <b>Profit before extraordinary items and tax (V - VI)</b>		<b>245.81</b>	405.83
VIII. Extraordinary Items		—	—
IX. Profit before tax (VII- VIII)		<b>245.81</b>	405.83
X Tax expense:			
(1) Current tax			
Mat payable		<b>50.08</b>	87.44
Less: Mat credit entitlement		<b>23.42</b>	37.76
		<b>(26.66)</b>	(49.68)
(2) Deferred tax		<b>(61.83)</b>	(84.15)
XI <b>Profit for the period from continuing operations (VII-VIII)</b>		<b>157.32</b>	272.00
XII Profit/(loss) from discontinuing operations		—	—
XIII Tax expense of discontinuing operations		—	—
XIV <b>Profit from Discontinuing operations (after tax) (XII-XIII)</b>		—	—
XV <b>Profit for the period (XI + XIV)</b>		<b>157.32</b>	272.00
XVI Earnings per equity share:			
(1) Basic	28	<b>1.76</b>	3.38
(2) Diluted		—	—

**Significant Accounting Policies & notes to accounts are forming integral part of Statement of Profit & Loss Account.**

**For A. SACHDEV & CO**

Chartered Accountants

Firm Registration No. 001307C

**By order of the Board**

**For Raunaq Automotive Components Ltd.**

Sd/-  
**B. K. AGARWAL**  
(Partner)  
Membership No. 90771

Sd/-  
**GURSHARAN SINGH**  
(Chairman cum  
Managing Director )

Sd/-  
**MADAN LAL**  
(Director)

Sd/-  
**ANIL SHARMA**  
(Director)

Place : Gajraula  
Date : 30th May, 2013

Sd/-  
**RAJ KUMAR KAPOOR**  
(Director)

Sd/-  
**D. R. ARYA**  
(Director & C.S.)



## **SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS**

### **A BASIS FOR PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention in accordance with the applicable Accounting Standards and the provisions of the Companies Act, 1956, as adopted consistently by the Company. All income and expenditure having a material bearing on the financial statements is recognized on accrual basis except otherwise stated hereunder.

### **B GOING CONCERN DISCLOSURE**

The accounts under consideration have been drawn up on going concern basis.

### **C REVENUE RECOGNITION**

Revenue from sale of goods/services is recognized when the sale/services have been completed, with the passing of the title. Return of goods if any are recognized in the year of return. Turnover represents invoiced amount of goods sold and services including excise duty but excluding sales tax.

### **D FIXED ASSETS AND DEPRECIATION**

Fixed Assets are stated at cost less accumulated depreciation and impairment losses if any, except land which has been revalued during the year

Depreciation has been provided on straight-line method except for furniture & fixture and vehicles where the same has been provided on written down value method, in accordance with the rates prescribed in Schedule XIV of the Companies Act, 1956 as amended up to date except

- i) On material handling equipments, crates and bins where the rate of Depreciation is 50% on SLM as the average life of such assets is not more than 2 years, and
- ii) The rates of depreciation on some Office equipments is taken at 20% on SLM after assessing the useful life of the asset.
- iii) It is opined that life span of existing jig & Fixture does not exceed one year, hence these are considered to be the part of Current Assets from Current Financial year.

### **E INVENTORIES :**

Valuation of Inventories are made as under :-

- i. Raw Material at cost
- ii Work in progress is valued at factory cost.
- iii. Scrap materials are valued at net realizable value.
- iv All other inventories are valued at cost or net realizable value whichever is lower.
- v. The cost formulae used is weighted average cost formulae & applicable excise has been added in the stock of Finished goods.

### **F FOREIGN CURRENCY TRANSACTIONS :**

In respect of Export Sales in foreign currency, the sales are accounted for at the exchange rate prevailing as on the date of transaction. The receivables as on the Balance Sheet date are accounted for at the closing rate. Any difference arising due to exchange rate fluctuation is treated as revenue income /expense at the time the remittances are received. The accounting is in line with the AS-11.

### **G EXCISE DUTY :**

Excise duty is accounted for at the time of despatches. Excise duty realizable from customers is credited to Sales Account. Unutilized amount of Excise Duty Deposit is shown under Loans & Advances.



The provision for excise duty on the finished goods as on 31.03.2013 has been included in the closing stock of finished goods and the same amount of excise has been included in excise duty payable in current liabilities.

#### **H EMPLOYEES BENEFITS :**

Company's contributions paid/ payable during the year to Provident Fund and Employees' State Insurance Corporation (ESIC) are recognized in the Profit & Loss Account, Provident Fund contributions are made to a Trust administered by the company. The interest rate payable to the members of this trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the company. The remaining contributions are made to a Government Administered Employee Pension Fund towards which the company has no further obligations beyond its monthly contributions.

Defined benefit contributions and other long term employee benefits are provided on the basis of actuarial valuation made at the end of each financial year. Actuarial gain or loss arising from such valuation are charged to revenue in the year in which they arise.

#### **I DEVELOPMENT EXPENDITURE**

The development expenditure includes the amount spent on development of prototype of samples in terms of the raw material consumed, consumption of major tools, loose tools and the amount spent in terms of machine hour rate multiplied by development time spent on individual machine.

#### **J PROVISION FOR CURRENT AND DEFERRED TAX**

- (i) Provision for Current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rates relevant to the respective "Previous Year". Minimum Alternate Tax (MAT) eligible for set-off in subsequent years (as per tax laws), is recognized as an asset by way of credit to the Profit and Loss Account only if there is convincing evidence of its realization. At each Balance Sheet date, the carrying amount of MAT Credit Entitlement receivable is reviewed to reassure realization.
- (ii) Deferred Tax resulting from "timing difference" between book and taxable profit for the year is accounted for using the current tax rates. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be adjusted in future. However, in case of deferred tax assets (representing unabsorbed depreciation or carry forward losses) are recognized, if and only if there is a virtual certainty that there would be adequate future taxable income against which such deferred tax assets can be realized.

#### **K IMPAIRMENT OF ASSETS**

The carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

#### **L EARNINGS PER SHARE (EPS)**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating Diluted Earning per Share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential Equity Shares.



### Notes on financial statements for the year ended 31st March 2013

The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current year presentation

(₹ in lacs)

1	<b>Share Capital</b>	<b>As at 31 March 2013</b>		<b>As at 31 March 2012</b>	
		<b>Number</b>	<b>Rs in lacs</b>	<b>Number</b>	<b>Rs in lacs</b>
	<b>Authorised</b>				
	Preference Shares	—	—	—	—
	Equity Shares of ₹ 10/- each	20,000,000	2,000.00	20,000,000	2,000.00
	<b>Issued &amp; Subscribed</b>				
	Preference shares	—	—	—	—
	Equity Shares of ₹ 10/- each	9,940,000	994.00	9,940,000	994.00
	<b>Paid up</b>				
	Preference shares	—	—	—	—
	Equity Shares of ₹ 10/- each	8,931,600	893.16	893.16	893.16
	<b>Subscribed but not fully Paid up</b>				
	Preference shares	—	—	—	—
	Equity Shares of ₹ 10/-each, not fully paid up	—	—	—	—
	<b>Total</b>	<b>8,931,600</b>	<b>893.16</b>	<b>893.16</b>	<b>893.16</b>

1.2	<b>Particulars</b>	<b>Number Equity Shares</b>		<b>Number Preference Shares</b>	
		<b>31.03.2013</b>	<b>31.03.2012</b>	<b>31.03.2013</b>	<b>31.03.2012</b>
	Shares outstanding at the beginning of the year	8,931,600	7,931,600	—	—
	Shares Issued during the year	—	1,000,000	—	—
	Shares bought back during the year	—	—	—	—
	Shares outstanding at the end of the year	8,931,600	8,931,600	—	—

### 1.3 List of shareholders having more than 5% of equity shares

<b>Name of Shareholder</b>	<b>As at 31 March 2013</b>		<b>As at 31 March 2012</b>	
	<b>No. of Shares held</b>	<b>% of Holding</b>	<b>No. of Shares held</b>	<b>% of Holding</b>
RACL Employee Welfare Trust	3,398,687	38.05	3,398,687	38.05
PICUP	1,503,300	16.83	1,503,300	16.83
Middleware Development Limited	1,000,000	11.19	1,000,000	11.19

### 1.4 No buyback of shares undertaken during the year. NIL

1.5 <b>Unpaid Calls</b>		<b>₹</b>
By Directors	NIL	NIL
By Officers	NIL	NIL

### 1.6 There is only one class of shares of company (i.e Equity shares)

### 1.7 The company does not have any Holding, Subsidiary or Associates of holding company.

### 1.8 Company has forfeited 1008400 equity shares of Rs. 10/- each (on 21.04.2003) and 1900000 convertible share warrants having paid up value of Re. 1/- each (on 19.04.2010)



(₹ in lacs)

2	Reserves & Surplus	As at 31 March 2013	As at 31 March 2012
	<b>a. Capital Reserves</b>		
	Opening Balance	2.00	2.00
	(+) Current Year Transfer	—	—
	(-) Written Back in Current Year	—	—
	Closing Balance	2.00	2.00
	<b>b. Capital Redemption Reserve</b>		
	Opening Balance	—	—
	(+) Current Year Transfer	—	—
	(-) Written Back in Current Year	—	—
	Closing Balance	—	—
	<b>c. Securities Premium Account</b>		
	Opening Balance	81.50	19.00
	Add : Securities premium credited on Share issue		62.50
	<u>Less : Premium Utilised for various reasons</u>	—	—
	Premium on Redemption of Debentures	—	—
	For Issuing Bonus Shares	—	—
	Closing Balance	81.50	81.50
	<b>d. Debenture Redemption Reserve</b>		
	Opening Balance	—	—
	(+) Current Year Transfer	—	—
	(-) Written Back in Current Year	—	—
	Closing Balance	—	—
	<b>e. Revaluation Reserve</b>		
	Opening Balance	1,102.69	—
	(+) Current Year Transfer (on land)	—	—
	(-) Written Back in Current Year	—	—
	Closing Balance	1,102.69	—
	<b>f. Share Options Outstanding Account</b>		
	Opening Balance	—	—
	(+) Current Year Transfer	—	—
	(-) Written Back in Current Year	—	—
	Closing Balance	—	—
	<b>g. Share Forfeiture Account</b>		
	Opening Balance	41.95	41.95
	(+) Current Year Transfer	—	—
	(-) Written Back in Current Year	—	—
	Closing Balance	41.95	41.95
	<b>h. Surplus</b>		
	Opening balance	1,089.23	817.23
	(+) Net Profit for the current year	157.32	272.00
	(+) Transfer from Reserves	—	—
	(-) Proposed Dividends	—	—
	(-) Interim Dividends	—	—
	(-) Transfer to Reserves	—	—
	Closing Balance	1,246.55	1,089.23
	<b>Total</b>	<b>2,474.69</b>	<b>1,214.68</b>





(₹ in lacs)

3	Long Term Borrowings	As at 31 March 2013	As at 31 March 2012
	<b>Secured</b>		
	(a) Bonds/debentures	—	—
	(b) Term loans		
	from banks	1153.95	1,283.16
	(c) Deferred payment liabilities		
	Interest free sales tax loan from PICUP	194.77	368.66
	(d) Deposits	—	—
	(e) Loans and advances from related parties	—	—
	(f) Long term maturities of finance lease obligations		
	Car loan	—	9.01
		<b>1,348.72</b>	<b>1,660.83</b>
	<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) &amp; (g)</b>		
	1. Period of default	—	—
	2. Amount	—	—
	<b>Unsecured</b>		
	(a) Bonds/debentures	—	—
	(b) Term loans	—	—
	(c) Deferred payment liabilities	—	—
	(d) Deposits	—	—
	(e) Loans and advances from related parties	—	—
	(f) Long term maturities of finance lease obligations	—	—
	(g) Other loans and advances (specify nature)	198.41	79.66
		<b>198.41</b>	<b>79.66</b>
	<b>Total</b>	<b>1,547.13</b>	<b>1,740.49</b>

3.1 There has been no default in repayment of loans and interest

3.2 Secured term loans from Banks and Deffered payment liabilities (Deferred Sales tax loan) have been guaranteed by whole time directors.

3.3 Maturity Profile of term loans are as set out below:

	2014-15 1st year	2015-16 2 nd year	2016-17 3rd year
Term loans from bank (Secured)	360.58	406.58	386.79
PICUP (Secured)	194.77	—	—
Unsecured Loans	104.37	94.04	—

3.4 Term Loan from Bank of India, Noida Branch is secured by 1st charge created by equitable mortgage of land & buildings thereon and hypothecation of entire immovable assets and plant & machinery,spares,tools and accessories and other assets (except book debts, other recoverable); both present and future ,subject to prior charge in favour of company's bankers on inventories and book debts & other recoverable created for security of the borrowings for working capital and second charge on immovable assets.



- 3.5 The company has taken a corporate loan of Rs. 600.00 lacs from The Ratnakar Bank Limited. The said loan is secured by way of second charge on entire current assets & fixed assets of the company (existing & future).
- 3.6 Interest free deferred sales tax loan availed in previous years from Pradeshia Industrial & Investment Corporation of UP Ltd (PICUP) is secured by way of second charge on all asset ,whether immovable or movable of the company along with extension of mortgage on immovable assets of the company.

(₹ in lacs)

4	<b>Deferred Tax liability (Net)</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
	<b>Deferred tax liabilities on</b>		
	Accelerated depreciation	433.22	401.27
	Bank & other charges	—	—
	Development Expenses	58.41	38.28
		491.63	439.55
	Less :		
	<b>Deferred Tax assets on</b>		
	Provision for gratuity & leave encashment	88.94	79.64
	Provision for Doubtful debts and advances	0.44	0.44
	Provision on Profit & loss on sale of Fixed Assets	—	19.06
		89.38	99.14
	<b>Net deferred tax liabilities</b>	402.25	340.41
5	<b>Other Long Term Liabilities</b>		
	(a) Trade Payables	—	—
	(b) Others	58.59	135.83
	<b>Total</b>	58.59	135.83
6	<b>Long Term Provisions</b>		
	<b>(a) Provision for employee benefits (Refer note no 24.1)</b>		
	Superannuation (unfunded)	—	—
	Gratuity (unfunded)	213.57	186.26
	Leave Encashment (unfunded)	66.32	63.53
	ESOP/ ESOS	—	—
	<b>(b) Others (Specify nature)</b>	—	—
	<b>Total</b>	279.89	249.79



(₹ in lacs)

7	<b>Short Term Borrowings</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
	<b>Secured</b>		
	(a) Loans repayable on demand from banks	2181.25	1,220.87
	(b) Loans and advances from related parties	—	—
	(c) Deposits	—	—
	(d) Other loans and advances (specify nature)	—	—
		2181.25	1,220.87
	<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) &amp; (d)</b>		
	1. Period of default	—	—
	2. Amount	—	—
	<b>Unsecured</b>		
	(a) Loans repayable on demand	—	—
	(b) Loans and advances from related parties	—	—
	(c) Deposits	—	—
	(d) Other loans and advances (specify nature)	182.51	—
		182.51	—
	<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) &amp; (d)</b>		
	1. Period of default	—	—
	2. Amount	—	—
	<b>Total</b>	<b>2,363.76</b>	<b>1,220.87</b>

- 7.1 The cash credit limit from Bank of India are secured by way of hypothecation & first charge on inventories, book debts and other receivables both present and future and by way of second charge on immovable assets of the company.

(₹ in lacs)

8	<b>Trade Payables</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
	Due to SSIs	—	—
	Due to MSME	—	—
	Due to other than SSIs/MSME	1,400.74	1,256.05
		1,400.74	1,256.05



(₹ in lacs)

9	<b>Other Current Liabilities</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
	(a) Current maturities of long-term debt	<b>657.67</b>	569.51
	(b) Current maturities of finance lease obligations	—	—
	(c) Interest accrued but not due on borrowings	—	—
	(d) Interest accrued and due on borrowings	<b>5.57</b>	0.84
	(e) Income received in advance	<b>50.08</b>	58.16
	(f) Unpaid dividends	—	—
	(g) Application money received for allotment of securities and due for refund #	—	—
	(h) Unpaid matured deposits and interest accrued thereon	—	—
	(i) Unpaid matured debentures and interest accrued thereon	—	—
	(j) Other payables	<b>139.16</b>	152.39
	<b>Total</b>	<b>852.48</b>	780.90
10	<b>Short Term Provisions</b>		
	<b>(a) Provision for employee benefits</b>		
	Salary & Reimbursements	<b>91.36</b>	64.63
	Contribution to PF	—	—
	Gratuity (Funded)	—	—
	Leave Encashment (funded)	—	—
	Superannuation (funded)	—	—
	ESOP/ESOS	—	—
	<b>(b) Others (Taxes payable)</b>	<b>48.02</b>	122.60
	<b>Total</b>	<b>139.38</b>	187.23



## 11. Fixed Assets

Particulars		Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1 April 2012	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	Balance as at 31 March 2013	Balance as at 1 April 2012	Depreciation charged for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2013	Balance as at 31 March 2012
a	Tangible Assets										
	41.68	—	—	1,102.69	1,144.37	—	—	—	—	1,144.37	41.68
	830.53	—	—	—	830.53	180.69	25.59	—	—	624.25	649.84
	5,400.06	119.56	—	—	5,519.62	1,959.19	282.56	—	—	3,277.87	3,440.87
	32.54	1.03	—	—	33.57	25.22	1.39	—	—	6.96	7.32
	80.55	—	6.78	—	73.77	390.4	10.65	—	4.78	28.86	41.51
	162.95	18.88	0.15	—	181.68	116.58	7.28	—	—	57.82	46.37
	131.16	—	—	—	131.16	61.27	4.88	—	—	65.01	69.89
	6,679.47	139.47	6.93	1,102.69	7,914.70	2,381.99	332.35	—	4.78	5,205.14	4,297.48
b	Intangible Assets										
c	64.92	504.61	77.39	—	492.14	—	—	—	—	492.14	64.92
	64.92	504.61	77.39	—	492.14	—	—	—	—	492.14	64.92
d	Intangible assets under Development										
	—										
	6,744.39	644.08	84.32	1,102.69	8,406.84	2,381.99	332.35	—	4.78	5,697.28	4,362.32

\* The land of the Company has been revalued at Rs. 1144.37 lacs during the year.

\*\* An amount of Rs. 26.34 lacs has been Capitalised in Plant & Machinery due to exchange rate fluctuation on foreign currency / loan as on 31.03.2013.





(₹ in lacs)

12	Long Term Loans and Advances	As at 31 March 2013	As at 31 March 2012
	<b>a. Capital Advances</b>	—	—
		—	—
	<b>b. Security Deposits</b>		
	Secured, considered good	44.21	44.04
	Unsecured, considered good	—	—
	Doubtful	—	—
	Less: Provision for doubtful deposits		
		44.21	44.04
	<b>c. Loans and advances to related parties (refer Note 2)</b>	—	—
		—	—
	<b>d. Other loans and advances MAT</b>		
	Secured, considered good	160.32	136.90
	Unsecured, considered good	—	—
	Doubtful	—	—
	Less: Provision for .....	—	—
		160.32	136.90
	<b>Total</b>	<b>204.53</b>	<b>180.94</b>
	To Directors *	—	—
	Other officers of the Company *	—	—
	Firm in which director is a partner *	—	—
	Private Company in which director is a member	—	—
		—	—
13.	<b>MISC EXP WRITTN OFF/BACK</b>		
	Development Expenses	190.22	125.06
14	<b>Inventories</b>		
	<b>a. Raw Materials and components (Valued at Cost)</b>	223.86	176.77
	Goods-in transit		
		223.86	176.77
	<b>b. Work-in-progress (Valued at Factory Cost)</b>	407.78	377.57
	Goods-in transit		
		407.78	377.57
	<b>c. Finished goods (Valued at cost or net realizable value whichever lower)</b>	173.96	191.26
	Goods-in transit		
		173.96	191.26
	<b>d. Stock-in-trade (Valued at _____)</b>	—	—
	Goods-in transit		
		—	—



(₹ in lacs)

	As at 31 March 2013	As at 31 March 2012
<b>e. Stores and spares (Valued at cost or net realizable value whichever is lower)</b>	<b>268.48</b>	233.1
Goods-in transit	268.48	233.10
<b>f. Loose Tools (Valued at cost or net realizable value whichever is lower)</b>	<b>780.98</b>	637.60
Goods-in transit	780.98	637.60
<b>g. Scrap</b>	<b>0.57</b>	4.58
<b>h. Jigs &amp; fixtures</b>	<b>194.89</b>	123.83
	<b>195.46</b>	128.41
<b>Total</b>	<b>2,050.52</b>	1,744.71
<b>15 Trade Receivables</b>		
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	—	—
Unsecured, considered good	<b>1731.99</b>	1186.50
Unsecured, considered doubtful		
Less: Provision for doubtful debts	<b>(1.44)</b>	(1.44)
	<b>1,730.55</b>	1,185.06
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	—	—
Unsecured, considered good	<b>44.14</b>	47.26
Unsecured, considered doubtful		
Less: Provision for doubtful debts	—	
	<b>44.14</b>	47.26
<b>Total</b>	<b>1,774.69</b>	1,232.32
The company has taken an advance of Rs.1220.42 lacs (unsecured) against trade receivable from IFCI Factors Limited. The above figures are exclusive of IFCI Factors Limited advances.		
Trade Receivable stated above include debts due by:		
To Directors *	—	—
Other officers of the Company *	—	—
Firm in which director is a partner *	—	—
Private Company in which director is a member	—	—
	—	—

\*Either severally or jointly



(₹ in lacs)

16	<b>Cash and cash equivalents</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
	a. Balances with banks*	<b>29.15</b>	15.13
	This includes:		
	Earmarked Balances	—	—
	(eg/- unpaid dividend accounts)		
	Margin money	<b>55.10</b>	47.83
	Security against borrowings	—	—
	Guarantees	—	—
	Other Commitments	—	—
	Bank deposits with more than 12 months maturity	—	—
	b. Cheques, drafts on hand		
	c. Cash on hand*	<b>3.30</b>	5.76
	d. Others (specify nature)		
		<b>87.55</b>	68.72

**16.1** The margin money on Letter of Credit is secured by pledging of Term Deposit Receipts to the schedule Bank.

(₹ in lacs)

17	<b>Short-term loans and advances</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
	a. Loans and advances to related parties	—	—
		—	—
	b. Others (specify nature)		
	Capital Advances	—	—
	Balances with excise authorities	—	—
	Secured, considered good	<b>78.41</b>	28.34
	Unsecured, considered good	—	—
	Doubtful	—	—
	Less: Provision for _____	—	—
		<b>78.41</b>	28.34
		—	—
	To Directors *	—	—
	Other officers of the Company *	—	—
	Firm in which director is a partner	—	—
	Private Company in which director is a member	—	—
		—	—
	*Either severally or jointly		
18	<b>Other current assets (specify nature)</b>		
	Advance recoverable in cash or kind or value to be received	<b>328.87</b>	276.92



(₹ in lacs)

19	<b>Contingent liabilities and commitments</b> (to the extent not provided for)	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
	<b>(i) Contingent Liabilities</b>		
	(a) Claims against the company not acknowledged as debt	—	—
	(b) Guarantees	—	51.01
	(c) Outstanding amount of letter of Credit	215.92	135.62
		215.92	186.63
	<b>(ii) Commitments</b>		
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	—	—
	(b) Uncalled liability on shares and other investments partly paid	—	—
	(c) Other commitments (specify nature)	—	—
		—	—
	<b>Total</b>	215.92	186.63

**20 Revenue from operations** (₹ in lacs)

	<b>2012-13</b>	<b>2011-12</b>
<b>Particulars</b>		
Sale of products-Domestic	7,305.91	8725.73
Sale of products-Export	2,945.60	1893.21
Sale of services		
Other operating revenues	90.69	87.56
Less:		
Excise duty	(837.13)	(834.11)
<b>Total</b>	9,505.07	9,872.39
<b>21 Other Income</b>		
Interest on deposits	9.52	1.56
Dividend Income		
Net gain/loss on sale of investments		
Other non-operating income (net of expenses directly attributable to such income)	177.65	188.57
<b>Total</b>	187.17	190.13
<b>22 Cost of Material consumed</b>		
Opening stock	176.77	213.22
Add: Purchases	4,379.62	4808.35
Less: Closing stock	(223.86)	(176.77)
<b>Total</b>	4,332.53	4,844.80



**23 Change in inventories**

**(₹ in lacs)**

Particulars	2012-13	2011-12
Closing Stock		
Finished stock	173.96	191.26
Material in transit	—	—
Work in progress	407.78	377.57
Scrap	0.57	4.58
	582.31	573.41
Less:		
Opening Stock		
Finished stock	191.26	151.62
Material in transit	—	5.29
Work in progress	377.57	412.94
Scrap	4.58	8.48
	573.41	578.33
<b>(Inc)/dec in stock</b>	<b>(8.90)</b>	<b>4.92</b>
<b>24 Employee Benefits Expense</b>		
(a) Salaries and incentives	1,086.92	942.35
(b) Contributions to -		
(i) Provident fund	34.03	21.98
(ii) Superannuation scheme	—	—
(c) Gratuity fund contributions	47.28	42.98
(d) Social security and other benefit plans for overseas employees	—	—
(e) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP)	—	—
(f) Staff welfare expenses	70.30	95.89
<b>Total</b>	<b>1,238.53</b>	<b>1,103.20</b>

**24.1** The Company has adopted Accounting Standard 15 on employees benefits w.e.f. April 1, 2009 relevant disclosure are as under :

Details in respect of Gratuity and Leave Encashment are as under :

Liability to be recognized in Balance Sheet as at 31.3.2013	Gratuity	Leave Encashment
Present value of Funded Obligations	213.57	66.32
Fair Value of Plan Assets	—	—
Net Assets / (Liability)	(213.57)	(66.32)

**Reconciliation of Opening and Closing Balances of obligation**

Change in defined Benefit Obligation

Obligation as at 01.04.2012	186.25	63.53
Current Service Cost	13.03	2.34
Interest Cost	17.99	5.20
Actuarial Losses / (Gain)	8.87	1.26
Benefit Paid	(12.57)	(6.01)
Obligation as at 31.3.2013	213.57	66.32





**Expenditure to be recognized during the year**

**(₹ in lacs)**

Particulars	2012-13	2012-13
Current Service Cost	13.03	2.34
Interest Cost	17.99	5.20
<b>Expected Return on Plan Assets</b>		
Net Actuarial Losses/(Gain) Recognized during the year	8.87	1.26
Total expenditure included in "Employees Emoluments"	39.89	8.80

**Assumptions**

Discount Rate (per annum)	8.00%	8.00%
Expected Rate of Return on Assets (per annum)	0.00%	0.00%
Salary Escalation Rate	5.00%	5.00%

<b>25 Finance cost</b>		
Interest expense	348.12	299.73
Other borrowing costs	246.70	185.95
Applicable net gain/loss on foreign currency transactions and translation	—	—
<b>Total</b>	<b>594.82</b>	<b>485.68</b>
<b>26 Depreciation and Amortisation</b>		
Depreciation	332.35	304.83
Less: Transferred from revaluation reserve		
	332.35	304.83
<b>27 MANUFACTURING EXPENSES</b>		
Stores & Spares consumed	179.77	155.41
Loose Tools consumed	320.10	257.10
Power, Oil & Lubricants & LPG for furnace	971.24	882.91
Repairs & Maint. (Plant & Machinery)	66.27	43.34
Outside vendoring	805.85	952.09
Others	150.19	115.88
	2,493.42	2,406.73
Less: Transfer to Development Expenses	(77.35)	(47.61)
	2,416.07	2,359.12
<b>ADMINISTRATIVE, SELLING &amp; OTHER EXPENSES</b>		
Travelling & Conveyance	43.47	49.89
Vehicle running & maintenance	62.78	55.34
Telephone, Telex & Communication	16.22	15.70
Repairs & Maintenance :		
- Building	2.32	5.57
- Others	—	—
Freight & Forwarding	94.35	74.15
Rent	32.97	33.54
Printing & Stationery	10.34	10.15
Discount on sales/Warranty claims	27.03	38.40
Electricity & Water	6.02	9.63
Auditors Remuneration	1.25	1.25
Directors Remuneration	74.76	84.97
Misc. Expenses	141.37	144.29
Misc. Expenses written off	28.15	31.26
	541.03	554.14
<b>TOTAL</b>	<b>2,957.10</b>	<b>2,913.26</b>



**28 Earning Per Share**

(₹ in lacs)

Particulars	2012-13	2012-13
Net profit after tax as per statement of Profit & Loss attributable to Equity Shareholder	<b>157.32</b>	272.00
Weighted average no of shares	<b>8931600</b>	8056600
Nominal Value of Shares	<b>10.00</b>	10.00
Basic Earning Per Share	<b>1.76</b>	3.38
<b>29 Expenditure in Foreign currency</b>		
Raw Material/Tools	<b>124.13</b>	52.53
foreign Travelling	<b>16.85</b>	25.16
<b>30 Payment to Auditors</b>		
a. auditor	<b>1.25</b>	1.25
b. for taxation matters	—	—
c. for company law matters	—	—
d. for management services	—	—
e. for other services	—	—
f. for reimbursement of expenses	—	—
<b>Total</b>	<b>1.25</b>	1.25
<b>31 Earnings in Foreign currency</b>		
Export of goods on CIF basis	<b>2878.12</b>	1878.71

**32** Where in respect of an issue of securities made for a specific purpose, the whole or part of the amount has not been used for the specific purpose at the balance sheet date, Indicate below how such unutilized amounts have been used or invested. **NIL**

**33** Major expenditure on development of new components, where the benefit of such work is expected to accrue over an extended period and is not exhausted during the period covered by the Profit & Loss Account is treated as deferred revenue expenditure and written off over a period of five years. Accordingly 20% of such expenditure has been charged to revenue account and balance carried over to be charged in the subsequent years.

**34** The company has been pursuing the civil suit against Mr. JPS Kanwar for the recovery of Rs.488.88 lacs.

**35** The Company has initiated the process of obtaining confirmation from suppliers who have registered themselves under the Micro Small Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Further no interest during the year has been paid or payable under the terms of the MSMED Act, 2006.

**36** The company had sent balance confirmation letters to the customers. The company has received balance confirmations from some of the parties.

**37** Consumption of Raw Material

	As at 31 March 2013		As at 31 March 2012	
	Nos	Value (₹ in Lacs)	Nos	Value (₹ in Lacs)
Forging (Bought Out)	5,292,826	4,526.10	5,959,727	4,693.40
Forging (On job work basis)	271	—	24,974	—
<b>38</b> CIF Value of Imported Machines/Spares				
Machine/Spare Part		231.22		163.95



- 39** In the opinion of the Board of Directors, Current Assets Loans and Advances shall have a value on realization, in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.
- 40** Accounting Standard 17 that relates to segmental reporting is not applicable as the company does not have any identifiable segment as defined in Accounting Standards. Moreover, the company deals only in the automotive components meant for two wheeled, three wheeled and four wheeled vehicles.
- 41** Accounting Standard 19 for lease accounting is not applicable as there were no lease transaction.
- 42 RELATED PARTY DISCLOSURE**
- As on 31-03-2013, none of the Directors is interested in any of the related party transactions.



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

	Year ended 31st Mar, 2013 (Rs.in Lacs)	Year ended 31st Mar, 2012 (Rs.in Lacs)
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	245.81	405.83
Adjustments for:		
Depreciation	332.35	304.83
Miscellaneous expenses written off	28.15	31.26
Interest	594.82	485.68
<b>Operating Profit before Working Capital Changes</b>	<b>1,201.13</b>	<b>1,227.60</b>
Changes in Working Capital		
Decrease/(Increase) in Inventories	(305.81)	(136.55)
Decrease/(Increase) in Sundry Debtors	(542.37)	(337.74)
Decrease/(Increase) in Loan & Advances	(132.88)	(160.42)
(Decrease)/Increase in Current Liabilities	(1.71)	(12.27)
<b>Cash Generated From Operations</b>	<b>218.36</b>	<b>580.62</b>
Interest paid	(594.81)	(485.68)
<b>Cash Flow before Extraordinary Items</b>	<b>(376.45)</b>	<b>94.94</b>
Extraordinary Items(Prior Year Income/(Expenditure)		
Tax paid during the Year	(48.02)	(81.41)
Tax paid (previous year)	(2.06)	(6.03)
Others	23.42	(45.51)
<b>Net Cash Flow from Operating Activities</b>	<b>(403.11)</b>	<b>(38.01)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Inflow/(Out flow)		
Purchase of Fixed Assets	(564.54)	(1108.70)
Development Expenses	(93.32)	(83.81)
<b>Net Cash Flow from investing Activities</b>	<b>(657.86)</b>	<b>(1,192.51)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Inflow/(Outflow)		
Repayment of Long Term Borrowings		
(Decrease)/Increase in Term Loan from bank	(43.95)	653.87
Increase/(Decrease) fresh share issued	—	162.50
Increase/(Decrease) in Cash Credit Utilisation	960.38	351.59
Increase/(Decrease) loan from others	233.75	147.17
Increase/(Decrease) in long term liabilities	30.10	36.13
Loan from Car finance Co	(10.51)	(10.56)
Interest Free Sales Tax Loan	(97.24)	(109.32)
<b>Net cash flow from financing activities</b>	<b>1,072.53</b>	<b>1,231.38</b>



	Year ended 31st Mar, 2013 (Rs.in Lacs)	Year ended 31st Mar, 2012 (Rs.in Lacs)
<b>D. NET INC./(DEC.) IN CASH AND CASH EQUIVALENT:(A+B+C)</b>	<b>11.56</b>	0.86
Opening Balance of Cash and Cash Equivalents	<b>20.89</b>	20.03
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>32.45</b>	20.89

We have verified the above cash flow statement of RAUNAQ AUTOMOTIVE COMPONENTS LTD. derived from Audited Financial Statements for the year ended 31st March, 2013 and found the same in accordance therewith, and also with the requirement of clause 32 of the listing agreement with Stock Exchanges.

**For A. SACHDEV & CO**  
Chartered Accountants  
Firm Registration No. 001307C

**By order of the Board**  
**For Raunaq Automotive Components Ltd.**

Sd/-  
**B. K. AGARWAL**  
(Partner)  
Membership No. 90771

Sd/-  
**GURSHARAN SINGH**  
(Chairman cum  
Managing Director )

Sd/-  
**MADAN LAL**  
(Director)

Sd/-  
**ANIL SHARMA**  
(Director)

**Place : Gajraula**  
**Date : 30th May, 2013**

Sd/-  
**RAJ KUMAR KAPOOR**  
(Director)

Sd/-  
**D. R. ARYA**  
(Director & C.S.)

## RAUNAQ AUTOMOTIVE COMPONENTS LIMITED

Regd Office : 15th Floor, Chiranjiv Tower 43, Nehru Place, New Delhi - 110 019

### FORM OF PROXY

I/We.....of.....in the district of.....being a member/members of the Raunaq Automotive Components Ltd, hereby appoint Mr/Mrs/ Miss.....of.....in the district of.....or failing him/her Mr/Mrs/ Miss.....of.....in the district of.....as my/our Proxy to vote for me/us on my/our behalf at the 30th Annual General Meeting of the Company to be held on Monday, 30th September, 2013, at 11.00 AM.

Signed this ..... day of ..... 2013.

Signature.....

Folio No.....

DP ID .....

Client ID.....

No.of Shares held.....

Affix Re  
1.00  
Revenue  
Stamp

**Note :** If a member is unable to attend the meeting, he/she may sign this form and send it to the Registered Office of the Company so as to reach atleast 48 hours before the time for holding the meeting.

## RAUNAQ AUTOMOTIVE COMPONENTS LIMITED

Regd Office : 15th Floor, Chiranjiv Tower 43, Nehru Place, New Delhi - 110 019

### ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the Entrance of the Hall. Only Members or their Proxies are entitled to be present at the meeting.

Name and Address of the Member	Folio No.
	Client ID No.
	DP ID No.
	No. of Shares Held

I hereby record my presence at the 30th Annual General Meeting of the Company at Shivam Garden, Bawana Road, Narela, Delhi- 110040 on Monday, 30th September, 2013, at 11.00 AM.

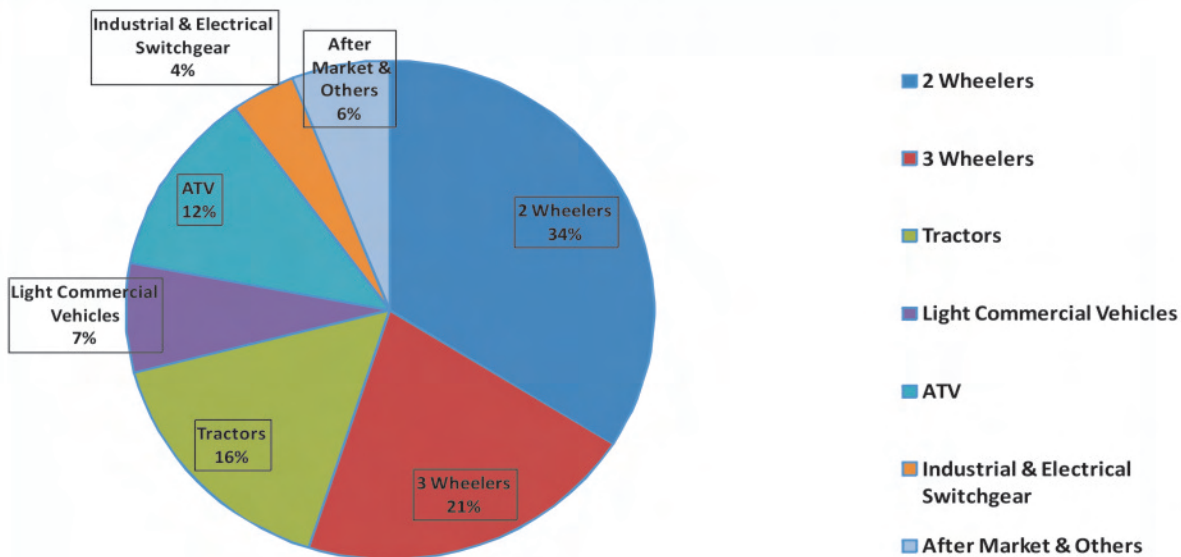
Signature of the Shareholder	Signature of the Proxy

**Note :**

1. The copy of Annual Report may please be brought to the Meeting Hall.
2. Briefcases, Hand Bags etc. are not allowed inside the Meeting Hall.
3. **Please note that no gifts will be distributed at the meeting.**



### PRODUCT WISE BUSINESS SHARE (F.Y.12-13)



**POSTAGE PREPAID IN CASH**

**BOOK - POST**



**If undelivered please return to :**

**Raunaq Automotive Components Ltd.**

15th Floor, Chiranjiv Tower

43, Nehru Place

New Delhi-110 019

P.G. Ph.: 9871548848



# RAUNAQ AUTOMOTIVE COMPONENTS LIMITED

Head Office & Regd. Office :

15TH FLOOR, CHIRANJIV TOWER - 43, NEHRU PLACE, NEW DELHI - 110 019

PHONES : 91-11-26418622, 26418633, 26418655

FAX NO. : 91-11-26448962

E-mail : enquiries@raunaqauto.com • Visit at <http://www.raunaqauto.com>

CIN No.: L34300DL1983PLC016136




## FORM A

(Pursuant to Clause 31(a) of Listing Agreement)

No.	Particulars	Details
1.	Name of the Company	Raunaq Automotive Components Limited
2.	Annual Financial Statements for the Year ended	31 <sup>st</sup> March, 2013
3.	Type of Audit Observation	Un-qualified
4.	Frequency of Observation	Not Applicable
5.	To be Signed by-	
	➤ CEO/Managing Director	Mr. Gursharan Singh sd/-
	➤ CFO	Mr. D.R. Arya sd/-
	➤ Audit Committee Chairman	Mr. Raj Kumar Kapoor sd/-
	➤ Auditor of the Company	For A. SACHDEV & CO. Chartered Accountants Firm Registration No. 001307C  sd/-  B. K. AGARWAL (Partner) Membership No. 90771

FOR RAUNAQ AUTOMOTIVE COMPONENTS LTD.

  
D. R. ARYA  
DIRECTOR & C.S.



### Factory :

A-3, INDUSTRIAL AREA, GAJRAULA DISTT. AMROHA-244223 (U.P.)

PH.: STD. (05924), 252090, 252092, 252093, 252274, 253088, 252275 FAX : 91-05924-252276

E-mail : [raciworks@raunaqauto.com](mailto:raciworks@raunaqauto.com)

### Unit II :

H-201, SECTOR-63, NOIDA, DISTT. GAUTAM BUDH NAGAR - 201307 (U.P.)

PH.: (0120) - 4111879, E-mail : [noida@raunaqauto.com](mailto:noida@raunaqauto.com)