



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

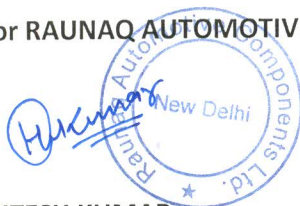


FORM – A

[Pursuant to Clause 31(a) of Listing Agreement with BSE Limited]

No.	Particulars	Details
1.	Name of the Company	Raunaq Automotive Components Limited
2.	Annual Financial Statements for the Year ended	31 st March, 2015
3.	Type of Audit Observation	Un-qualified
4.	Frequency of Observation	Not Applicable
5.	Signed by-	
	➤ Chairman & Managing Director	Mr. Gursharan Singh
	➤ Director & CFO	Mr. Dev Raj Arya
	➤ Audit Committee Chairman	Mr. Raj Kumar Kapoor
	➤ Auditor of the Company	<p>For A. SACHDEV & CO. Chartered Accountants Firm Registration No. 001307/C</p> <p>B. K. AGARWAL (Partner) Membership No. 90771</p>

for RAUNAQ AUTOMOTIVE COMPONENTS LIMITED



HITESH KUMAR
COMPANY SECRETARY

Factory :

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

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

E-mail : raclworks@raunaqauto.com

Unit II :

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

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



32nd ANNUAL REPORT 2014-15



RAUNAQ AUTOMOTIVE COMPONENTS LIMITED





BOARD OF DIRECTORS

Mr. Gursharan Singh	Chairman and Managing Director
Mr. Anil Sharma	Independent Director
Mr. Raj Kumar Kapoor	Independent Director
Mr. Madan Lal	Independent Director
Mr. Devender Singh	Nominee Director (PICUP)
Mr. Rakesh Kapoor	Independent Director
Mr. Dev Raj Arya	WholeTime Director & CFO.
Mrs. Narinder Paul Kaur	Additional Director(Non-executive Director)

Company Secretary & Compliance Officer

Mr. Hitesh Kumar

Statutory Auditors

A.Sachdev & Company
Chartered Accountants
105, Chowdhary Complex,
9, Madhuvan Road, Delhi -110092

Internal Auditors

Gianender & Associates
Chartered Accountants
Geeta Mandir Marg, Delhi -110060

Bankers

Bank of India
AXIS Bank Limited
RBL Bank Limited

Registered Office

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

Works

Unit No. 1

A-3, Industrial Area,
Gajraula, Distt. Amroha - 244223, (U.P.).

Unit No. 2

H-201, Sector-63, Noida,
Distt. Gautam Budh Nagar -201307, (U.P.).

Registrar & Share Transfer Agents

MAS Services Ltd.
T-34, 2nd Floor,
Okhla Industrial Area-II, New Delhi - 110020.
Ph: 011-26387281/82/83, Fax : 011-26387384
E-mail : info@masserv.com
Website : www.masserv.com

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NOTICE:

Notice is hereby given that the 32nd Annual General Meeting of the members of Raunaq Automotive Components Limited will be held on Wednesday, the September 30th, 2015 at 11.00 A.M. at Shivam Garden, Bawana Road, Narela, New Delhi – 110040, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the Company for the financial year ended March 31, 2015, including the audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Dev Raj Arya, who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Auditors of the Company, and to fix their remuneration and for that purpose, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, pursuant to the recommendations of the audit committee of the board of directors of the company and pursuant to the resolution passed by the members at the Annual General Meeting (AGM) held on September 30th, 2014, the appointment of M/s. A. Sachdev & Co., Chartered Accountants (Firm Registration No. 001307C), as the auditors of the Company to hold office until the conclusion of 34th AGM, be and is hereby ratified on such remuneration as may be mutually determined between the said Auditors and the Board of Directors of the Company.”

SPECIAL BUSINESS:

4. To adopt new **Articles of Association** of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 and other applicable provision (including any statutory modification(s) or re-enactment thereof for the time being in force), if any, of the Companies Act, 2013 and any other act, if any and subject to the approval of the Central Government or Registrar of Companies or any other authority as may be necessary, the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To approve the change of name of the company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of section 4, section 13 of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 and other applicable provision (including any statutory modification(s) or re-enactment thereof for the time being in force), if any, of the Companies Act, 2013 and any other act, if any, the consent of the members be and is hereby given (subject to the approval of the Central Government or Registrar of Companies or any other authority as may be necessary) to change the name of the Company from RAUNAQ AUTOMOTIVE COMPONENTS LIMITED to RACL GEARTECH LIMITED.

RESOLVED FURTHER THAT the name **RAUNAQ AUTOMOTIVE COMPONENTS LIMITED** wherever appearing in the Memorandum of Association and Articles of Association and in other documents as may be necessary be substituted by the new name **RACL GEARTECH LIMITED** upon approval of the same by the Central Government or Registrar of Companies.

RESOLVED FURTHER THAT the Board of directors of the company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To approve the payment of remuneration to Non-executive Directors and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:



“RESOLVED THAT pursuant to provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of the equity listing agreement with stock exchanges, the non-executive directors of the Company (i.e. directors other than the Managing Director and / or the Whole-time Directors) be paid, remuneration, in addition to the sitting fee for attending the meetings of the Board of Directors or Committees thereof, as the Board of Directors may from time to time determine, not exceeding in aggregate one percent of the net profits of the Company (in the case, if services rendered by Non executive Directors are of a professional nature then one percent limit shall not apply) for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Nomination and Remuneration Committee) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. To appoint Mrs. Narinder Paul Kaur (DIN No. 02435942) as Director and in this regard, to consider and if thought fit, to pass with or without modification(s) the following Resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 188, 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013 or any other act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of the equity listing agreement with stock exchanges, Mrs. Narinder Paul Kaur (holding Director Identification Number 02435942), who was appointed as an Additional Director at the Board Meeting held on January 31, 2015 and who holds office as such up to the date of this Annual General Meeting and being eligible, offer herself for appointment and in respect of whom the Company has received a notice in writing from a member, pursuant to the provisions of Section 160 of the Companies Act, 2013 signifying the member's intention to propose the candidature of Mrs. Narinder Paul Kaur for the office of Director, be and is hereby appointed as a Director (Non-executive Director/Professional Director) of the Company, liable to retire by rotation .”

RESOLVED FURTHER THAT the approval of the Members of the company be and is hereby accorded for payment of retainership fees Rs. 90,000/- (Rupees Ninety Thousands) per month (including fee in the event of loss or inadequacy of profits) to Mrs. Narinder Paul Kaur (DIN- 02435942), Non-executive Director/ Professional Director of the company, with effect from April 1, 2015.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby also authorised to:

1. Approve such increase or variations, modifications or amendments in the terms of retainership fee set out in Explanatory Statement annexed hereto as considered reasonable by the Board and acceptable to Mrs. Narinder Paul Kaur.
 2. To do all acts and take all such steps and actions as may be necessary, proper or expedient to give effect this resolution.”
8. To approve the payment of remuneration to Mr. Gursharan Singh, Chairman & Managing Director and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION**:

RESOLVED THAT pursuant to the provisions of Section 197, 198 and Schedule V of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provision (including any statutory modification(s) or re-enactment thereof for the time being in force), if any, of the Companies Act, 2013 and any other act, if any, the approval of the Members of the Company be and is hereby accorded for payment of remunerations to Mr. Gursharan Singh (DIN-00057602), Chairman & Managing Director of the company, with effect from April 1, 2015, for a period of 2 (Two) years, on the terms and conditions of remuneration (including remuneration in the event of loss or inadequacy of profits) as set out in the Statement annexed to the Notice convening this Meeting, with authority to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions



of the said remuneration as it may deem fit and as may be acceptable to Mr. Gursharan Singh, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the other terms and conditions of his appointment remain unchanged.

RESOLVED FURTHER THAT the Board of directors of the company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the above resolution."

9. To approve the payment of remuneration to Mr. Dev Raj Arya, Whole time Director & CFO and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 197, 198 and Schedule V of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provision (including any statutory modification(s) or re-enactment thereof for the time being in force), if any, of the Companies Act, 2013 and any other act, if any, the approval of the Members of the Company be and is hereby accorded for payment of remuneration to Mr. Dev Raj Arya (DIN- 00057582), Director & CFO of the company, with effect from April 1, 2015, for a period of 2 (Two) years, on the terms and conditions of remuneration (including remuneration in the event of loss or inadequacy of profits) as set out in the Statement annexed to the Notice convening this Meeting, with authority to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said remuneration as it may deem fit and as may be acceptable to Mr. Dev Raj Arya, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the other terms and conditions of his appointment remain unchanged.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the above resolutions."

10. To approve the Alteration to the Capital Clause (Clause V) of the Memorandum of Association of the Company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 13, 61 and 64 of Companies Act, 2013, read with the Companies (Share Capital & Debentures) Rules, 2014, and other applicable provision (including any statutory modification(s) or re-enactment thereof for the time being in force), if any, of the Companies Act, 2013 and any other act, if any, the approval of the Members of the Company be and is hereby accorded (subject to the approval of the Registrar of Companies, NCT of Delhi & Haryana and other necessary approvals as may be required in this regard from appropriate authorities and subject to such terms and conditions as may be imposed by them), for effecting the following amendments in Capital Clause (Clause V) of the existing Memorandum of Association, by replacing the existing Clause V with the following new Clause V:-

"V. The Authorised Share Capital of the Company is Rs. 20,00,00,000 (Rupees Twenty crores only) divided into 2,00,00,000 (Two crores) equity Shares of Rs. 10/- each (Rupees Ten only)."

RESOLVED FURTHER THAT the Board of directors of the company be and is hereby authorised to do all acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**By order of the Board
for RAUNAQ AUTOMOTIVE COMPONENTS LIMITED**

Sd/-

**Hitesh Kumar
Company Secretary**

Place: New Delhi

Date: August 06, 2015

**Regd Office : 15TH Floor, Chiranjiv Tower- 43,
Nehru Place, New Delhi-110019**

Ph. : +91 11 26418622, Fax : +91 11 26448962

Email - investor@raunaqauto.com



NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not to be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten (10) percent of the total share capital of the Company. However, a member holding more than ten (10) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.
The instrument of proxy in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. The relevant Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business set out in Item Nos. 4 to 10 of the accompanying Notice is annexed hereto.
3. The particulars in respect of Directors seeking appointment / re-appointment in the forthcoming Annual General Meeting as required under clause 49 of the Listing Agreement, are also available in the 'Board of Directors' section in the Report on Corporate Governance in the Annual Report. The Directors have furnished the requisite consents/ declarations for their appointment/re-appointment.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, September 24, 2015 to Wednesday, September 30, 2015 (Both days inclusive) for the purpose of the AGM.
5. Members are requested to be in their seats at the meeting hall before the scheduled time for commencement of the meeting.
6. Corporate Members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution/Authority letter authorizing their representative to attend and vote on their behalf at the meeting.
7. Members holding more than one share certificate in the same name or joint names in same order but under different Ledger Folios, are requested to apply for consolidation of such Folios and send the relevant share certificates to the Registrars and Share Transfer Agents to enable them to consolidate all such holdings into one single Account.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form can submit their PAN to their Depository Participant(s) with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Company/RTA.
9. In case the mailing address mentioned on this Annual Report is without Pin-code, Members are requested to kindly notify their Pin-codes immediately to the Company/RTA.
10. This notice is being issued having regard to provisions of Section 108 of the Companies Act, 2013, and the rules made thereunder and Clause 35B of the Listing Agreement with Stock Exchanges.
11. The Annual Report for the Financial year 2014-15, Notice of 32nd AGM and instructions for remote e-voting, along with Attendance Slip and Proxy Form, is being sent by electronic mode to all the members whose email IDs are registered with the Company/Depository participant(s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of these documents is being sent in the permitted mode. Members may also note that these documents will be available on the Company's website, www.raunaqauto.com
12. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode. Members are requested to register/ update their e-mail IDs with their respective Depository Participant(s)/ or with Company for shares in electronic form (Demat) or in physical form, respectively.
13. Members are requested to bring their duly filled in attendance slips sent herewith while attending the Annual General Meeting.



14. The relevant documents will also be displayed on the Investors section of the Company on www.raunaqauto.com and copies of the said documents will also be available for inspection by the members at the Registered office of the Company during business hours (10 AM to 1 PM) on working days up to the date of the meeting.

15. Voting through Electronic means

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The Facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commencing on September 27, 2015 (10.00 A.M.) and ends on September 29, 2015 (5.00 p.m.). During this period member of the company, holding shares either in physical form or in dematerialized form, as on the cut of date of September 23, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by the NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change subsequently.
- V. The process and manner for remote e-voting are as under:
 - i. **In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/ Depository Participants(s)):**
 - a. Open e-mail and open PDF file viz. "RACL-remote e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
 - b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>.
 - c. Click on Shareholder-Login.
 - d. Put user ID and password as initial password noted in step (i) above. Click Login.
 - e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - g. **Select "EVEN - 102448" of "Raunaq Automotive Components Limited".**
 - h. Now you are ready for remote e-voting as Cast Vote page opens.
 - i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - j. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - k. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - l. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to kk.malhotra2003@gmail.com with a copy marked to evoting@nsdl.co.in.



- ii. In case of Members receiving Physical copy of Notice of 32nd Annual General Meeting (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)
- a. **Initial password is provided in the Postal Ballot Form as enclosed herewith.**
- b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.
- A. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- B. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- C. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- D. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 23, 2015.
- E. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 23, 2015, may also obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA, MAS Services Limited at info@masserv.com.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- F. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- G. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- H. Mr. K. K. Malhotra, Company Secretary in Whole time Practice (Membership No. FCS-1410 & CP No. 446), Partner, M/s. K. K. Malhotra & Co., Company Secretaries has been appointed as Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- I. The Chairman may, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- J. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- K. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.raunaqauto.com and on the website of NSDL immediately after the declaration of result by the Chairman or Company Secretary. The results shall also be immediately forwarded to the stock exchange i.e. BSE Limited.

**By order of the Board
for RAUNAQ AUTOMOTIVE COMPONENTS LIMITED**

Sd/-

**Hitesh Kumar
Company Secretary**

**Place: New Delhi
Date: August 06, 2015
Regd Office : 15TH Floor, Chiranjiv Tower- 43,
Nehru Place, New Delhi-110019
Ph. : +91 11 26418622, Fax : +91 11 26448962
Email - investor@raunaqauto.com**



ANNEXURE TO THE NOTICE

Statement Pursuant to Section 102 of the Companies Act, 2013

ITEM NO. 4

The Articles of Association ("AoA") of the Company as presently in force were adopted when the Company was incorporated in 1983. The existing AoA are based on the Companies Act, 1956. Several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013 and various rules notified under it.

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal ("Tribunal") such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified and enforced w.e.f. April 1, 2014.

With the coming into force of the Companies Act, 2013 several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace/ substitute the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Companies Act, 2013, which sets out the model articles of association for a company limited by shares. Shareholder's attention is invited to certain salient provisions in the new draft AoA of the Company viz:

- (a) provisions of the existing AoA which are already part of statute in the Act have not been reproduced in the new draft AoA as they would only lead to duplication – their non-inclusion makes the new AoA crisp, concise and clear and aids ease of reading and understanding.
- (b) existing articles have been streamlined and aligned with the Act;
- (c) the statutory provisions of the Act which permit a company to do some acts "if so authorized by its articles" or provisions which require a company to do acts in a prescribed manner "unless the articles otherwise provide" have been specifically included; and
- (d) new provisions relating to appointment of chief executive officer and chief financial officer, in addition to manager and company secretary;
- (e) the nominee(s) of a deceased sole member are recognized as having title to the deceased's interest in the shares;
- (f) new provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be capitalized;
- (g) Company's lien now extends also to bonuses declared from time to time in respect of shares over which lien exists;

The proposed new draft AoA is being uploaded on the Company's website www.raunaqauto.com for perusal by the shareholders. Copies of the draft Articles of Association of the Company are available for inspection during the business hours (10 A.M. to 1 P.M.) on working days till the date of the meeting at the registered office of the company and copies thereof also available at the meeting.

None of the directors and key managerial personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4 of the notice.

The Board of Directors commends approval of the resolution set out in Item No. 4 of the accompanying Notice as a Special Resolution.

ITEM NO. 5

The members are informed that on several meetings with the Existing business associates & potential customers in domestic & export market. The credentials of the company seems to be confusing as name of the company is



identical & associated with Raunaq Group of Companies, The Raunaq group has disassociated itself since 2002 and it is no longer a part of the Existing Management (as per BIFR sanctioned scheme) and due to some other reasons such as:

- The name of the company is too long and difficult to pronounce.
- Due to shortage of space in newspaper and other print /electronic media this name is not visible properly and advertisement seems to be ineffective.
- First word of the name of company i.e. RAUNAQ seems to be related to the Raunaq group of companies, which is no longer a fact and it does not have any participation in the management of the company.
- Foreign customers of the company face the problems to identify/recognize the company due to some similar names of the companies also functioning in the market.

The company proposes to change the name of the company from **RAUNAQ AUTOMOTIVE COMPONENTS LIMITED** to **RACL GEARTECH LIMITED** subject to approval of the Shareholders and the Central Government or Registrar of the companies. The resolution is given at item no. 5 "RACL" has been taken from the original name of the company i.e. Raunaq Automotive Components Limited.

None of the directors and key managerial personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5 of the notice.

The Board of Directors commends approval of the resolution set out in Item No. 5 of the accompanying Notice as a Special Resolution.

ITEM NO. 6

Under the Companies Act, 2013, directors have been entrusted with new responsibilities to make their role more objective and purposeful. Keeping in view the enhanced role, responsibilities and duties of directors, it is considered appropriate that the remuneration payable to the Directors by the Company should be commensurate with their increased role, responsibilities and duties.

The Board of Directors of the Company have, subject to the approval of members of the Company, proposed to remunerate the Directors as under:

The Non-executive Directors (i.e. directors other than the Managing Director and the Whole-time Directors) may be paid remuneration not exceeding in aggregate one percent of the net profits of the Company (in the case, if services rendered by Non- executive Directors are of a professional nature then one percent limit shall not apply) for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013.

The said remuneration to non-executive directors shall be in addition to the sitting fee payable to them for attending meetings of the Board and Committees thereof.

Save and except all the Non-executive Directors of the Company and their relatives, to the extent of their shareholding interest, if any, in the Company, None of the directors and key managerial personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the notice.

The Board of Directors commends approval of the resolution set out in Item No. 6 of the accompanying Notice as an Special Resolution.

ITEM NO. 7

The Board of Directors of the Company at its meeting held on January 31, 2015, co-opted Mrs. Narinder Paul Kaur as an Additional Director (Professional Director). In terms of Section 161 of the Companies Act, 2013 ("the Act"), read with Article 108 of the Articles of Association of the Company, Mrs. Narinder Paul Kaur holds office as such Additional Director upto the date of the Annual General Meeting of the Company. The Company has received a notice in writing from a Member, under Section 160 of the Act, signifying the member's intention to propose the name of Mrs. Narinder Paul Kaur for appointment as a Director (Non-Executive/Professional Director).

Mrs. Narinder Paul Kaur, aged 52 years is professionally qualified and has been looking and supervising the functioning of Noida plant of the company since 2011. She has a deep knowledge about the business and good administrative skills and has improved the operations of the Noida unit during last 4 years. She has been instrumental in successfully working of the Noida plant. Under her able guidance, the company has successfully increased the Noida Plant operations.



Mrs. Narinder Paul Kaur is working with the company on retainership basis and the payment of Rs.90,000 is being made to her on arm's length basis and in the ordinary course of business of the Company and same has been recommended by the Nomination and Remuneration Committee. Since she has been related of Mr. Gursharan Singh and Ms. Ravnita Singh, so related party transaction has been approved by the Audit Committee and Board of Directors of the company. Pursuant to the provisions of Clause 49 of the listing agreement if any fees/amount paid to Non-executive Directors (including Independent Director) is required to be approved by the shareholders of the company.

She holds 5,667 equity shares in the Company.

Since Mrs. Narinder Paul Kaur is wife of Mr. Gursharan Singh and Ms. Ravnita daughter of Mr. Gursharan Singh, both will be considered as an interested Director and interested relatives of director respectively, in the resolution set out at Item No. 7 of the Notice, to the extent of their shareholding interest or otherwise, if any, in the Company.

Save and except the above, none of the directors and key managerial personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the notice.

The Board of Directors commends approval of the resolutions set out in Item No. 7 of the accompanying Notice as an Ordinary Resolution.

ITEM NO. 8 & 9

The Board of Directors at their meeting held on August 6, 2015 based on the recommendation of Nomination & Remuneration Committee (N & RC), had approved the revision in remuneration of Mr. Gursharan Singh, Chairman & Managing Director and Mr. Dev Raj Arya, Director & CFO with effect from April 1, 2015.

Further, based on the recommendation of the N & RC and the Board, It is proposed to seek the members' approval for the remuneration payable to Mr. Gursharan Singh, Chairman & Managing Director and Mr. Dev Raj Arya, Director & CFO w.e.f. April 1, 2015, for a period of Two (2) years, in terms of the applicable provisions of the Companies Act, 2013.

Broad particulars of the terms of remuneration payable to Mr. Gursharan Singh and Mr. Dev Raj Arya are as under:

(a) Salary, Perquisites and Allowances per annum:

(₹ in Lacs)

Name	Salary (Basic)	Perquisites & Allowances	Commission
Mr. Gursharan Singh	42	29.35	1.5% of Net Profit
Mr. Dev Raj Arya	24	17.05	-

The perquisites and allowances, as aforesaid, include House Rent Allowance (HRA), LTA and Medical allowance, contribution to Provident fund only, but excludes gratuity (without any limit) and leave encashment (without any limit) and other perquisites and facilities as per policy of the company.

- (b) The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules there under or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.
- (c) The other terms and conditions of appointment and payment of remunerations as specified by AGM resolution dated 30th September, 2011 of Mr. Gursharan Singh, Chairman & Managing Director and Mr. Dev Raj Arya, Director & CFO shall remain unchanged.

Mr. Gursharan Singh and Mr. Dev Raj Arya are interested in the resolutions set out respectively at Item Nos. 8 and 9 of the Notice, which pertain to the remuneration payable to each of them.

Since Mr. Gursharan Singh is husband of Mrs. Narinder Paul Kaur and Ms. Ravnita Singh daughter of Mrs. Narinder Paul Kaur, both will be consider as an interested Director and interested relative of director respectively in the resolutions set out at Item No. 8 of the Notice, to the extent of their shareholding interest or otherwise, if any, in the Company.

Save and except the above, none of the directors and key managerial personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 & 9 of the notice.

The Board of Directors commends approval of the resolution set out in Item No. 8 & 9 of the accompanying Notice as a Special Resolution.



STATEMENT OF PARTICULARS

(PURSUANT TO SCHEDULE-V OF THE COMPANIES ACT, 2013)

Appointment of Chairman & Managing Director and Whole Time Director

	Particulars/Subject	Information
1.	Nature of Industry	Manufacturer of Automotive Gears.
2.	Date or Expected date of commencement of commercial production.	In the year 1989
3.	In case of new companies, expected date of commencement of activities as per Project approved by financial institutions appearing in the prospects.	Not applicable
4.	Financial performance based on given indicators	The performance of the company was credible in the financial year 2014-2015, as it generated a revenue of Rs.107.62 crore and PAT of Rs.3.59 crore which is expected to gear up in the current year.
5.	Export performance and net foreign exchange collections.	During the financial year ended 31st March 2015, Export of goods on FOB basis: Rs. 49.89 Crores.
6.	Foreign Investments or collaborations, if any.	There is no such investment or collaboration except shareholding of Non Resident Indians.

II. INFORMATION ABOUT THE APPOINTEE

		Particulars/Subject	Information
		Mr. Gursharan Singh	Mr. Dev Raj Arya
1.	Background details	Mr. Gursharan Singh is a diploma holder in Mechanical Engineering with PGD in export management. He has a wide experience of over 35 years in related field of auto components manufacturing, administration and business development activities. Mr. Gursharan Singh has been serving in RACL for more than 28 years and actively involved in various stages of growth of RACL . He had been re-appointed Chairman & Managing Director w.e.f. 23.8.2012 and has been heading this office since then.	Mr. Dev Raj Arya is a Post Graduate in Economics, Law Graduate from University of delhi, holding fellowship of Institute of Company Secretaries of India and Grad.C.W.A he has served in various Public Limited companies at various senior Executive levels, having an experience of 37 years and has undertaken various challenges and responsibilities under different capacities. He was re-appointed as whole time Director of the company with effect from 22.10.2012 & has been holding this office since then.
2.	Past Remunerations	In the financial year 2014-15 Mr. Gursharan Singh,Chairman & Managing Director has drawn a remuneration of Rs.52.76 Lacs as a professional Director.	In the financial year 2014-15 Mr. Dev Raj Arya, Whole Time Director & CFO has drawn a remuneration of Rs.27 Lacs as a professional Director.
3.	Recognition or awards	Mr. Gursharan Singh has been serving RACL since 1987. Due to his professional	Mr. D.R. Arya has been serving RACL since 1997 and he has successfully



		<p>qualification, technical expertise and experience RACL has been recognized as a leading supplier of Transmission Gears to world renowned domestic OEM & export costumers. Due to his dedicated efforts the company has turned around & has been earning good profits for the last 12 years. He was elevated as Whole time Director of the company on 23.8.2002 and was designated as M.D. w.e.f. 24.4.2004 and CMD w.e.f. 29.01.2008. He is holding the following position with Business Chambers/Industry forum etc. as under:</p> <ol style="list-style-type: none"> 1. ACMA - Member of Executive Committee 2. PHD Chambers : <ol style="list-style-type: none"> i). Director & Member of Managing Committee. ii). Member of Industry Affairs Committee. iii). Member of European Union (EU) Committee. 	<p>undertaken various assignments entrusted to him. Due to his dedicated efforts for revival of the company, he has been elevated as a Director of the company w.e.f. 22.10.2002 and has been serving in that capacity since then. He has been designated as Director(F) & CFO by the Board of Directors w.e.f. 31.07.2014.</p>
4.	Job Profile and his suitability	<p>Mr. Gursharan Singh has been involved in manufacturing activity of RACL, since its launch of commercial production. He has been supervising and controlling Production, Plant Maintenance, Quality assurance, design & development, Purchase, marketing and Business development and HR activities. He has also been handling the labour matters.</p> <p>Under his able guidance, vision and dynamic leadership the company has been turned around and progressing steadily.</p> <p>In view of his knowledge, past experience in the related field of industry: Management & Administration he had been considered suitable for the post of Chairman & Managing Director in the Company and deserve the remuneration as proposed in the resolution.</p>	<p>Mr. Dev Raj Arya has been looking and supervising the Finance and Secretarial functions of the Company. He is also supervising Accounts and & 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.</p> <p>Under his able guidance, the company has turn 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.</p>
5.	Remunerations proposed	<p>Salary, other perquisites and other terms as fully set out in the statement of item no. 8 of the Notice. The proposed remuneration has been increased after a period of four years.</p>	<p>Salary, other perquisites and other terms as fully set out in the statement of item no. 9 of the Notice. The proposed remuneration has been increased after a period of four years.</p>
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position & person	<p>The proposed remuneration is comparatively low as compared to the remunerations being paid to professional directors prevailing in the comparable companies of same size.</p>	<p>The proposed remuneration is comparatively low as compared to the remuneration being paid to professional directors, prevailing in the comparable companies of the same size.</p>



7.	Pecuniary relationship directly or indirectly with the company or relation-ship with the managerial perso-nnel, if any.	Mr. Gursharan Singh, Chairman and Managing Director and Mrs. Narinder Paul kaur, Director, are the Directors in the Company and both are related as Husband and Wife. Both the Director's do not have, direct and indirect, any pecuniary transactions with the Company which is prejudicial to the interest of the Company. Except the two Directors, no other director or KMP or their relative is having any material pecuniary relationships with the Company, During the period ended on 31st March, 2015.	Mr. Dev Raj Arya is not related to any of its Promoters/Directors and is not interested in any transactions with the company, either through himself or through his relatives and any of such transactions do not fall within the category (Related party disclosures).
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III. OTHER INFORMATION

1.	Reasons for loss or inadequate profits	Since, In the financial year ended 31.03.2015 Company made a repectable profit, Hence no disclosure of reasons for loss is required.
2.	Steps taken or p r o p o s e d improvement.	<p>The Company has adopted the following measures to improve the profitability:-</p> <ul style="list-style-type: none"> • Widening of customer base and better market penetration, especially in overseas market. • Technology upgradation by way of investing in state of the art machinery to meet stringent quality requirements of customers. • Focus on significant improvements in operating costs. • Improvement in OE & Export Sales, Improving the quality to make products competitive in Indian & Overseas markets. • Modernisation of existing facilities to improve overall operating efficiency and gear up for catering to higher demand from OEMs. • Adoption of various energy conservation technology to reduce the fuel and power cost.
3.	Expected increase in productivity and profits in measurable terms	The Company expects that productivity and profitability may further improve by 10%-15% in the financial year 2015-16.



ANNEXURE TO ITEMS 7, 8 AND 9 OF THE NOTICE

Details of Directors seeking appointment/re-appointment and variation of the terms of remuneration at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement and Secretarial Standards)

Name of the Director	Mrs. Narinder Paul Kaur	Mr. Gursharan Singh	Mr. Dev Raj Arya
Director Identification Number (DIN)	02435942	00057602	00057582
Date of Birth	15/06/1963	07/09/1962	31/03/1951
Nationality	Indian	Indian	Indian
Qualification	Bachelor's Degree in Science, Masters of Arts (English)..	Diploma in Mechanical Engineering, PG Diploma in Export management.	Master of Economics, FCS, Grad. CMA, L.L.B.
Experience	Related experience Since 2011	Related experience Since 1980	Related experience Since 1978
Terms and conditions of appointment and Details of remuneration sought to be paid and last drawn	As mentioned above part of the explanatory statement.	As mentioned above part of the explanatory statement.	As mentioned above part of the explanatory statement.
Date of first Appointment on Board	31/01/2015	23/08/2002	22/10/2002
Shareholding in Rauaq Automotive Components Limited	5,667	67,052	31,834
Relationship with other Directors/KMP	Wife of Mr. Gursharan Singh	Husband of Mrs. Narinder Paul kaur	No relationship
No. of Board Meetings Attended During the year	1	4	4
List of Directorships held in other Companies	Aadhar Infosystems Private Limited. Joy River Enterprises Private Limited	NIL	NIL
Memberships/ Chairmanships of Audit and Stakeholders' Relationship Committees in other Public Companies	NIL	NIL	NIL

ITEM NO. 10

The members are informed that, The Capital clause (clause V) of the existing MOA i.e. "The Share capital of the company is Rs. 20,00,00,000 (Rupees Twenty crores only) divided into 1,80,00,000 (One crore Eighty lacs) equity shares of Rs. 10/- each (Rupees Ten only) and 20,00,000 (Twenty Lacs Only) warrants/convertible warrants of Rs. 10/- each (Rupees Ten only)."

The members are further informed that, the said clause was introduced to issue convertible warrants but company has not issued any warrants/convertible warrants and there is no requirement for issuing of warrants/convertible warrants in future. So it's requested to alter/redraft the Capital Clause (clause V) of the existing Memorandum of Association.



A copy of the existing and proposed Memorandum of Association would be available for inspection by the members at the Registered Office of the Company on all working days between 10:00 a.m. to 1:00 p.m. upto September 29, 2014.

The approval of shareholders of the Company is required by way of a special resolution for the proposed alteration(s) in the Capital Clause of the Memorandum of Association of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution set out at Item No. 10 of the Notice.

**By order of the Board
for RAUNAQ AUTOMOTIVE COMPONENTS LIMITED**

**Place: New Delhi
Date: August 06,2015
Regd Office : 15TH Floor, Chiranjiv Tower- 43,
Nehru Place, New Delhi-110019
Ph. : +91 11 26418622, Fax : +91 11 26448962
Email - investor@raunaqauto.com**

**Sd/-
Hitesh Kumar
Company Secretary**



DIRECTORS' REPORT

TO
THE MEMBERS,

Your Directors take pleasure in presenting the 32nd Annual Report together with the Audited financial statements of the Company for the financial year ended March 31, 2015.

FINANCIAL RESULTS:		(Rs.in Lacs)
Particular	2014-15	2013-14
Sales and Other Income	11558	11164
Operational Expenses	9958	9793
Depreciation	427	386
Financial Charges	675	645
Gross Profit/(Loss)	498	340
Provision for Taxes/ Def.Tax Liab	139	152
Net Profit	359	187
Profit b/f from last year (Reserves)	1434	1247
Profit carried to Balance Sheet	1784	1434

DIVIDEND

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

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed analysis of the Company's operations in terms of performance in markets, business outlook, Opportunities and Threats, Risks and Concerns forms part of the Management Discussion and Analysis, a separate section of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with section 134(5) of the Companies Act, 2013, the Directors of your Company confirm:

- that the applicable Accounting Standards have been followed in the preparation of annual accounts and that there are no material departures;
- that such accounting policies have been selected and applied consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2015 and of the profit of your Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts have been prepared on a going concern basis;
- that the internal financial controls to be followed by the Company have been laid down and such internal financial controls are adequate and were operating effectively; and
- that proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In terms of the provisions of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a company shall have at least one Woman Director on the Board of the company. During the year under review, The



Board of Directors of your Company at their meeting held on January 31, 2015 co-opted Mrs. Narinder Paul Kaur as an Additional Director (Non-Executive Director/Woman Director) liable to retire by rotation.

In terms of section 152 of the Companies Act, 2013, Mr. Dev Raj Arya, Director of the Company retires by rotation at the ensuing Annual General Meeting. The Board recommends that Mr. Dev Raj Arya may be re-appointed at the ensuing AGM.

In terms of provisions of Section 203 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchange, the Board of Directors of the Company has designated following Directors/ Officials of the Company as Key Managerial Personnel (KMP) of the Company at its meeting held on July 31, 2014:

1. Mr. Gursharan Singh, Chairman & Managing Director
2. Mr. Dev Raj Arya, Whole Time Director & CFO
3. Ms. Kamna Tiwari, Company Secretary

Ms. Kamna Tiwari, Company Secretary, Key Managerial Personnel (KMP) of the Company resigned on January 6, 2015 and the Board of Directors of the Company appointed and designated Mr. Hitesh Kumar, Company Secretary as Key Managerial Personnel (KMP) of the company at its meeting held on January 31, 2015.

Necessary resolutions for the appointment/re-appointment etc. of the aforesaid directors have been included in the notice convening the ensuing annual general meeting. Your directors commend their appointment/re-appointment.

Declaration by Independent Directors

All the Independent Directors of your Company have made declaration to the Company that they meet all the criteria of independence laid down under section 149(6) of Companies Act, 2013 and clause 49 of Listing Agreement with the Stock Exchanges.

Familiarisation Programme for Independent Directors

Your Company has adopted a 'Familiarisation Programme for Independent Directors' to familiarise them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. Your Company aims to provide its Independent Directors, insight into the Company enabling them to contribute effectively.

The details of familiarisation programme is disclosed on the Company's website and may be accessed at the web link <http://www.raunaqauto.com/pdfs/Familiarisation-Programme-for-Independent-Directors>

NOMINATION AND REMUNERATION POLICY

The Board of Directors of your Company in terms of the Section 178 of the Companies Act, 2013 and clause 49 of the Listing Agreement with Stock Exchange. has on recommendation of Nomination and Remuneration Committee, approved a Nomination and Remuneration Policy. The aforesaid policy of the Company on Director's/ KMP appointment and remuneration including criteria for determining qualifications, positive attributes, independence of directors and other matters is annexed as "**Annexure A**". The salient points of said policy is stated in the Corporate Governance report forming part of the Directors' Report.

PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of the Directors individually including Independent Directors, Board as a whole and of its various committees, on parameters such as participation in meetings, skills, knowledge, contribution towards corporate governance practices etc.

Independent Directors in terms of Companies Act, 2013, and clause 49 of Listing Agreement, carried out performance evaluation of non-independent directors, Chairman of the Board, Board as a whole and flow of information between the company management and the Board with respect to knowledge to perform the role, participation in meetings & performance of duties etc.

The Directors expressed their satisfaction with the evaluation process.



DISCLOSURES

Audit Committee

The audit committee of your Company comprises of Mr. Raj Kumar Kapoor as the Chairman and Mr. Devender Singh and Mr. Anil Sharma as members. Details in respect of the audit committee is provided in Corporate Governance Report forming part of the Directors' Report.

Whistle Blower Policy/Vigil Mechanism

Your Company has formulated an "Alert Procedure" to ensure the establishment of vigil mechanism, to provide an avenue to all stakeholders (including employees and directors) to report concerns about unethical behaviour, actual or suspected fraud or violation of the Raunaq's Code of Conduct for Directors and Senior Management Personnel. The said policy is also posted on the website of the Company, which may be accessed at the web-link http://www.raunaqauto.com/pdfs/VIGIL_MECHANISM_WHISTLE_BLOWER_POLICY

Number of Meetings of the Board

During the year under review, four (4) meetings of the Board of Directors were held, details of which are provided in Corporate Governance Report forming part of the Directors' Report.

Particulars of Loans, Guarantees or Investments

There is no investment made by the company and has not provided any loan, guarantee or securities under section 186 of the Companies Act, 2013.

Particulars of Employees and Related Disclosures

Details as required under section 197(12) read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as "**Annexure B**".

A statement showing the names of employees drawing remuneration in excess of the limits as set out in section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of Companies (Appointment and Qualifications of Directors) Rules, 2014 is annexed as "**Annexure C**".

Extract of Annual Return

The extract of the Annual Return is detailed in form **MGT.9**, annexed as "**Annexure D**".

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars, as prescribed under sub-section 3(m) of section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are provided in "**Annexure E**", which forms part of this report.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s. A. Sachdev & Co., Chartered Accountants, were appointed as statutory Auditors at previous Annual General Meeting to hold office till the conclusion of 34th AGM subject to ratification of the appointment by the members at every AGM. In terms of Section 139 of the Companies Act, 2013, appointment of M/s. A. Sachdev & Co. as Auditors of the Company is recommended for ratification at ensuing Annual General Meeting.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Secretarial Auditors

As per section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company appointed M/s. K. K. Malhotra & Co., Company Secretaries, as Secretarial Auditor of the Company for the financial year ended March 31, 2015. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed as "**Annexure F**".

Cost Auditors

Pursuant to Companies (Cost Records and Audit) Amendment Rules, 2014 notified by the Ministry of Corporate Affairs (MCA) on 31 December, 2014, the Company shall not be mandatorily required to get its Cost Records for the financial year 2014-15 audited in terms of provisions of Section 148 of the Companies Act, 2013 as the



Industry under which the Company falls has been **Exempted** from the Cost Audit by MCA vide Companies (Cost Records and Audit) Amendment Rules, 2014.

RELATED PARTY TRANSACTIONS

In terms clause 49 of the Listing Agreement, Board of Directors of your Company has approved Related Party Transactions Policy on dealing with Related Party Transactions. The policy may be accessed at the weblink http://www.raunaqauto.com/pdfs/Related-Party-Transaction_Policy.

All related party transactions during the financial year were on arm's length basis and were in the ordinary course of business. During the year, there were no material related party transactions made by the Company which could be considered material in accordance with Related Party Transactions Policy of the Company.

RISK MANAGEMENT

The Board of Directors of your Company has laid down a Risk Management Policy for the Company, which provides a risk and controls matrix with identification of risks inherent to the business, corporate governance, functions; and sources of these risks; their possible consequences; and control measures to help manage them. Every unit and function is required to deploy the control measures and ensure timely reporting.

INTERNAL FINANCIAL CONTROL

The Board of Directors of your Company is satisfied with the Internal FinancialControl process. Internal control environment of the Company is reliable with well documented framework to mitigate risks. A detailed analysis is provided in the Management Discussion and Analysis Report.

CORPORATE GOVERNANCE

The Company is committed to maintain and adhere to the highest standards of Corporate Governance practices.

Pursuant to clause 49 of the Listing Agreement with Stock Exchange, Reports on Management Discussion and Analysis and on Corporate Governance have been included elsewhere in this Report as separate sections. A certificate from M/s. A. Sachdev & Co., Chartered Accountants regarding compliance of conditions of corporate governance as stipulated in clause 49 of the Listing Agreement has also been included in the Annual Report.

ENVIRONMENT, HEALTH AND SAFETY

For your Company, the absolute respect of Environment, Health and Safety (EHS) is a priority.

Raunaq Automotive Components Limited gives importance to safety, health and well-being of its employees and all the people working for the Company. Your Company is working hard to reduce the number of accidents to Zero. The Company encourages and ensures not only its employees but also its subcontractors working on Company's plants as well as its customers for complying with occupational health and safety measures.

DISCLOSURES UNDER SECTION 134 OF THE COMPANIES ACT, 2013

Except as disclosed elsewhere in the Annual Report, there have been no material changes and commitments, which can affect the financial position of the Company between the end of financial year and the date of this report.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. The annual listing fee for the year under review has been paid to BSE Limited, 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/financials.html>.



Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

Your Directors express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

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

Place: New Delhi

Date : August 6, 2015

Regd Office : 15TH Floor, Chiranjiv Tower- 43,

Nehru Place, New Delhi-110019

Ph. : +91 11 26418622, Fax : +91 11 26448962

Email - investor@raunaqauto.com

Sd/-

Gursharan Singh

Chairman and Managing Director



ANNEXURE "A" TO THE DIRECTORS' REPORT NOMINATION AND REMUNERATION POLICY

Introduction:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the Listing Agreement as amended from time to time this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors.

Objective and purpose of the Policy:

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the Auto Component Industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors.

Effective Date:

This policy shall be effective with retrospective effect from 1st April, 2014.

Constitution of the Nomination and Remuneration Committee:

As per the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing agreement, The Board has changed the nomenclature of Remuneration Committee by renaming it as Nomination and Remuneration Committee on 31st July, 2014. The Nomination and Remuneration Committee comprises of following Directors:

Sr. No.	Committee Chairman & Members
1.	Mr. Rakesh Kapoor, Chairman (Independent Director).
2.	Mr. Anil Sharma, Member (Independent Director).
3.	Mr. Madan Lal, Member (Independent Director).
4.	Mr. Gursharan Singh, Special invitee Member (Chairman and Managing Director).

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

DEFINITIONS

- **Board** means Board of Directors of the Company.
- **Directors** means Directors of the Company.
- **Committee** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.



- **Company** means Raunaq Automotive Components Limited.
- **Independent Director** means a director referred to in Section 149 (6) of the Companies Act, 2013.
- **Key Managerial Personnel (KMP)** ,in relation to a company, means—
 - (i) the Chief Executive Officer or the Managing Director or the Manager;
 - (ii) the Company Secretary;
 - (iii) the Whole-Time Director;
 - (iv) the Chief Financial Officer; and
 - (v) Such other officer as may be prescribed under the applicable statutory provisions / regulations.
- **Senior Management** means who are members of its core management team excluding Board of Directors and all members of the management one level below the Executive Director, including the functional Heads. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Applicability

The Policy is applicable to;

- Directors (Executive and Non Executive).
- Key Managerial Personnel.
- Senior Management Personnel.

General

- This Policy is divided in three parts:

Part - A covers the matters to be dealt with and recommended by the Committee to the Board,

Part - B covers the appointment and nomination and;

Part - C covers remuneration and perquisites etc.

PART - A

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

PART – B

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

- **Appointment criteria and qualifications:**
 1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
 2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
 3. The Company shall not appoint or continue the employment of any person as Whole time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be



extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

- **Term / Tenure:**

- 1. Managing Director/Whole-time Director:**

- The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five (5) years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

- 2. Independent Director:**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 (five) years or more in a company as on October 1, 2014 shall be eligible for appointment, on completion of his/her present term, for one more term of upto 5 (five) years only or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director Serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

- **Senior Management Appointment**

In order to carry out day-to-day recruitments/appointments of the Senior Management Personnel the power is delegated to the Chairman & Managing Director, who shall shortlist, finalize, appoint the suitable person and fix the remuneration subject to review, endorsement and approval of the Nomination & Remuneration Committee.

- **Evaluation**

The Committee shall carry out evaluation of performance of every Director at regular interval (yearly).

- **Mechanism/Criteria for evaluating the performance of every Director (Including Independent Directors) and Board:**

The evaluation of performance of every Director (Including Independent Directors) and Board shall be carried out annually based on the criteria of attendance and contributions at Board/Committee Meetings as also for the role played other than at Meetings and other criteria as may deemed fit by the committee time to time.

- **Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

- **Retirement:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain



the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PART - C

POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

- **General:**

1. The remuneration to be paid to the Chairman and Managing Director or Whole Time Director, if any shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.
2. The remuneration to the KMP (other than Managing Director or Whole Time Director) and Senior Management Personnel will be determined by the Committee (as may be recommended by the Chairman & Managing Director) and subject to the Board approval, if required.
3. Increments to the existing remuneration structure may be recommended by the Committee to the Board which shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder. .
4. Where any insurance is taken by the Company on behalf of its Chairman and Managing Director, Joint Managing Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

- **Remuneration to Managing Director, KMP and Senior Management Personnel:**

1. **Remuneration and Perquisites:**

The Managing Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee.

The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director or Whole time Director in accordance with the provisions of Schedule V of the Companies Act, 2013.

- **Remuneration to Non- Executive / Independent Director:**

Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof or fee/compensation etc. for any other purpose whatsoever as may be decided by the Board. Provided that the amount of such fees shall not exceed such amount as may be prescribed by the Central Government from time to time.

Other employees Remuneration

The Managing Director and other senior executives (as relevant) will review the remuneration of all other employees not otherwise specified in this policy.



“ANNEXURE B” TO THE DIRECTORS’ REPORT

Details as required under Section 197(12) of Companies Act, 2013 read with Rule 5(1) of Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014

- Ratio of remuneration of each director to median remuneration of employees, percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year ended March 31, 2015 and comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company:

S.	Name of Director and KMP	Remuneration of Director and KMP for the financial year ended March 31, 2015 (in Rs.)	Ratio of remuneration of each director to median remuneration of employees	% increase in remuneration for the financial year ended March 31, 2015	Comparison of the remuneration of KMP against the performance of the Company
1.	Mr. Gursharan Singh – Chairman & Managing Director	5,276,000	26.51	Nil	The remuneration paid to KMP's are in line with the performance of the company.
2.	Mr. Dev Raj Arya – Whole-time Director & CFO	2,700,000	13.5	Nil	
3.	Ms. Kamna Tiwari- Company Secretary ¹	218,000	N.A.	N.A.	
4.	Mr. Hitesh Kumar - Company Secretary ²	60,000	N.A.	N.A.	
5.	Mr. Anil Sharma– Independent Director ³	130,000	0.65	Nil ⁶	N.A.
6.	Mr. Raj Kumar Kapoor – Independent Director ³	90,000	0.45	Nil ⁶	N.A.
7.	Mr. Madan Lal – Independent Director ³	132,500	0.67	Nil ⁶	N.A.
8.	Mr. Rakesh Kapoor – Independent Director ³	80,000	0.4	Nil ⁶	N.A.
9.	Mr. Devender Singh – Nominee Director ³	40,000	0.2	Nil ⁶	N.A.
10.	Mr. Narinder Paul Kaur – Non-Executive Director ⁴	76,000	N.A.	N.A.	N.A.
11.	Mr. Ashok Mishra – Nominee Director ⁵	NIL	NIL	Nil ⁶	N.A. ¹

¹ Appointed as company secretary w.e.f. 01.09.2014 and ceased to be company secretary w.e.f. 06.01.2015

² Appointed as company secretary w.e.f. 31.01.2015.

³ In case of Non executive directors (including Independent director & nominee Director), remuneration includes sitting fee for attended the meetings of the BOD and committees thereof.

⁴ Appointed as additional Director w.e.f. 31.01.2015 and remuneration includes retainership fees and sitting fee.

⁵ Mr. Ashok Misra did not attended any meeting in the financial year 2014-15 and he ceased to be director of the company w.e.f. 01.04.2015.

⁶ During the year ending 31.03.2015 there is no increment in the sitting fees .

- In the financial year, there was an increase of 12 % in the median remuneration of employees.

- There were 507 permanent employees on the rolls of Company as on March 31, 2015;

- Relationship between average increase in remuneration and Company performance:

Your Company Salary Increase was in line with the market. The aggregate remuneration of employees increased by 12 % over previous financial year, except CMD and CFO, who voluntarily opted for not having any increase in remuneration. During the year Revenue and Profit before tax increased by 4.5% and 45.75%, respectively.



5. (a) The market capitalisation of the Company as on March 31, 2015 was Rs. 20 Cr. compared to Rs.9 Cr. as on March 31, 2014 (during the financial year 2014-15 company issued 10 lacs equity shares on preferential basis).
- (b) Price Earnings ratio of the Company was 5.27 as on March 31, 2015 as against 4.86 as on March 31, 2014.
- (c) Market quotations of shares of the Company (as on 31.03.2014) increased by 0.75% in comparison to price of Rs. 20 at which the Company issued equity shares on Preferential Basis as on October 15, 2015.
6. The average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year 2014-15 was 12 % whereas percentile increase in the managerial remuneration was Nil for the same financial year.
7. The variable component of remuneration only availed by the Chairman and Managing Director i.e. 1.5% of net profit.
8. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – **Not Applicable**; and
9. It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration policy of the Company.

“ANNEXURE C” TO THE DIRECTORS’ REPORT

- **Statement pursuant to Section 197(12) of the Companies Act, 2013, read with sub-rule 2 and 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**
 - A. Employed throughout the financial year ended 31 March, 2015 & were in receipt of Remuneration aggregating not less than ‘ 60,00,000/- per annum and Employed for the part of the year ended 31 March, 2015 and were in receipt of Remuneration aggregating not less than ‘ 5,00,000/- per month.
-NIL
 - B. Employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.
-NIL
- **Statement pursuant to Section 197(12) of the Companies Act, 2013, read with 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**
-Not Applicable



“ANNEXURE D” TO THE DIRECTORS’ REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN	: L34300DL1983PLC016136
ii) Registration Date	: July 14, 1983
iii) Name of the Company	: Raunaq Automotive Components Limited
iv) Category / Sub-Category of the Company	: Public Company Limited by Shares/Indian Non-Government company
v) Address of the Registered office and contact details	: 15th Floor, Chiranjiv Tower - 43, Nehru Place, New Delhi- 110 019 Phone: 91 11 26418622-33-55 Fax: 91 11 26448962
vi) Whether listed company Yes / No	: Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	: MAS Services Ltd. T-34, 2nd Floor, Okhla Industrial Area - II, New Delhi -110020 Phone: 91 11 26387281-82 Fax: 91 11 26387384

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S. No.	Name and Description of main products/services	NIC Code of the Product	% to total turnover of the Company
1.	Automotive Gears and Components	Group 293 - Manufacture of parts and accessories for motor vehicles	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

The company has no holding, subsidiary and associate company.

IV. SHARE HOLDING PATTERN (equity share capital breakup as percentage of total equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares Held at the beginning of the year(April 1, 2014)				of the year(March 31, 2015) No. of Shares held at theend				
	Demat	Physical	Total	% of Total	Demat shares	Physical	Total	% of Total shares	% Change during the year*Note1
A. Promoters									
(1) Indian									
a. Individual/ HUF	131856	-	131856	1.47	132706	-	132706	1.34	0.13
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	3435824	-	3435824	38.48	3435824	-	3435824	34.59	3.88
e. Banks/FI	1503300	-	1503300	16.83	1503300	-	1503300	15.14	1.69
f. Any Other	-	-	-	-	-	-	-	-	-
Sub Total A(1):-	5070980	-	5070980	56.78	5071830	-	5071830	51.07	5.70
(2) Foreign									
a. NRIs-Individuals	-	-	-	-	-	-	-	-	-
b. Other-Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corporate	-	-	-	-	-	-	-	-	-
d. Banks/FI	-	-	-	-	-	-	-	-	-
e. Any other	-	-	-	-	-	-	-	-	-
Sub Total A(2):-	-	-	-	-	-	-	-	-	-
Total shareholding of promoter (A)= (A)(1)+ (A)(2)	5070980	-	5070980	56.78	5071830	-	5071830	51.07	5.70
B. Public Shareholding									
1. Institutions									
a. Mutual funds	-	-	-	-	-	-	-	-	-
b. Banks/FI	500	-	500	0.006	500	-	500	0.005	0.001
c. Central Govt	-	-	-	-	-	-	-	-	-
d. State Govt(s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-



RAUNAQ
AUTOMOTIVE
COMPONENTS LTD



f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FII's	-	-	-	-	-	-	-	-	-
h. UTI	-	-	-	-	-	-	-	-	-
i. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
j. Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B) (1)	500	-	500	0.006	500	-	500	0.005	0.001
2.Non-institutions									
a. Bodies Corporate	205671	7701	213372	2.38	236042	7701	243743	2.454	0.074
b. Individuals									
i. Individual shareholders holding nominal share capital upto Rs.1 lakh	1042033	694748	1736781	19.44	1123058	682755	1805813	18.182	(1.258)
ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh	748197	101550	849747	9.51	634340	101550	735890	7.41	(2.1)
c. Any other (specify) NRI/OCB	20000	1023400	1043400	11.682	1039441	1023100	2062541	20.767	9.08
d. Any other (specify) Clearing Member	16520	-	16520	0.185	10983	-	10983	0.111	(0.074)
e. Any other (specify) Trust	300	-	300	.003	300	-	300	.003	-
Sub total (B) (2)	2032721	1827399	3860120	43.21	3044164	1815106	4859270	48.927	5.71
Total Public Shareholding (B)= (B)(1) + (B)(2)	2033221	1827399	3860620	43.22	3044664	1815106	4859770	48.932	5.71
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	7104201	1827399	8931600	100	8116494	1815106	9931600	100	-

Note1- During the year Company issued 10 lacs equity shares on preferential basis. Accordingly, one reason of % change in shareholding of the promoters and others is the increase in the total no. of shares of the company.



(ii) Shareholding of Promoters

SN.	Shareholder's Name	Shareholding at the beginning of the year (April 1, 2014)			Shareholding at the end of the year (March 31, 2015)			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	RACL EMPLOYEES WELFARE TRUST	3398687	38.052	64.73	3398687	34.22	64.73	-
2.	THE PRADESHIYA INDUSTRIAL AND INVESTMENT CORPORATION OF U.P LTD	1503300	16.831	-	1503300	15.137	-	-
3.	GURSHARAN SINGH	66202	0.741	-	67052	0.675	-	0.066
4.	DEV RAJ ARYA	31834	0.356	-	31834	0.321	-	-
5.	AADHAR INFOSYSTEMS PRIVATE LIMITED	37137	0.415	-	37137	0.374	-	-
6.	NARINDER PAUL KAUR	5667	0.063	-	5667	0.057	-	-
7.	RAJ ARYA	28041	.313	-	28041	0.282	-	-
8.	PANKAJ	112	0.001	-	112	0.001	-	-
	Total	5070980	56.78	-	5071830	51.07	-	(5.70)

(iii) Change in Promoters' Shareholding

Except Mr. Gursharan Singh (Purchased 850 shares), There is no change in shareholding of promoters during the financial year ended March 31, 2015 and other details of shareholding of promoters provided, as abovementioned in point (ii).

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs):

Sl. No.	Name	No. of Shares at the beginning	% of total shares of the Company	Date of increase/ decrease in shareholding	Increase/ Decrease In shareholding	% change	Reason	Cumulative shareholding during the year	
								No. of Shares	% of total Shares of the Company
1.	ARENDRA KUMAR	-	-	February 6, 2015	1000000	100	issue	1000000	10.07
		At the end of the year		March 31, 2015				1000000	10.07
2.	Middleware Development Limited	1000000	11.19				No change	1000000	11.19
		At the end of the year		March 31, 2015				1000000	10.07
3.	RAJ KUMAR LOHIA	161529	1.80				No change	161529	1.80
		At the end of the year		March 31, 2015				161529	1.80
4.	DIPAK KANAYALAL SHAH	108997	1.22	April 1, 2014				108997	1.22
				June 30, 2014	1003	0.92	Transfer	110000	1.23
				Sept. 5, 2014	1000	0.91	Transfer	111000	1.24
		At the end of the year		March 31, 2015				111000	1.24
5.	RAJ KUMAR LOHIA	94340	1.05	April 1, 2014			No Change	94340	1.05
		At the end of the year		March 31, 2015			94340	0.95	
6.	JATINDER PAL SINGH KANWAR	67600	0.75	April 1, 2014			No Change	67600	0.75
		At the end of the year		March 31, 2015			67600	0.68	
7.	MANISH VINOD MEHTA	-	-					-	-
				December 31, 2014	5000	100	Transfer	5000	0.05
				January 2, 2015	2000	40	Transfer	7000	0.07
				January 9, 2015	3000	42.85	Transfer	10000	0.10
				January 16, 2015	10000	100	Transfer	20000	0.20
				January 23, 2015	10000	50	Transfer	30000	0.30
				January 30, 2015	5000	17	Transfer	35000	0.35
				February 6, 2015	4000	11.42	Transfer	39000	0.39

			February 13, 2015	3000	7.69	Transfer	42000	0.42
			February 27, 2015	365	0.86	Transfer	42365	0.42
			March 6, 2015	7635	18.02	Transfer	50000	0.50
		At the end of the year	March 31, 2015				50,000	0.50
8.	DHEERAJ KUMAR LOHIA	1190	0.013	April 1, 2014	1190	0.013		
			Sept. 19, 2014	39662	3332	Transfer	40852	0.457
			Sept. 30, 2014	1	0.002	Transfer	40853	0.457
			October 17, 2014	699	1.711	Transfer	41552	0.418
		At the end of the year	March 31, 2015				41552	0.418
9.	RAUNAK ROONGTA		November 11, 2014	1988	100	Transfer	1988	0.20
			November 14, 2014	3097	155.7	Transfer	5085	0.051
			November 21, 2014	4064	79.92	Transfer	9149	0.092
			November 28, 2014	6643	72.60	Transfer	15792	0.159
			December 5, 2014	105	0.66	Transfer	15897	0.160
			December 12, 2014	4234	26.63	Transfer	20131	0.202
			December 19, 2014	4397	21.84	Transfer	24528	0.246
			December 26, 2014	100	0.40	Transfer	24628	0.247
			December 31, 2014	714	2.89	Transfer	25342	0.255
			January 2, 2015	606	2.39	Transfer	25948	0.261
			January 9, 2015	76	0.292	Transfer	26024	0.262
			February 6, 2015	3000	11.52	Transfer	29024	0.292
			February 13, 2015	1850	6.37	Transfer	30874	0.310
			February 27, 2015	2727	8.83	Transfer	33601	0.338
			March 13, 2015	1575	4.68	Transfer	35176	0.354
			March 20, 2015	3773	10.72	Transfer	38949	0.392
			March 27, 2015	1975	5.07	Transfer	40924	0.412
			March 31, 2015	560	1.38	Transfer	41484	0.417
		At the end of the year	March 31, 2015				41484	0.417
10.	AADHAR INFOSYSTEMS PRIVATE LIMITED	37137	0.415	April 1, 2014		No Change	37137	0.415
		At the end of the year	March 31, 2015				37137	0.373

11.	INTEGRATED FINANCIAL SERVICES LTD	36000	0.40	April 1, 2014			No Change	36000	0.40
		At the end of the year		March 31, 2015				36000	0.36
12.	MANI INFRA CONSULTANCY LLP	32510	0.36	April 1, 2014			No Change	32510	0.36
		At the end of the year		March 31, 2015				32510	0.32
13.	ANIL SURI	106391	1.91	April 1, 2014				106391	1.91
				Sept. 30, 2014	-106000	99.63	Transfer	391	0.003
		At the end of the year		March 31, 2015				391	0.003
14.	ANGEET SURI	33906	0.37	April 1, 2014				33906	0.37
				Sept.19, 2014	-32906	97.05	Transfer	1000	0.010
		At the end of the year		March 31, 2015				1000	0.010

(v) Shareholding of Directors and Key Managerial Personnel(s) :

Sl. No.	Name	No. of Shares at the beginning	% of total shares of the Company	Date of increase/ decrease in shareholding	Increase/ Decrease in shareholding	% change	Reason	Cumulative shareholding during the year	
								No. of Shares	% of total Shares of the Company
1.	Mr. Gursharan Singh	66202	0.74	April 1, 2014 July 11, 2014	850	1.28	Transfer	66202 67052	0.74 0.67
		At the end of the year		March 31, 2015				67052	0.67
2.	Mr. Dev Raj Arya	31834	0.356	April 1, 2014			No change	31834	0.356
		At the end of the year		March 31, 2015				31834	0.320
3.	Mrs. Narinder Paul Kaur	5667	0.063				No change	5667	0.063
		At the end of the year		March 31, 2015				5667	0.057



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹. in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	1425	746		2171
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1425	746		2171
Change in Indebtness during the financial year				
• Addition	325	320		645
• Reduction	512	541	-	1053
Net Change	(187)	(221)		(408)
Indebtedness at the end of the financial year				
i. Principal Amount	1238	525		1763
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1238	525		1763

*Excluding working capital limits.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director (MD), Whole-Time Directors (WTD) and/or Manager:

(₹ in Lacs)

S. No.	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
		Mr. Gursharan Singh	Mr. Dev Raj Arya	
1.	Gross salary(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961(b) Value of perquisites u/s 17(2) Income-tax Act, 1961(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	47.76	27.00	74.76
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission-as % of profit-others, specify	5.00 (1.5% of net profit)	-	5.00
5.	Others, (Retiral Benefits)	-	-	-
6.	Total(A)	52.76	27.00	79.76

*Ceiling as per the Act Rs. 84 lacs per annum (as per Schedule-V).



B. Remuneration to Other Directors:

(₹ in Lacs)

S. No.	Particulars of Remuneration	Name of the Director				Total amount
(1)	Independent Directors	Mr. Anil Sharma	Mr. Raj Kumar Kapoor	Mr. Madan Lal	Mr. Rakesh Kapoor	
	Fee for attending Board/commit-tee meetings	1.30	0.90	1.325	0.80	4.325
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	1.30	0.90	1.325	0.80	4.325
(2)	Other Non-Executive Directors		Mr. Devender Singh	Mr. Ashok Mishra	Mrs. Narinder Paul Kaur *	Total amount
	Fee for attending Board/ committee meetings		0.40	NIL	0.10	0.50
	Commission		-	-	-	-
	Others (retainership fees)		-	-	0.66	0.66
	Total (2)		0.40	NIL	0.76	1.16
	Total (B)=(1+2)					5.485
	Total Managerial Remuneration (A+B)					85.245

*Overall ceiling as per Act is not applicable.

*Appointed as additional Director w.e.f. 31.01.2015.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ in Lacs)

S. No.	Particulars of Remuneration	Key Managerial Personnel		Total amount
		Ms. Kamna Tiwari¹	Mr. Hitesh Kumar²	
1.	Gross salary(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961(b) Value of perquisites u/s 17(2) Income-tax Act, 1961(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	2.18	0.60	2.78
2.	Stock Option	-	-	
3.	Sweat Equity	-	-	
4.	Commission-as % of profit-others, specify	-	-	
5.	Others, please specify			
	Total	2.18	0.60	2.78

1.Appointed as company secretary w.e.f. 01.09.2014 and ceased to be company secretary w.e.f. 06.01.2015

2.Appointed as company secretary w.e.f. 31.01.2015.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There have been no penalties/ punishments/ compounding of offences under Companies Act, 2013.



“ANNEXURE E” TO THE DIRECTORS’ REPORT

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo (Particulars under section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

(A) CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy;

- Installation of Robotics machines for loading and unloading.
- Increase in loading of gears/pinions per tray by modifying trays/fixtures in HIT fixtures.
- Electrical panel Air Conditioners are being removed from Machine Panel.
- kerosene washing of lapped part is being replaced with water soluble cleaner.
- high capacity motors installed on the machines are being replaced with the motors having capacity as per consumption needs to perform operations.
- Tempering furnace are equipped with Thyristor Control Heating to control temperature within specific band, thus effecting reduction in electricity consumption.

(ii) The steps taken by the Company for utilising alternate sources of energy;

- The company is exploring the possibility of utilization of solar power generation.
- Bin washing heater disconnected and HT hot waste water used for heating.
- Installation of LED lights in place of HPMV lights.
- Plants are equipped with transparent sheets to use natural day light. No lights are used in day time.

(iii) The capital investment on energy conservation equipments;

- Rs. 40 lacs.

(B) TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption & development

- Shot peening Technology, for increased residual stress in gears & shafts.
- Dynamic balancing technology for high speed shaft balancing.
- Deployment of rotary index table on CNC Machinery centre.
- Development of ends Gas Based NITRIDING process.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution etc.

- Reduction in manufacturing costs
- Reduction in level of rejection.
- Reduction in production costs and addition of new export, product development and import substitution business.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

- The details of technology imported
- Year of import
- Whether the technology been fully absorbed
- if not fully absorbed, areas where absorption has not taken place, and the reasons thereof

– NOT APPLICABLE

(iv) The expenditure incurred on Research and Development

- **NIL.**



(C) FOREIGN EXCHANGE EARNINGS

- Foreign Exchange earned (in terms of actual inflow) : Rs. 4988.76 lacs
- Foreign Exchange outgo (in terms of actual outflow) : Rs. 46.69 lacs

**on behalf of the Board
for RAUNAQ AUTOMOTIVE COMPONENTS LIMITED**

Sd/-

**Gursharan Singh
Chairman and Managing Director**

Place: New Delhi

Date : August 6,2015

**Regd Office : 15TH Floor, Chiranjiv Tower- 43,
Nehru Place, New Delhi-110019**

Ph. : +91 11 26418622, Fax : +91 11 26448962

Email - investor@raunaqauto.com



“ANNEXURE F” TO THE DIRECTORS’ REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2015

To,

The Members,

Raunaq Automotive Components Limited

15th Floor, Chiranjiv Tower-43,

Nehru Place, New Delhi -110019

CIN No. L34300DL1983PLC016136

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Raunaq Automotive Components Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provide us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **Raunaq Automotive Components Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31 March, 2015** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Raunaq Automotive Components Limited** for the financial year ended on **31st March, 2015** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
 - (d) The Securities and Exchange Board of the India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. **(Not applicable to the Company during the Audit Period);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. **(Not applicable to the Company during the Audit period);**



- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **(Not applicable to the Company during the Audit Period);**
- (vi) The Employees State Insurance Act, 1948.
- (vii) Employees Provident Fund and Miscellaneous Provisions Act, 1952.
- (viii) Employers Liability Act, 1938.
- (ix) Environment Protection Act, 1986 and other environmental Laws.
- (x) Air (Prevention and Control of Pollution) Act, 1981.
- (xi) Factories Act, 1948.
- (xii) Industrial Dispute Act, 1947.
- (xiii) Payment of Wages Act, 1936 and other applicable labour laws.
- (xiv) Other laws as applicable to the Company other than taxation laws.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not applicable to the Company during the Audit period);
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned as above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has issued and allotted equity shares on preferential basis of 10,00,000 shares of Rs 10/- each at a premium of Rs.10/- each aggregating Rs.200,00,000 in accordance with applicable provisions of Companies Act, 2013 and Regulation 71 of Chapter VII of SEBI (ICDR) Regulations which were successfully listed at the Stock Exchange.

We Further report that during the financial year under review, the Company has obtained approval of the members under Section 180(1)(c) of the Companies Act, 2013 by way of Special resolution for borrowing up to Rs. 50 crore over and above the aggregate of the paid up share capital and free reserves of the company.

Place: Delhi

Date: June 20, 2015

for K.K. MALHOTRA & CO.

Company Secretaries

Sd/-

K.K. MALHOTA (Proprietor)

FCS No. 1410, C P No.:446



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Raunaq Automotive Components Limited is one of India's leading automotive gear manufacturers. The company is engaged in the Business of manufacturing of automotive components Transmission Gears and Shafts and other types of gears related to power transmission to engine. After establishing a dominant positioning in the domestic market, in the last few years the Company has focused on consciously building global customer relationships and growing its exports. In this business, RACL Auto Components works on identifying markets, determining market positioning, developing innovative sourcing and distribution.

a) The Global Economy 2014-15

'Recovery' is the big message for the global economy. However, it comes with a caveat that the process is fragile and can be disrupted by headwinds, posed by legacy risks and volatilities. FY 2014-15 saw contrasting patterns of growth. The economies of the US and the UK performed well during the year, although Japan and Eurozone smarted under considerable economic stress and fear of deflation. China's growth trajectory also appeared to be losing its momentum, and countries of the emerging world registered muted growth.

A good news for the automobile industry from a Global-economic perspective has been the sharp drop in oil prices. There has been a complete churn in the global oil and gas economy. A generally depressed global market condition, increased US oil and gas supplies, non-reduction of supplies by OPEC countries and a reduction in speculative demand have contributed to this fall in price.

The Central Statistical Organisation (CSO) of the Government of India has refined and adjusted methods of calculating certain macro-economic parameters. Consequently, a comparative analysis of long term trends may not depict the correct picture. However, data over the short term reflect a positive movement. Foreign investors, for example, seem to have taken a positive cue from the developments. Not only have there been much higher foreign portfolio investments (FPI) into the stock market but also positive trends in the more sticky foreign direct investments or FDI. Global economic conditions are looking better, however, the pace of improvement is slow.

Indian Automotive Sector/Environment

The Indian automobile industry is finally seeing an uptick in sales. In FY2015 all vehicle categories other than Commercial Vehicles (CVs) are in positive territory and passenger car sales have returned to the back after three years. Riding on the back of a gradual uplift in market sentiments, excise duty cuts continuing through to December 2014 and the opening up of the mining and infrastructure sectors, the Indian automotive industry posted growth in FY2015. While this is an improvement but the growth levels are still low.

The new government that took charge in May 2014 have taken some positive initiatives. However, much of these will take some time to make an impact on the ground as the structural weaknesses in the economy runs deep. However, there is some renewed optimism in business sentiments.

MAKE IN INDIA

The Make in India initiative aims to

- Increase manufacturing sector's growth to 12-14% p.a.
- Increase manufacturing sector's share in India's GDP from 16% to 25% by 2022.
- Create 100 million additional jobs by 2022 in manufacturing sector.

The GOI has been building enablers such as eliminating unnecessary processes and laws, focusing on time-bound project clearances through a single online portal and creating appropriate skill sets through quality education. The target is to make for the world and so smart manufacturing (intelligent machines, collaborative technologies and networked processes) becomes essential.

The other good news is the gradual easing of inflationary pressures. With inflation under control, the Reserve Bank of India (RBI) has signalled a steady lowering of interest rates with two successive cuts in the benchmark repo rate. Going forward the RBI's monetary policy will balance the growth objectives with need to maintain stability in domestic prices and the rupee exchange rates.



b) Opportunities

- Improved domestic demand for vehicles due to favourable demographics and rising incomes shall drive demand for auto ancillaries.
- Increased outsourcing demand as India is being seen as a low cost centre.
- Greater thrust of auto OEMs' on localisation and increased replacement market demand shall increase demand for auto components.
- Softness in steel and rubber prices imply higher margins.
- Availability of regular & cheaper electricity.
- Fluctuations in Fuel prices/exchange rate.

Threats

- Emergence of spurious spare parts.
- Competition from imports from China, Taiwan and other ASEAN countries.
- Continued volatility of Raw Material prices.
- Scarcity of skilled/employable manpower.

c) Segment-wise performance

The Company has line of business, namely, manufacturing of gears, shafts and other automotive component parts. The Company has no unit (plant) of production outside India; therefore, there is no geographical segment and no production segment wise information is required.

d) Outlook

The Long term outlook is positive. The new government is making efforts to drive the economic growth at 8 to 9% rate. The focus on automotive sector is high. The issues are to accelerate the key reforms on bank financing driving growth, simplifying of taxation by way of implementation of GST and improving the ease of doing business. 'MAKE IN INDIA' initiatives need to be participated by both Central and State government.

The Company believes that the market conditions in India would continue to be challenging thus, putting pressure on margins and cash flow impacting sales and cash realization unless government intervention is quick and effective.

Notwithstanding, the Company's management team remains holistically focused and committed to deliver increased value for its stakeholders.

With the various reforms initiated by the government at the Centre, the company is optimistic that actions will quickly result into reviving the economy through increase in capital expenditure in utilities, industry and infrastructure. Your Company is fully ready to address such growth opportunities in the near future.

e) Risks & Concerns

At the operational level there are several risks that are inherent to the business. These are typically transactional in nature. These risks are managed through internal processes and controls. In addition, the Company has to deal certain major micro risks that affect the Company's strategy implementation.

- 1) **Business Risks:** Since the company is a component manufacturing entity, it is dependent on the demand of the Automobile Industry. Variance in the demand and supply of the product in various areas is a major risk.

Based on experience gained from the past and by following the market dynamics as they evolve, the Company is able to predict the demand during a particular period and accordingly supply is planned and adjusted.

- 2) **Operational Risks:** These risks relate broadly to the company's organization and management, such as planning, monitoring and reporting systems in the day to day management process namely:
 - Organization and management risks,



- Production, process and productivity risks,
- Quality Management and product liability/recall risks in overseas business,
- Profitability,

Risk mitigation measures:

- The Company functions under a well-defined organization structure.
- Flow of information is well defined to avoid any conflict or communication gap between two or more Departments.
- Second level positions are created in each Department to continue the work without any interruption in case of non-availability of functional heads.
- Proper policies are followed in relation to maintenance of inventories of raw materials, consumables, key spares and tools to ensure their availability for planned production programmes.
- Effective steps are being taken to reduce cost of production on a continuing basis taking various changing scenarios in the market.
 - Effective controls & measures are adopted to ensure defect free product to customers.
 - Suitable product liability/recall Insurance policies have been undertaken to mitigate export business quality risks.

3) Financial/Market Risks:

- Financial solvency and liquidity risks,
- Borrowing limits,
- Cash management risks,

Risk Mitigation Measures:

- Proper financial planning is put in place with detailed Annual Business Plans discussed at appropriate levels within the organization.
- Annual and quarterly budgets are prepared and put up to management for detailed discussion and an analysis of the nature and quality of the assumptions, parameters etc.
- These budgets with Variance Analysis are prepared to have better financial planning and study of factors giving rise to variances.
- Daily and monthly cash flows are prepared, followed and monitored at senior levels to prevent undue loss of interest and utilize cash in an effective manner.

4) Credit Risks:

- Risks in settlement of dues by dealers/customers,
- Bad and doubtful debts,
- Foreign Exchange and Interest Rate Risks,

Risk Mitigation Measures:

- Systems put in place for assessment of creditworthiness of dealers/customers.
- Provision for bad and doubtful debts made to arrive at correct financial position of the Company.
- Appropriate recovery management and follow up.
- Hedging, forward contracts and Bill Discounting etc. are used.

5) Market Risks / Industry Risks:

- Demand and Supply Risks,
- Quantities, Qualities, Suppliers, lead time, interest rate risks,
- Raw material rates,
- Interruption in the supply of raw material,



Risk Mitigation Measures:

- Raw materials are procured from different sources at competitive prices.
- Alternative sources are developed for uninterrupted supply of raw materials.
- Demand and supply are external factors on which company has no control, but however the Company plans its production and sales from the experience gained in the past and an on-going study and appraisal of the market dynamics, movement by competition, economic policies and growth patterns of different segments of users of company's products.
- The Company takes specific steps to reduce the gap between demand and supply by expanding its customer base, improvement in its product profile, delivery mechanisms, technical inputs and advice on various aspects of de-bottlenecking procedures, enhancement of capacity utilization in customer-plants etc.
- Proper inventory control systems have been put in place.

6) Legal Risks:

- Contract Risks,
- Contractual Liability,
- Frauds,
- Judicial Risks,
- Insurance Risks,

Risk Mitigation Measures:

- A study of contracts with focus on contractual liabilities, deductions, penalties and interest conditions is undertaken on a regular basis.
- The Authorized persons vets legal and contractual documents with legal advice, if required, from Legal retainers for different branches of legislation.
- Contracts are finalized as per the advice from legal professionals and Advocates.
- Insurance policies are audited to avoid any later disputes.
- Timely payment of insurance and full coverage of properties of the Company under insurance.
- Internal control systems for proper control on the operations of the Company and to detect any frauds.

7) Human Resource Risks:

- Labour Turnover Risks, involving replacement risks, training risks, skill risks, etc.
- Unrest Risks due to Strikes and Lockouts.

Risk Mitigation Measures:

- Company has proper recruitment policy for recruitment of personnel at various levels in the organization.
- Proper appraisal system for revision of compensation on a periodical basis has been evolved and followed regularly.
- Employees are trained at regular intervals to upgrade their skills.
- Labour problems are obviated by negotiations and conciliation.
- Activities relating to the Welfare of employees are undertaken.
- Workmen of the company are covered under ESI, EPF, etc., to serve the welfare of the workmen.
- Employees are encouraged to make suggestions and discuss any problems with their Superiors.
- Employees at a level are covered under insurance covers to mitigate any occupational hazards.

f) Internal Control Systems and their adequacy

The Company has an Internal Control process which aims at providing reasonable assurance on reliability of financial information, compliances with laws and regulations in force and realisation and optimisation of operations.



It ensures documentation and evaluation of unit and entity level controls through existing policies and procedures, primarily to identify any significant gaps and define key actions for improvement. Installation of Compliance Mantra system to doubly ensure the enforcement of compliances and various laws on the company.

The Company's internal controls are supplemented by an extensive programme of internal audits, review by management and documented policies, guidelines and procedures. Internal auditors reports its findings to the Audit Committee of the Board of Directors. The internal controls are designed to ensure that financial and other records are reliable for preparing financial information and other data, and for maintaining accountability of assets.

The Audit Committee and the Board of Directors reviewed internal controls and the progress of implementation of the recommendations of internal audits. The management actively implements the recommendations of such reviews.

g) Discussion on Performance of the Company

In the Financial Year 2014-15, the company achieved an overall income of Rs. 107.82 crores from operations as compared to Rs. 104.31 crores in 2013-14, thus achieving a growth of 4.5%. The company achieved an operating profit of Rs. 4.98 crores (PBT) as compared to Rs. 3.40 crores (PBT) as compared in last year. The company has made a provision of Rs. 1.39 crores on account of Income Tax / Deferred Tax Liabilities. Thus achieving a growth of 46%, which is indicator of the commitment of management to cross higher mile stone.

The company has MAT credit of Rs. 1.85 crores which shall be utilized/ adjusted for payment of Income Tax in future. Company has a Reserve & Surplus of Rs. 31.12 crores as on 31.03.2015 as compared to Rs. 26.62 crores last year.

The Company continues to make concerted efforts at leveraging relationships with existing customers as well as widening the customer base by adding new customers. The company added BIW, KUBOTA INDIA and DWETWYLER in terms of new customers in the financial year 2014-15. However, there were significant requirements for new product development of existing clients. The wider product portfolio was important to build the export business.

Raunaq Automotive Components Limited (RACL) continues to service a strong customer base, many of these customers are global players with a domestic presence in India. The Company continues with its effort to strengthen and cement relationships with these customers in the domestic market and explore opportunities to service their global needs. RACL remains positioned globally as a cost competitive manufacturer with focus on quality. Continuous efforts are being undertaken to maintain the highest delivery standards in terms of 'on time' and 'in full'. The larger customer base with wider product portfolio, which is fast emerging as the need of the markets today, increases the challenges on this front. It has introduced a degree of flexibility in its production equipment and is continuously working on improving its planning systems.

EXPORT

In line with the trend seen in FY2014, the conscious effort to export and penetrate global markets is starting to bear fruit. Export sales increased by 8% from 46.29 crore in FY2014 to 49.89 crores in FY2015. Consequently over the last 5 years, the share of exports in sale of automotive gears and components has increased gradually from 16% in FY2011 to 48% in FY2015.

This growth is a testimony to the good delivery record in the initial phase with global customers who have now extended orders and also started developing new products. While the global markets are under stress, RACL has a miniscule share of the global pie and there is ample scope and opportunities to grow exports aggressively.

h) Human Resources Efficiency

The Company believes in the philosophy of that employees are its real strength and contribution of the participative management is the real force for growth and development of any organization.

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, so that they are satisfied & bring in knowledge & skills to RACL for mutual benefits. The employee strength of your Company as on the end of financial year was 507.



i) Cautionary Note

This Management Discussion and Analysis statement contains, what could be regarded as forward-looking statements and information. These statements include forecasts and estimates as well as the assumptions on which they are based, statements related to projects, objectives and expectations concerning future operations, products and services or future performance. The readers are hereby cautioned and advised that these forward-looking statements are subject to numerous risks and uncertainties that are difficult to foresee and actual outcomes might differ significantly.

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

Place: New Delhi

Date : August 6,2015

Regd Office : 15TH Floor, Chiranjiv Tower- 43,

Nehru Place, New Delhi-110019

Ph. : +91 11 26418622, Fax : +91 11 26448962

Email - investor@raunaqauto.com

Sd/-

Gursharan Singh

Chairman and Managing Director



REPORT ON CORPORATE GOVERNANCE

In terms of the clause 49 of the Listing Agreement with the Stock Exchange, this Report along with the chapter on Management Discussion and Analysis reports on Company's (Raunaq Automotive Components Limited, hereinafter also referred to as the 'RACL' or 'Company') compliance on Corporate Governance provisions is applicable to Listed Companies in India.

Company's philosophy on Corporate Governance

In rapidly changing business and technological environment, your Company regularly reviews its strategic direction; operational efficiency and effectiveness; reliable reporting and compliances and such measures so as to meet various stakeholders' expectations and long term sustainability.

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Good corporate Governance leads to long-term shareholder welfare and enhances interest of all stakeholders. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

The Company's philosophy on Corporate Governance revolves around principles of ethical governance and is aimed at conducting of business in an efficient and transparent manner and in meeting its obligations to shareholders and other stakeholders. This objective is achieved by adopting corporate practices based on principles of transparency, accountability, fairness and integrity to create long term sustainable value for all its stakeholders.

The Board of Directors fully supports and endorses corporate governance practices as enunciated in clause 49 of the Listing Agreement as applicable from time to time.

Board of Directors

For Raunaq Automotive Components Limited corporate governance begins at the top of its Governance structure, its Board of Directors, which comprises of experts who are committed to the key underlying principles and values that constitute the best standards of corporate governance.

A. Composition of the Board

The strength of the Board of Directors as on 31.03.2015 was 9 (nine). Of the total 9 (nine) Directors, 2 (Two) Directors are Executive Directors, 7 (seven) Directors are non-executive, including 4 (four) independent directors, 2 (Two) Nominee Directors and 1(one) Additional Director (woman director).

B. Brief particulars of the Directors seeking appointment or reappointment in the forthcoming AGM

Mrs. Narinder Paul Kaur - Director (Non-executive)

Mrs. Narinder Paul Kaur, aged 52 years is professionally qualified and has been looking and supervising the functioning of Noida plant of the company since 2011.

She has a deep knowledge about the business and good administrative skills and has improved the operations of the Noida unit during last 4 years. She has been instrumental in successfully working of the Noida plant. Under her able guidance, the company has successfully increased the Noida Plant operations.

At present, she is also on the Board of Aadhar Infosystems Private Limited and Joy River Enterprises Private Limited.

She holds 5,667 equity shares in the Company.

Mrs. Narinder Paul Kaur is wife of Mr. Gursharan Singh, CMD, accordingly Mr. Gursharan Singh and Ms. Ravnita Singh daughter of Mr. Gursharan Singh, both are considered as an interested Director and interested relative of director respectively.

Except Mr. Gursharan Singh and Ms. Ravnita Singh daughter of Mr. Gursharan Singh, none of the directors and key managerial personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the appointment.



Mr. Dev Raj Arya - Whole-time Director & Chief Financial Officer

Mr. Dev Raj Arya, aged 64 years, is a Post Graduate in Economics, Law Graduate from University of delhi, holding fellowship of Institute of Company Secretaries of India and Grad C.W.A., He has served in various Public Limited companies at various senior Executive levels, having an experience of more than 37 years in the Industry and has undertaken various challenges and responsibilities under different capacities. He was re-appointed as whole time Director of the company with effect from 22.10.2012 & has been holding this office since then.

He has been appointed as Chief Financial Officer of Raunaq Automotive Components Limited by the Board at its meeting held on July 31, 2014.

He is member of the Stakeholders Relationship Committee of the Company.

He is not on the Board of any other company and none of the directors and key managerial personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the reappointment of Mr.Dev Raj Arya.

C. Attendance of Directors at Board Meetings, last Annual General Meeting and their directorships and committee positions

Details of attendance of the Directors at Board Meetings, last Annual General Meeting and their directorships and committee positions during the financial year under report is as under:

Sl. No.	Name of Director	Category	Number of Board Meetings		Attendance at the last AGM held on 30.09.2014	Number of outside Directorships of public companies ¹ (As on March 31, 2015)	Number of Outside Board-level Committees ² where chairperson or member (As on March 31, 2015)	
			Held during tenure	Attended			Member	Chairman
1	Mr. Gursharan Singh	Chairman and MD	4	4	yes	-	-	-
2	Mr. Dev Raj Arya	Director & CFO	4	4	yes	-	-	-
3	Mr. Anil Sharma	Independent Director	4	4	yes	-	-	-
4	Mr. Madan Lal	Independent Director	4	4	yes	2	2	-
5	Mr. Raj Kumar Kapoor	Independent Director	4	3	yes	2	-	-
6	Mr. Devender Singh	Nominee Director	4	2	No	2	-	-
7	Mr. Ashok Mishra	Nominee Director	4	-	No	-	-	-
8	Mr. Rakesh Kapoor	Independent Director	4	4	No	2	1	-
9	Mrs. Narinder P Kaur	Non-Executive /Additional Director ³	1	1	-	-	-	-

¹ Excludes foreign directorships and private limited companies

² Audit Committee and the Stakeholders Relationship Committee.

³ Appointed as additional Director w.e.f. 31.01.2015



As mandated by the clause 49 of the Listing Agreement, none of the Directors is a member of more than ten Board-level committees of public limited Indian companies; nor are they Chairperson of more than five committees in which they are members. Except Mr. Gursharan Singh and Mrs. Narinder Paul Kaur, none of the Directors of the Company is related to the other, or to any other employee of the Company.

D. Number of Board Meetings

During the financial year ended March 31, 2015, the Company held four (4) Board meetings on –May 30, 2014, July 31, 2014, October 31, 2014, and January 31, 2015.

E. Code of Conduct and Ethics

In line with the clause 49 of the Listing Agreement, the Company's Board of Directors have laid down a 'Code of Conduct for Directors and Senior Management Personnel' of the Company. The Code is posted on the Company's website - www.raunaqauto.com

The purpose of this 'Code of Conduct' is to promote conduct of business ethically in an efficient and transparent manner and to meet its obligations to shareholders and all other stakeholders.

The Chairman & Managing Director, Mr. Gursharan Singh has made a declaration that members of the Board and Senior Management Executives have affirmed compliance with the Companies "Code of Conduct for Directors and Senior Management Personnel" for the financial year ended March 31, 2015.

Your Company understands reputation and integrity can only be built by continuously reinforcing ethical rules and procedures.

The development of the integrity culture is a key priority for the Company.

RACL Alert Procedure

During the year, the Board of Raunaq Automotive Components Limited in compliance to Section 177 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement with Stock Exchanges, has established a vigil mechanism and adopted "Vigil Mechanism / Whistle Blower Policy", which encourages its stakeholders (including employees and directors) who have concerns about any actual or potential violation of the legal and regulatory requirements, unethical process, incorrect or misrepresentation of any financial statements and reports, any claim of theft or fraud, and any claim of retaliation, to come forward and express his/ her concerns without fear of punishment or unfair treatment.

Alert Procedure available on the Company's website and the weblink for the same is http://www.raunaqauto.com/pdfs/VIGIL_MECHANISM_WHISTLE_BLOWER_POLICY.pdf

Remuneration to Directors

Details of remuneration to Directors, both executive and non-executive, during the financial year ended March 31, 2015 are as under:

A. Non-Executive Directors

(Amount in Rs.)

Sl. No.	Name of the Director	Position	Sitting Fee	Commission/ Retainership fees	Total
1	Mr. Anil Sharma	Independent Director	130,000	Nil	130,000
2	Mr. Madan Lal	Independent Director	132,500	Nil	132,500
3	Mr. Raj Kumar Kapoor	Independent Director	90,000	Nil	90,000
4	Mr. Rakesh Kapoor	Independent Director	80,000	Nil	80,000
5	Mr. Devender Singh	Nominee Director	40,000	Nil	40,000
6	Mr. Ashok Mishra	Nominee Director	Nil	Nil	Nil
7	Mrs. Narinder Paul Kaur ¹	Additional Director	10,000	66,000	76,000

1. Appointed as an Additional Director w.e.f. 31.01.2015 and she is working with the company as a professional on retainership basis.



Notes:

- (i) In addition to the sitting fees, for attending the Board and/ or Committee meetings, in terms of the approval of Shareholders by way of Special Resolution as proposed to the shareholders meeting to be held on September 30, 2015. such of the non-executive Directors resident in India are entitled to remuneration by way of fees or commission of such amount, proportion and manner, as may be determined by the Board (including Nominatiol & Remuneration Committee) not exceeding in the aggregate 1% (one percent) of the net profits of the Company in a financial year computed in the manner laid down in Section 197 of the Companies Act, 2013 (in the case, if services rendered by Non executive Directors are of a professional nature then one percent limit shall not apply).
- (ii) The criteria for payments, including the extent, amount, proportion and manner of payment, to non-executive Directors, resident in India, is determined by the Board (including Nominatiol & Remuneration Committee).

B. Executive Directors

(₹ in Lacs)

Sl. No.	Name of the Director	Designation	Salary	Allowances	Commission	Retiral Benefits	Perquisites	Total
1	Mr. Gursharan Singh	Chairman & Managing Director	21.60	21.84	5.00	Nil	4.32	52.76
2	Mr. Dev Raj Arya	Whole-time Director & CFO	12.00	12.60	Nil	Nil	2.40	27.00

Notes:

- (i) The remunerations of Mr. Gursharan Singh, CMD and Mr. Dev Raj Arya, Director & CFO has not been changed since the last remuneration approved by the Shareholders in the Annual General Meeting held on 30th September, 2011. At the forthcoming Annual General Meeting, it is proposed to increase the remuneration of Mr. Gursharan Singh & Mr. Dev Raj Arya for a further period of two years.
- (ii) Notice period and severance fees: Six months' notice or Six months' salary in lieu of notice may be given by the Company; and Six months' notice may be given by the Executive Directors (or such shorter notice as may be agreed) subject to terms of their employment.
- (iii) The other terms and conditions of the payment of remunerations and provisions of other facilities as specified by AGM resolution dated 30th September, 2011.

SHAREHOLDING OF DIRECTORS

None of the Directors and Key Managerial Personnel of the Company was holding shares in the Company as at the beginning of the year, during the year and at the end of the year, except the following:

Sr. No.	Name of the Directors	As on 31.03.2015	As on 31.03.2014
1.	Mr. Gursharan Singh	67052	66202
2.	Mr. Dev Raj Arya	31834	31834
3.	Mrs. Narinder Paul Kaur	5667	5667

CEO/ CFO Certification

In terms of clause 49 of the listing agreement Mr. Gursharan Singh, Chairman & Managing Director and Mr. Dev Raj Arya, Whole-time Director & Chief Financial Officer have given annual certification on financial reporting and internal controls to the Board. The said annual certificate given by them is published in this report.

Committees of the Board of Directors

A. Audit Committee

The Company has an adequately qualified and independent Audit Committee. The composition of the Committee is as under:



Sl. No.	Name of Director	Category
1	Mr. Raj Kumar Kapoor	Independent Director - Chairman
2	Mr. Anil Sharma	Independent Director - Member
3	Mr. Madan Lal ¹	Independent Director - Member
4	Mr. Devender Singh ²	Nominee Director (PICUP) - Member

¹ Mr. Madan Lal ceased to be a member of Audit committee w.e.f. July 31, 2014.

² Appointed as member of audit committee w.e.f. July 31, 2014.

The above composition duly meets the requirement under amended clause 49 of the Listing Agreement.

The Whole-time Director (F) & Chief Financial Officer, Internal Auditors and the representatives of Statutory Auditors are invitees to the relevant meetings of the Audit Committee.

During the year under review, the terms of reference of the Audit Committee were in accordance with Section 177 of the Companies Act, 2013 read with the rules framed thereunder and Clause 49 of the Listing Agreement.

The Audit Committee acts as a link between the management, external and internal Auditors and the Board of Directors.

During the financial year ended March 31, 2015, the Company held four(4) Audit Committee meetings on – May 30, 2014, July 31, 2014, October 31, 2014 and January 31, 2015. The attendance of the Audit Committee Members at the said meetings is detailed below:

Sl. No.	Names of Director	Number of Meetings held during their tenure	Number of Meetings attended
1	Mr. Raj Kumar Kapoor	4	3
2	Mr. Anil Sharma	4	4
3	Mr. Madan Lal	2	2
4	Mr. Devender Singh	2	2

Mr. Raj Kumar Kapoor, Chairman, Mr. Anil Sharma and Mr. Madan Lal, member of Audit Committee attended the last Annual General Meeting of the Company.

B. Stakeholders Relationship Committee

The Board of Directors have constituted a “Stakeholders Relationship Committee” in terms of the Companies Act, 2013 and Listing Agreement.

The present composition of the Committee is as under:

Sl. No.	Name of Director	Category
1	Mr. Madan Lal *	Independent Director- Chairman
2	Mr. Gursharan Singh	Member
3	Mr. Dev Raj Arya	Member

* Appointed as chairman of Stakeholders Relationship Committee w.e.f. July 31, 2014.

During the financial year ended March 31, 2015, the Company held 17 Stakeholders Relationship Committee meetings on -April 21, 2014, May 05, 2014, May 24, 2014, June 16, 2014, July 14, 2014, July 21, 2014, August 04, 2014, August 25, 2014, September 23, 2014, October 01, 2014, October 13, 2014, October 20, 2014, January 12, 2015, January 19, 2015, January 27, 2015, March 09, 2015 and March 16, 2015.

The Committee is responsible for all matters concerning the share transfers, transmissions, issue of duplicate share certificates and attending to the grievances of the shareholders. Effective from July 31, 2014, the terms of reference of the committee as per section 178 of the Companies Act, 2013, clause 49 of the Listing Agreement or any other laws/rules, as applicable or amended from time to time.



The Company has appointed Mr. Hitesh Kumar, Company Secretary as the 'Compliance Officer', who may be contacted for any matter relating to share transfers/ transmissions, non-receipt of Annual Reports etc.

There was no complaint pending for resolution as at April 01, 2014. During the financial year ended March 31, 2015, the Company received 1 complaint from shareholders and the same was resolved at that time. The Company through its Registrars and Share Transfer Agents, MAS Services Ltd. is extending full support to the investors of the company.

C. Nomination and Remuneration Committee

In terms of section 178 of the Companies Act, 2013 read with the rules framed thereunder, the Board of Directors of the Company have constituted Nomination and Remuneration Committee. The composition of the Nomination and Remuneration Committee is as under:

Sl. No.	Name of Director	Category
1	Mr. Rakesh Kapoor ¹	Independent Director- Chairman
2	Mr. Anil Sharma	Independent Director- Member
3	Mr. Madan Lal	Independent Director- Member
4.	Mr. Gursharan Singh	CMD - Special Invitee Member

¹ Appointed as chairman of nomination and remuneration committee w.e.f. July 31, 2014

The duties and responsibilities of the Nomination and Remuneration Committee include:

- Formulating criteria for determining qualifications, positive attributes and independence of a director.
- Identifying potential persons for appointment as Directors, Key Managerial Personnel (KMP) and other Senior Management positions.
- Recommending to the Board a policy, relating to the remuneration of the Directors, Senior Management, KMP and other employees, as may be applicable
- Formulating criteria for evaluation of Independent Directors and the Board and carry out evaluation of every Director's performance.
- Devising a policy on Board diversity.
- Ensuring that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully.
- Ensuring the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and remuneration payable to Directors, Senior Management, Key Managerial Person involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

During the financial year ended March 31, 2015, the Company held 1 Nomination and Remuneration Committee meetings on February 07, 2015. The attendance of the Nomination and Remuneration Committee Members at the said meetings is detailed below:

Sl. No.	Names of Director	Number of Meetings held during their tenure	Number of Meetings attended
1	Mr. Rakesh Kapoor	1	1
2	Mr. Anil Sharma	1	1
3	Mr. Madan Lal	1	1
4.	Mr. Gursharan Singh	1	1

In terms clause 49 of the Listing Agreement, Board of Directors of your Company has approved Nomination and Remuneration Policy on May 20, 2015. Nomination and Remuneration Policy as approved by the Board is annexed with the Directors report as "Annexure – A".



D. Independent Directors meeting

In compliance with clause 49 of the Listing Agreement with Stock Exchange, a meeting of Independent Directors was held on March 31, 2015, without the attendance of non-independent directors and members of management. All the independent directors were present in the meeting. The independent directors in that meeting reviewed/assessed:

- performance of non-independent directors and the Board as a whole;
- performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarisation programme for Independent Director

In compliance with clause 49 of the listing agreement with stock exchange(s) and schedule IV of the Companies Act, 2013, the company has adopted a familiarisation programme for independent directors.

The details of such familiarisation programmes is available on company's website www.raunaqauto.com

General Body Meetings

The details of Annual General Meetings held during the last three years are given below:

S.No.	Date	Time	Venue
Annual General Meetings			
1	September 28, 2012	10.30 AM	Shivam Garden, Bawana Road, Narela, Delhi – 110 040
2	September 30, 2013	11.00 AM	Shivam Garden, Bawana Road, Narela, Delhi – 110 040
3	September 30, 2014	11.00 AM	Shivam Garden, Bawana Road, Narela, Delhi – 110 040

Special resolutions passed in General Meetings during last three years

Annual General Meetings (AGM)

September 28, 2012

- Approval for availing the fund based and non fund based facilities form Bank of India.
- Approval for issue of equity shares on preferential basis.

September 30, 2013

- Re-appointment of Mr. Gursharan Singh, as Chairman & Managing Director of the company.
- Re-appointment of Mr. Dev Raj Arya, as Whole Time Director of the company.

September 30, 2014

- Approval for issue of equity shares on preferential basis.
- Approval for borrowing money in excess of the aggregate of the paid up share capital and free reserves of the Company.

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

Special Resolutions is proposed to be conduct through postal Ballot :

- Alteration to the Object Clause (Main Object Clause) of the Memorandum of Association of the Company.
- Alteration to the Liability Clause of the Memorandum of Association of the Company.



Procedure for postal shall be followed as per the provisions of listing agreement with the stock exchange, as per the provisions of section 110 of the companies act, 2013 and rules made there under and Secretarial Standards on General Meeting (SS - 2) and other provisions of any other act as may be applicable on the company for conducting postal ballot.

Disclosures

Materially significant related party transactions

In terms clause 49 of the Listing Agreement, Board of Directors of your Company has approved Related Party Transactions Policy on dealing with Related Party Transactions. The policy may be accessed at the weblink http://www.raunaqauto.com/pdfs/Related-Party-Transaction_Policy.pdf

All related party transactions during the financial year were on arm's length basis and were in the ordinary course of business. During the year, there were no material related party transaction made by the company.

Details of non-compliance

The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties or strictures have been imposed by SEBI, Stock Exchanges or any other statutory authority on matters relating to capital markets during the last three years.

Compliance with clause 49

The Company has complied with all the applicable mandatory requirements of the Clause 49. The Company has adopted non-mandatory requirements wherever necessary. Also, the Company's financial statements are free from any qualifications by the Auditors.

Code of Conduct for Prevention of Insider Trading

In view of Regulation 9 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, a Code of Conduct to Regulate, Monitor and Report Trading by Insiders was adopted on May 20, 2015. This Code replaces Code of Conduct for Prohibition of Insider Trading as framed under the SEBI (Prohibition of Insider Trading) Regulations, 1992 w.e.f May 15, 2015.

The Code lays down guidelines which advise management and staff on procedures to be followed and disclosures to be made while dealing with Securities of the Company, and cautions them of the consequences of violations.

Management Discussion and Analysis

Management Discussion and Analysis report forms part of the Directors' Report has been stated elsewhere in the report.

Means of Communication

Financial Results:

The Company intimates un-audited as well as audited financial results to the Stock Exchange i.e. BSE Limited, immediately after the Board meetings at which they are approved. The results of the Company are also published in at least one prominent national and one regional newspaper having wide circulation. Normally the results are published in The Financial Express (English) and Jansatta (Hindi). The financial results are also displayed on the Company's website www.raunaqauto.com

Financial Period: 1st April, 2014 to 31st March, 2015

For the Financial Year 1st April, 2014 to 31st March, 2015 quarterly results were announced on:

- 31ST July, 2014.
- 31ST Oct., 2014.
- 31ST Jan., 2014.

For the Financial Year 1st April, 2014 to 31st March, 2015 Audited results were announced on:

- 20th May, 2015



News Release etc.:

The official news releases etc. are displayed on the Company's website www.raunaqauto.com

Website:

The website www.raunaqauto.com contains a separate dedicated section for the Company's 'Investors' where shareholders' information is available. The full Annual Report, shareholding pattern, Corporate Governance Report and various policies is also available in the 'Investors' sections on the website of the Company.

General Shareholder Information

A Annual General Meeting (AGM)

Date	: Wednesday, the 30 th day of September, 2015
Time	: 11:00 A.M.
Venue	: Shivam Garden, Bawana Road, Narela, Delhi-110 040

B Financial Calendar

: April to following March

Announcement of Financial Results for

• Quarter ending June 30, 2015	: Upto August 14, 2015
• Quarter ending September 30, 2015	: Upto November 14, 2015
• Quarter ending December 31, 2015	: Upto February 14, 2016
• Financial year ending on March 31, 2016 and for the fourth quarter ending on that date	: Upto May 30, 2016

C Dates of Book Closure

: From September 24, 2015 to September 30, 2015 (both days inclusive)

D Listing on Stock Exchange.

: BSE Limited
PhirozeJeejeebhoy Towers,
Dalal Street, Mumbai-400 001.

E Listing Fee

: Annual Listing Fee for the year 2014-15 and 2015-16, as applicable has been paid to the Stock Exchange i.e. BSE Limited.

F Company Identification Number

: L34300DL1983PLC016136

G Stock Code/ Symbol

BSE Limited	: 20073 for physical and 520073 for demat scrips
ISIN Number for NSDL and CDSL	: INE704B01017



H Market Price Data

(a) Monthly High-Low price of Equity Shares at BSE and comparison with BSE Sensex :

Month	Raunaq Automotive Components Limited Share prices on BSE		BSE SENSEX	
	High (Rs.)	Low (Rs.)	High	Low
April'14	14.65	10.02	22939.30	22197.50
May'14	13.00	9.45	25375.60	22277.00
June'14	15.42	11.40	25725.10	24270.20
July'14	17.51	12.00	26300.20	24892.00
August'14	16.00	12.03	26674.40	25232.80
September'14	19.74	12.50	27355.00	26220.50
October'14	19.85	13.20	27894.30	25910.80
November'14	23.95	17.75	28822.40	27739.60
December'14	24.60	18.30	28809.60	26469.40
January'15	29.35	20.65	29844.20	26776.10
February'15	28.40	20.15	29560.30	28044.50
March'15	24.25	19.15	30024.70	27248.50

(Source www.bseindia.com)

I Shareholding pattern as on March 31, 2015

Sl. No.	Category	Number of Equity Shares held	Percentage(%)
1	Promoters Shareholding		
	REWT	3398637	34.221
	PICUP	1503300	15.137
	Individuals/other Bodies corporate (Including Person acting in concert)	169843	1.71
	Total Promoter's Holding (A)	5071830	51.068
2	Insurance Companies	-	-
3	Financial Institutions and Banks	500	.005
4	UTI and other Mutual Funds	-	
5	Foreign Institutional Investors	-	
6	Corporate Bodies	243743	2.454
7	Non-resident Indians, Overseas Corporate Bodies and Foreign Nationals	2062541	20.767
8	General Public	2541703	25.592
9	Others - Clearing Member	10983	0.111
10	Others - Trust	300	0.003
	Total Public Shareholding (B)	4859770	48.932
	Grand Total (A+B)	9931600	100.000



J Distribution of Holdings as on March 31, 2015

Category (No. of Shares)	Number of Shareholders	(%) Percentage of Shareholders	Number of Shares	(%) Percentage of Shareholding
1-500	6069	90.799	970344	9.77
501-1000	336	5.027	286587	2.886
1001-2000	114	1.706	179419	1.807
2001-3000	60	0.898	152551	1.536
3001-4000	24	0.359	85374	0.86
4001-5000	22	0.329	103578	1.043
5001-10000	25	0.374	182390	1.836
10001 and above	34	0.509	7971357	80.263
TOTAL	6684	100	9931600	100

K Share Transfer System

To expedite the process of share transfer, The Board of the Directors has delegated the powers for transfer/ Transmission/Dematerialization/ Rematerialisation to the Committee of Directors - Stakeholders Relationship Committee/ MAS Services Limited [Share Transfer Agents (RTA)]/Company Secretary. Which conduct the above activities and their reports is submitted to the Board of Directors on regular interval.

The Company has appointed MAS Services Limited as its Registrars and Share Transfer Agents. All share transfers and related operations are conducted by MAS Services Limited, which is registered with the SEBI.

The Company's Registrars, MAS Services Limited have adequate infrastructure to serve the shareholders and process the share transfers. In compliance with the Listing Agreement, every six months the share processing system is audited by a practicing Company Secretary and a Certificate under Clause 47 (C) to that effect is issued file with the Stock Exchange. The Company's scrip forms part of the SEBI's compulsory demat segment.

Investor correspondence should be addressed to the Registrars and Share Transfer Agents or the Company, as per contact details as given at the end of the Report.

L Dematerialisation of shares and liquidity

The Company's scrip forms part of the compulsory demat segment for all investors. To facilitate the investors in having an easy access to the Demat System, the Company has signed up with both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The connectivity has been established through the Company's Registrars MAS Services Limited. As at March 31, 2015, a total of 8116494 equity shares of the Company, constituting 81.72% of the paid-up share capital, stand dematerialized and the remaining 18.27% in physical form.

M Share Capital Reconciliation Report

As stipulated by the SEBI, a qualified Practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted Capital with NSDL and CDSL and the total issued and listed capital. The Audit is carried out every quarter and the Report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The Report inter-alia confirms the total listed and paid up share capital of the Company is in agreement with the aggregate of the total dematerialised shares and those in the physical mode.

N Outstanding GDRs/ ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on Equity

The Company does not have any outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments.



O Plant Locations

The Company has works/ manufacturing locations listed hereunder:

- 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 -201307 (U.P.)

P Address for Correspondence/ Investor Complaints

Registrars and Share Transfer Agents

MAS Services Limited

T-34, 2nd Floor, Okhla Indl. Area, Phase-II,

New Delhi - 110 020

Tel : (011) 26387281 / 82 / 83

Fax : (011) 26387384 E-mail : info@masserv.com

Website : www.masserv.com

Company

Registered Office:

Raunaq Automotive Components Limited

15th Floor, Chiranjiv Tower, 43, Nehru Place

New Delhi - 110 019

Tel. No.: 91 11 26418622

Fax No.: 91 11 26448962

Website: www.raunaqauto.com

Contact Person:

Mr. Hitesh Kumar

Company Secretary & Compliance Officer

Tel. No. : 91 11 26418633

Fax No. : 91 11 26448962

E-mail : investors@raunaqauto.com

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

Sd/-

Gursharan Singh

Chairman & Managing Director

Place: New Delhi

Date: August 6,2015

Regd Office : 15TH Floor, Chiranjiv Tower- 43,

Nehru Place, New Delhi-110019

Ph. : +91 11 26418622, Fax : +91 11 26448962

Email - investor@raunaqauto.com



CEO & CFO CERTIFICATE

The Board of Directors,

Raunaq Automotive Components Limited

We, Gursharan Singh, Chairman & Managing Director and Dev Raj Arya, Whole-time Director & Chief Financial Officer, certify that:

- a) We have reviewed the financial statements and cash flow statement for the financial year ended on March 31, 2015 and to the best of our 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) To the best of our knowledge and belief, there are no transactions entered into by the Company during the financial year ended on March 31, 2015 which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take, to rectify these deficiencies.
- d)
 - i. There has not been any significant change in internal control over financial reporting during the financial year ended on March 31, 2015;
 - ii. There has not been any significant change in accounting policies during the financial year ended on March 31, 2015, requiring disclosure in the notes to the financial statements; and
 - iii. We are not aware of any instance of significant fraud during the financial year ended on March 31, 2015 with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

for RAUNAQ AUTOMOTIVE COMPONENTS LIMITED

Sd/-

**Gursharan Singh
Chairman & Managing Director**

Sd/-

Place: New Delhi

Date: August 6, 2015

Dev Raj ARYA

Whole-time Director & CFO

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT

I, Gursharan Singh, Chairman & Managing Director of Raunaq Automotive Components Limited, hereby declare that all the members of the Board of Directors and the Senior Management Executives have affirmed compliance with the Company's "Code of Conduct for Directors and Senior Management Personnel" for the financial year ended on March 31, 2015.

for RAUNAQ AUTOMOTIVE COMPONENTS LIMITED

Sd/-

**Gursharan Singh
Chairman & Managing Director**

Place: New Delhi

Date: August 6, 2015

Regd Office : 15TH Floor, Chiranjiv Tower- 43,

Nehru Place, New Delhi-110019

Ph. : +91 11 26418622, Fax : +91 11 26448962

Email - investor@raunaqauto.com



AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Raunaq Automotive Components Limited

We have reviewed the relevant records of Raunaq Automotive Components Limited (the company) for the year ended on 31st March, 2015 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 above mentioned 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 Regn.No.001307C

B.K.AGARWAL

Partner

Membership No.90771

Place: New Delhi

Date: August 6,2015



INDEPENDENT AUDITOR'S REPORT

To the Members of

Raunaq Automotive Components Limited

Report on the (Standalone) * Financial Statements

1. We have audited the accompanying financial statements of RAUNAQ AUTOMOTIVE COMPONENTS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information

Management's Responsibility for the (Standalone) * Financial Statements

2. The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2015, its profit and its cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.



8. As required by section 143(3) of the Act, we further report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014
- e) on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act
- f) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014::
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

for A SACHDEV & CO.

Chartered Accountants

FRN 001307C

B K AGARWAL

(PARTNER)

M.No. 090771

PLACE : Gajraula

DATED : May 20,2015



Annexure referred to in paragraph 7 Our Report of even date to the members of ABC Company Limited on the accounts of the company for the year ended 31st March, 2015

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. (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 have been physically verified by the management as at the end of the financial year and no serious discrepancies 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 fixed assets of the company is reasonable.
- ii. (a) The inventories, except for stocks lying with third parties where certificates confirming stocks have been received in respect of most of the stocks hold, 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, have been properly dealt with in the Books of Accounts.
- iii. (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 189 of the Act.
(b) Since the Company has not granted any loans secured or unsecured during the period covered under audit, Paragraph No. 3(a) & (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.
- iv. 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 the 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.
- v. In our opinion and according to information and explanations given to us the Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 during the year.
- vi. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act
- vii. (a) According to the information and explanations given to us and according to the records of the company examined by us, the company is regular in depositing undisputed statutory dues, including Provident Fund, , Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities in India.
(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes.
(c) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise.



- viii. In our opinion, the Company does not have accumulated losses at the end of Financial year 31st March, 2015. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- ix. In our opinion and according to information and explanations given to us, the company has not defaulted in repayments of dues to the Financial Institution / Bank / Debenture holders.
- x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from a bank or financial institution during the year.
- xi. In our opinion, and according to the information and explanations given to us, the company has applied term loans for the purpose for which loans were obtained.
- xii. During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.

for A SACHDEV & CO.

Chartered Accountants

FRN 001307C

B K AGARWAL

(PARTNER)

M.No. 090771

PLACE : Gajraula

DATED : May 20, 2015



**RAUNAQ AUTOMOTIVE COMPONENTS LIMITED
BALANCE SHEET AS AT 31ST MARCH 2015**

(₹ in Lacs)

Particulars	Note No.	As At 31st March, 2015	As At 31st March, 2014
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share capital	1	993.16	893.16
Reserves and surplus	2	3,112.13	2,662.03
Non-current liabilities			
Long-term borrowings	3	935.12	1,496.86
Deferred tax liabilities (Net)	4	536.83	551.59
Other Long term liabilities	5	—	—
Long-term provisions	6	319.73	289.51
Current liabilities			
Short-term borrowings	7	1,916.34	1,844.03
Trade payables	8	2,133.26	2,284.13
Other current liabilities	9	1,046.51	907.80
Short-term provisions	10	143.81	131.59
TOTAL		11,136.89	11,060.70
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	5,995.77	6,155.68
Intangible assets		—	—
Capital work-in-progress	11	3.96	117.43
Intangible assets under development		—	—
Non-current investments		—	—
Deferred tax assets (net)		—	—
Long-term loans and advances	12	64.88	47.16
Other non-current assets			
Misc expenditure to the extent not written off	13	220.64	213.45
Current assets			
Current investments		—	—
Inventories	14	2,519.77	2,101.61
Trade receivables	15	1,694.93	1,564.95
Cash and cash equivalents	16	98.36	96.83
Short-term loans and advances	17	203.78	294.64
Other current assets	18	334.80	468.95
TOTAL		11,136.89	11,060.70

Significant Accounting Policies & notes to accounts are forming integral part of Balance Sheet, as per our separate report of even date.

For A. SACHDEV & CO

Chartered Accountants

Firm Registration No. 001307C

**By order of the Board
for RAUNAQ AUTOMOTIVE COMPONENTS LIMITED**

Sd/-
GURSHARAN SINGH
(CMD)

Sd/-
D. R. ARYA
(Director & CFO)

Sd/-
ANIL SHARMA
(Director)

Sd/-
NARINDER PAUL KAUR
(Director)

Sd/-
RAJ KUMAR KAPOOR
(Director)

Sd/-
MADAN LAL
(Director)

Sd/-
RAKESH KAPOOR
(Director)

Sd/-
HITESH KUMAR
(Company Secretary)

Place : Gajraula
Date : May 20,2015

Sd/-
B. K. AGARWAL
(Partner)

Membership No. 90771



RAUNAQ AUTOMOTIVE COMPONENTS LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2015
(₹ in Lacs)

Particulars	Refer Note No.	2014-15	2013-14
I. Revenue from operations	20	10,761.56	10,423.85
II. Other income	21	21.26	7.20
III. Total Revenue (I + II)		10,782.82	10,431.05
IV. Expenses:			
Cost of materials consumed	22	4,181.18	4,129.42
Changes in inventories of finished goods			
work-in-progress and Stock-in-Trade	23	(172.40)	(38.89)
Employee benefits expense	24	1,465.54	1,420.40
Finance costs	25	675.06	645.87
Depreciation and amortization expense	26	426.67	386.35
Other expenses	27	3,709.22	3,469.54
Total expenses		10,285.27	10,090.47
V. Profit before exceptional and extraordinary items and tax (III-IV)		497.55	340.58
VI. Exceptional items		—	—
VII. Profit before extraordinary items and tax (V - VI)		497.55	340.58
VIII. Extraordinary Items		—	—
IX. Profit before tax (VII- VIII)		497.55	340.58
X Tax expense:			
(1) Current tax			
Previous year tax paid		5.14	3.90
Tax payable		148.33	68.14
Less: Mat credit entitlement		—	68.14
(2) Deferred tax	4	(153.47)	(3.90)
		(14.76)	(149.34)
XI Profit (Loss) for the period from continuing operations (VII-VIII)		358.84	187.34
XII Profit/(loss) from discontinuing operations		—	—
XIII Tax expense of discontinuing operations		—	—
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		—	—
XV Profit (Loss) for the period (XI + XIV)		358.84	187.34
XVI Earnings per equity share:			
(1) Basic	28	3.82	2.10
(2) Diluted			

Significant Accounting Policies & notes to accounts are forming integral part of Profit & Loss Account. As per our separate report of even date.

For A. SACHDEV & CO

Chartered Accountants

Firm Registration No. 001307C

**By order of the Board
for RAUNAQ AUTOMOTIVE COMPONENTS LIMITED**

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

Sd/-
GURSHARAN SINGH
(CMD)
Sd/-
NARINDER PAUL KAUR
(Director)

Sd/-
D. R. ARYA
(Director & CFO)
Sd/-
RAJ KUMAR KAPOOR
(Director)

Sd/-
ANIL SHARMA
(Director)
Sd/-
MADAN LAL
(Director)

Place : Gajraula
Date : May 20, 2015

Sd/-
RAKESH KAPOOR
(Director)

Sd/-
HITESH KUMAR
(Company Secretary)



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

- a) Fixed Assets are stated at cost less accumulated depreciation and impairment losses if any, except land which has been revalued during the year.
- b) Consequent to implementation of Companies Act, 2013 the Company has adopted the useful life of Assets specified in Schedule II of the said Act except Plant & machinery for which the useful life has been ascertained by a Technical Team of the company & the same has also been verified by the management of the company. Depreciation has been provided on Straight line method.

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 31.03.2015 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 2015

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

(₹ in Lacs)

1	Share Capital	As at 31st March 2015		As at 31 March 2014	
		Number	Rs in lacs	Number	Rs in lacs
	Authorised				
	Preference shares	-	-	-	-
	Equity Shares of '10/- each	20,000,000	2,000.00	20,000,000	2,000.00
	Issued & Subscribed				
	Preference shares	-	-	-	-
	Equity Shares of '10/- each	9,940,000	994.00	9,940,000	994.00
	Paid up				
	Preference shares	-	-	-	-
	Equity Shares of '10/- each	99,316,000	993.16	8,931,600.00	893.16
	Subscribed but not fully Paid up				
	preference shares	-	-	-	-
	Equity Shares of '10/-each, not fully paid up	-	-	-	-
	Total	99,316,000	993.16	8,931,600.00	893.16

1.2	Particulars	Number Equity Shares		Number Preference Shares	
		31.03.2015	31.03.2014	31.03.2015	31.03.2014
	Shares outstanding at the beginning of the year	8,931,600	8,931,600	-	-
	Shares Issued during the year	1,000,000	-	-	-
	Shares bought back during the year	-	-	-	-
	Shares outstanding at the end of the year	9,931,600	8,931,600	-	-

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

Name of Shareholder	As at 31st March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
RACL Employee Welfare Trust	3,398,687	34.22	3,398,687	38.05
PICUP	1,503,300	15.14	1,503,300	16.83
Middle Ware Development Limited	1,000,000	10.07	1,000,000	11.19
Mr.Arender Kumar	1,000,000	10.07	NIL	NIL

1.4 No buyback of shares undertaken during the year. NIL

1.5 Unpaid Calls			
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 31st March 2015	As at 31 March 2014
	a. Capital Reserves		
	Opening Balance	2.00	2.00
	(+) Current Year Transfer	-	-
	(-) Written Back in Current Year	-	-
	Closing Balance	2.00	2.00
	b. Capital Redemption Reserve		
	Opening Balance	-	-
	(+) Current Year Transfer	-	-
	(-) Written Back in Current Year	-	-
	Closing Balance	-	-
	c. Securities Premium Account		
	Opening Balance	81.50	81.50
	Add : Securities premium credited on Share issue	100.00	-
	<u>Less: Premium Utilised for various reasons</u>	-	-
	Premium on Redemption of Debentures	-	-
	For Issuing Bonus Shares	-	-
	Closing Balance	181.50	81.50
	d. Debenture Redemption Reserve		
	Opening Balance	-	-
	(+) Current Year Transfer	-	-
	(-) Written Back in Current Year	-	-
	Closing Balance	-	-
	e. Revaluation Reserve		
	Opening Balance	1,102.69	1102.69
	(+) Current Year Transfer (on land)	-	-
	(-) Written Back in Current Year	-	-
	Closing Balance	1,102.69	1,102.69
	f. Share Options Outstanding Account		
	Opening Balance	-	-
	(+) Current Year Transfer	-	-
	(-) Written Back in Current Year	-	-
	Closing Balance	-	-
	g. Share Forfeiture Account		
	Opening Balance	41.95	41.95



(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	41.95	41.95
h. Surplus		
Opening balance	1,433.89	1,246.55
(+) Net Profit/(Net Loss) For the current year	358.84	187.34
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
(-) Depreciation	8.74	-
Closing Balance	1,783.99	1,433.89
Total	3,112.13	2,662.03

(₹ in Lacs)

3

Long Term Borrowings	As at 31 March 2015	As at 31 March 2014
Secured		
(a) Bonds/debentures	-	-
(b) Term loans from banks	594.95	837.06
(c) Deferred payment liabilities Interest free sales tax loan from PICUP	-	108.00
(d) Deposits	-	-
(e) Loans and advances from related parties	-	-
(f) Long term maturities of finance lease obligations	-	-
Sub Total (A)	594.95	945.06
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) & (g)		
1. Period of default	-	-
2. Amount	-	-
Unsecured		
(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)	340.17	551.80
Sub Total (B)	340.17	551.80
Total (A+B)	935.12	1,496.86



- 3.1 There has been no default in repayment of Bank loans and interest.
- 3.2 Secured term loans from Banks and Deferred payment liabilities (Deferred Sales tax loan) have been guaranteed by whole time directors.
- 3.3 Maturity Profile of term loans & other loans are as set out below:

(₹ in Lacs)

	2016-17	2017-18	2018-19	2019-20
	2 nd year	3 rd year	4th year	5th year
Term loans from bank & others (Secured)	637.01	181.62	90.57	25.92

- 3.4 Loans from Bank of India , Noida Branch is secured in the following manners:
- i) First charge by way of hypothecation on entire Stocks and Book Debts of the company.
 - ii) First charge over entire Fixed Assets of the company excluding Land and Building & Vehicles (both present & future).
 - iii) Extension of EQM of company's land and building at Gajraula U.P.
- The advance is also secured by the personal guarantee (joint & several) of Shri Gursharan Singh and Shri D.R.Arya.
- 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	Deffered Tax liability (Net)	As at 31st March 2015	As at 31st March 2014
	Deferred tax liabilities on		
	Accumulated depreciation	584.34	588.94
	Bank & other charges	-	-
	Development Expenses	68.18	65.58
		652.52	654.52
	Less :		
	Deferred Tax assets on		
	Provision for gratuity & leave encashment	115.69	102.93
	Provision for Doubtful debts and advances	-	-
	Provision on Profit & loss on sale of Fixed Assets	115.69	102.93
	Net deferred tax liabilities	536.83	551.59

Provision of deferred tax liability shall be made at the closing of the year

(₹ in Lacs)

5	<u>Other Long Term Liabilities</u>	As at 31st March 2015	As at 31st March 2014
	(a) Trade Payables	-	-
	(b) Others	-	-
	Total	-	-



(₹ in Lacs)

6	Long Term Provisions	As at 31st March 2015	As at 31st March 2014
	(a) Provision for employee benefits (Refer note no 24.1)		
	Superannuation (unfunded)	-	-
	Gratuity (unfunded)	246.92	221.07
	Leave Encashment (unfunded)	72.81	68.44
	ESOP / ESOS	-	-
	(b) Others (Specify nature)	-	-
	Total	319.73	289.51

(₹ in Lacs)

7	Short Term Borrowings	As at 31st March 2015	As at 31st March 2014
	<u>Secured</u>		
	(a) Loans repayable on demand from banks	1916.34	1844.03
	(b) Loans and advances from related parties	-	-
	(c) Deposits	-	-
	(d) Other loans and advances (specify nature)	-	-
	Total	1,916.34	1,844.03
	In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)		
	1. Period of default	NIL	NIL
	2. Amount	NIL	NIL
	<u>Unsecured</u>		
	(a) Loans repayable on demand	-	-
	(b) Loans and advances from related parties	-	-
	(c) Deposits	-	-
	(d) Other loans and advances (specify nature)	-	-
	Total	-	-
	In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)		
	1. Period of default	-	-
	2. Amount	-	-
	Total	1,916.34	1,844.03

- 7.1 The cash credit limit from Bank of India is 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	Trade Payables	As at 31st March 2015	As at 31st March 2014
	Due to SSIs	-	-
	Due to MSME	-	-
	Due to other than SSIs/MSME	2133.26	2284.13
	Total	2,133.26	2,284.13

(₹ in Lacs)

9	Other Current Liabilities *	As at 31st March 2015	As at 31st March 2014
	(a) Current maturities of long-term debt	827.79	561.51
	(b) Current maturities of finance lease obligations	-	-
	(c) Interest accrued but not due on borrowings	-	-
	(d) Interest accrued and due on borrowings	-	4.08
	(e) Advance received from customers	12.56	15.37
	(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	206.16	326.84
	Total	1,046.51	907.80

(₹ in Lacs)

10	Short Term Provisions	As at 31st March 2015	As at 31st March 2014
	(a) Provision for employee benefits		
	Salary & Reimbursements	89.13	95.87
	Contribution to PF	-	-
	Gratuity (Funded)	32.81	19.05
	Leave Encashment (funded)	21.87	16.67
	Superannuation (funded)	-	-
	ESOP/ESOS	-	-
	(b) Others (Taxes payable)	-	-
	Total	143.81	131.59

(₹ in Lacs)

	Gross Block					Accumulated Depreciation					Net Block	
Fixed Assets	Balance as at 1 April 2014	Additions	Disposal	Revaluations/ (Impairments)	Balance as at 31 March 2015	Balance as at 31 March 2014	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2015	Balance as at 1 April 2015	Balance as at 31 March 2014
Tangible Assets												
Land	1,144.37	-	-	-	1,144.37	-	-	-	-	-	1,144.37	1,144.37
Buildings	919.41	28.42	-	-	947.83	233.22	23.66	-	-	256.88	690.95	686.19
Plant and Equipment	6,683.45	257.25	64.39	-	6,876.31	2,560.39	374.25	-	51.79	2,882.85	3,993.46	4,123.06
Furniture and Fixtures	34.98	0.28	-	-	35.26	27.97	2.64	-	-	30.61	4.65	7.01
Vehicles	111.08	-	16.39	-	94.69	53.22	7.22	-	12.48	47.96	46.73	57.86
Office equipment	188.08	6.06	-	-	194.14	131.04	22.22	-	-	153.26	40.88	57.04
Electrical Installation	151.68	-	-	-	151.68	71.53	5.42	-	-	76.95	74.73	80.15
Total	9,233.05	292.01	80.78	-	9,444.28	3,077.37	435.41	-	64.27	3,448.51	5,995.77	6,155.68
Intangible Assets												
Capital Work In Progress	117.43	-	113.47	-	3.96	-	-	-	-	-	3.96	117.43
Total	117.43	-	113.47	-	3.96	-	-	-	-	-	3.96	117.43
Intangible assets under - Development	-	-	-	-	-	-	-	-	-	-	-	-
Total	9,350.48	292.01	194.25	-	9,448.24	3,077.37	435.41	-	64.27	3,448.51	5,999.73	6,273.11



(₹ in Lacs)

12	Long Term Loans and Advances	As at 31st March 2015	As at 31st March 2014
	a. Capital Advances	-	-
	b. Security Deposits		
	Secured, considered good	64.88	47.16
	Unsecured, considered good	-	-
	Doubtful	-	-
	Less: Provision for doubtful deposits	-	-
	c. Loans and advances to related parties (refer Note 2)		
	Total	64.88	47.16
		As at 31st March 2015	As at 31st March 2014
	Directors *	-	-
	Other officers of the Company *	-	-
	Firm in which director is a partner *	-	-
	Private Company in which director is a member	-	-
13	Misc Exp.to the extent not written off	As at 31st March 2015	As at 31st March 2014
	Total	220.64	213.45

(₹ in Lacs)

14	Inventories	As at 31st March 2015	As at 31st March 2014
	a. Raw Materials and components (Valued at Cost)	237.98	193.24
	Goods-in transit	-	-
		237.98	193.24
	b. Work-in-progress (Valued at Factory Cost)	514.60	397.19
	Goods-in transit	-	-
		514.60	397.19
	c. Finished goods (Valued at cost or net realizable valu whichever lower)	197.43	145.50
	Goods-in transit	3.31	
		200.74	145.50
	d. Stock-in-trade (Valued at _____)	-	-
	Goods-in transit	-	-
	e. Stores and spares (Valued at cost or net realizable value whichever is lower)	319.72	263.44
	Goods-in transit	-	
		319.72	263.44
	f. Loose Tools (Valued at cost or net realizable value whichever is lower)	959.72	853.85
	Goods-in transit	-	-
		959.72	853.85
	g. Scrap	0.48	0.73
	h. Jigs & fixtures	286.53	247.66
		287.01	248.39
	Total	2,519.77	2,101.61



(₹ in Lacs)

15	Trade Receivables	As at 31st March 2015	As at 31st March 2014
	Trade receivables outstanding for a period less than six months from the date they are due for payment.	-	-
	Secured, considered good	-	-
	Unsecured, considered good	1686.16	1492.42
	Unsecured, considered doubtful	-	(1.44)
	Less: Provision for doubtful debts	-	-
	Total	1,686.16	1,490.98
	Trade receivables outstanding for a period exceeding six months from the date they are due for payment	-	-
	Secured, considered good	-	-
	Unsecured, considered good	8.77	73.97
	Unsecured, considered doubtful	-	-
	Less: Provision for doubtful debts	-	-
	Total	8.77	73.97
	Total	1,694.93	1,564.95

The company has taken an advance of Rs.1231.04 lacs(unsecured) from IFCI Factors Ltd against trade receivable. The above figures are exclusive of IFCI Factors Ltd advances.

Trade Receivable stated above include debts due by:

(₹ in Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
Total	-	-

*Either severally or jointly



(₹ in Lacs)

16	Cash and cash equivalents	As at 31st March 2015	As at 31 March 2014
	a. Balances with banks*	29.26	32.41
	This includes:		
	Earmarked Balances		
	(eg/- unpaid dividend accounts)	-	-
	Margin money	65.16	60.23
	Security against borrowings	-	-
	Guarantees	-	-
	Other Commitments	-	-
	Bank deposits with more than 12 months maturity	-	-
	b. Cheques, drafts on hand	-	-
	c. Cash in hand*	3.94	4.19
	d. Others (specify nature)	-	-
	Total	98.36	96.83

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

(₹ in Lacs)

17	Short-term loans and advances	As at 31st March 2015	As at 31st March 2014
	a. Loans and advances to related parties	-	-
	b. Others (specify nature)		
	Capital Advances		
	Advances with excise authorities		
	Secured, considered good	18.10	66.18
	Unsecured, considered good	-	-
	Balance with income tax Authorities(MAT)	185.68	228.46
	Unsecured, considered good	-	-
	Total	203.78	294.64

(₹ in Lacs)

	As at 31st March 2015	As at 31st March 2014
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)

18	Other current assets (specify nature)	As at 31st March 2015	As at 31st March 2014
	Advance recoverable in cash or kind or value to be received	334.80	468.95
	Total	334.80	468.95

(₹ in Lacs)

19	Contingent liabilities and commitments (to the extent not provided for)	As at 31st March 2015	As at 31st March 2014
	(i) Contingent Liabilities		
	(a) Claims against the company not acknowledged as debt	-	-
	(b) Guarantees	-	-
	(c) Outstanding amount of letter of Credit	-	-
	Total	-	-
	(ii) Commitments		
	(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)	-	-
	Total	-	-
	Total	-	-

20 Revenue from operations

(₹ in Lacs)

Particulars	2014-15	2013-14
Sale of products-Domestic	6,228.07	6,139.87
Sale of products-Export	4,988.77	4,629.25
Sale of services	-	-
Other operating revenues	320.97	364.88
<u>Less:</u>		
Excise duty	(776.25)	(710.15)
Total	10,761.56	10,423.85



21 Other Income (₹ in Lacs)

Particulars	2014-15	2013-14
Interest on deposits	8.25	6.38
Dividend Income	-	-
Net gain/loss on sale of investments	-	-
Other non-operating income	13.01	0.82
(net of expenses directly attributable to such income)	-	-
Total	21.26	7.20

22 Cost of Raw Material & Packing Material consumed (₹ in Lacs)

Particulars	2014-15	2013-2014
Opening stock	193.25	223.86
Add:Purchases	4,225.91	4,098.81
Less: Closing stock	(237.98)	(193.25)
Total	4,181.18	4,129.42

23 Change in inventories (₹ in Lacs)

Particulars	2014-15	2013-14
Closing Stock	-	-
Finished stock	197.43	145.50
Material in transit	3.31	-
Work in progress	514.60	397.19
Scrap	0.48	0.73
Total	715.82	543.42
Less:		
Opening Stock	-	-
Finished stock	145.50	173.96
Material in transit	-	-
Work in progress	397.19	407.78
Scrap	0.73	0.57
Total	543.42	582.31
(Inc)/dec in stock	(172.40)	38.89



(₹ in Lacs)

24 Employee Benefits Expense	2014-15	2013-14
(a) Salaries and incentives	1,297.56	1,249.49
(b) Contributions to Provident Fund	33.94	40.13
(c) Gratuity fund contributions	60.62	57.54
(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	73.42	73.24
Total	1,465.54	1,420.40

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 :

(₹ in Lacs)

Liability to be recognized in Balance Sheet as at 31.03.2015	Gratuity	Leave Encashment
Present value of Funded Obligations	279.73	94.68
Fair Value of Plan Assets	-	-
Net Assets / (Liability)	(279.73)	(94.68)

**Reconciliation of Opening and Closing Balances of obligation
Change in defined Benefit Obligation**

Obligation as at 01.04.2014	240.12	85.11
Current Service Cost	14.71	3.42
Interest Cost	20.79	7.19
Actuarial Losses / (Gain)	12.93	3.67
Benefit Paid	(8.82)	(4.71)
Obligation as at 31.03.2015	279.73	94.68

Expenditure to be recognized during the year

Current Service Cost	14.71	3.42
Interest Cost	20.79	7.19
Expected Return on Plan Assets	12.93	3.67
Net Actuarial Losses/(Gain)		
Recognized during the year	48.43	14.28

Total expenditure included in "Employees Emoluments"

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



25 Finance cost

(₹ in Lacs)

Particulars	2014-15	2013-14
Interest expense	288.52	292.41
Other borrowing costs	386.54	353.46
Total	675.06	645.87

26 Depreciation and Amortisation

(₹ in Lacs)

Particulars	2014-15	2013-14
Depreciation As per Note 11	435.41	386.35
Less: Adjusted from Reserve & Surplus	8.74	-
Total	426.67	386.35

27 Other Expenses

Particulars	2014-15	2013-14
Stores & Spares consumed	230.26	222.14
Loose Tools consumed	385.70	398.54
Power, Oil & Lubricants & LPG for furnace	1191.39	1204.38
Repairs & Maint. (Plant & Machinery)	129.88	99.52
Outside vendoring	944.41	798.18
Others	145.64	121.97
	3,027.28	2,844.73
Less : Transferred to Development Expenses	(32.38)	(32.77)
Sub Total (A)	2,994.90	2,811.96

(₹ in Lacs)

ADMINISTRATIVE, SELLING & OTHER EXPENSES	2014-15	2013-14
Travelling & Conveyance	41.25	43.87
Vehicle Running & Maintenance	71.05	70.33
Telephone, Telex & Communication	17.95	27.32
Repairs & Maintenance :		
- Building	10.59	8.02
- Others	-	1.26
Freight & Forwarding	121.41	94.73
Rent	39.10	38.83
Printing & Stationery	5.85	13.27
Discount on sales/Warranty claims	12.63	14.59
Electricity & Water	7.39	6.58
Auditors Remuneration	1.25	1.25
Bad Debts W/off	7.05	-
Directors Remuneration	79.76	74.76
Misc. Expenses	256.35	224.73
Misc. Expenses written off	42.69	38.04
Sub Total (B)	714.32	657.58
Total (A+B)	3,709.22	3,469.54



(₹ in Lacs)

28	Earning Per Share	2014-15	2013-14
	Net profit after tax as per statement of Profit & Loss attributable to Equity Shareholder	358.84	187.33
	Weighted average no of shares	9389933	8931600
	Nominal Value of Shares	10	10
	Basic Earning Per Share	3.82	2.10

29	Expenditure in Foreign currency	2014-15	2013-14
	Raw Material /Tools	85.99	204.65
	foreign Travelling	17.42	19.87

30	Payment to Auditors	(₹ in Lacs)	
	Payments to the auditor as	2014-15	2013-14
	a. auditor	1.25	1.25
	b. for taxation matters	-	-
	c. for company law matters	-	-
	d. for management services	-	-
	e. for other services	-	-
	f. for reimbursement of expenses	-	-
	Total	1.25	1.25

31	Earnings in Foreign currency	2014-15	2013-14
	Export of goods on CIF basis	4988.76	4629.25

- 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 (₹ in Lacs)

	As at 31st March 2015		As at 31st March 2014	
	Nos	Value	Nos	Value
Forging (Bought Out)	4,408,400.00	3,868.84	4,991,497.00	3,933.46
Steel (Bought Out)(In Kgs)	695,371.06	415.89	367,600.59	210.13
Forging (On job work basis)	-	-	-	-

38 CIF Value of Imported Machines/Spares Machine/Spare Part	As at 31st March 2015	As at 31st March 2014
	46.69	530.35

- 39** In the opinion of the Board of Directors, Current Assets Loans and Advances shall have a value on realization, 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 31-03-2015, none of the Directors is interested in any of the material related party transactions.



RAUNAQ AUTOMOTIVE COMPONENTS LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in Lacs)

	Year ended 31st Mar, 2015	Year ended 31st Mar, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	497.55	340.57
Adjustments for:		
Depreciation	426.67	386.35
Miscellaneous expenses written off	42.68	38.04
Interest	675.07	645.87
Operating Profit before Working Capital Changes	1,641.97	1,410.83
Changes in Working Capital		
Decrease/(Increase) in Inventories	(418.16)	(51.09)
Decrease/(Increase) in Sundry Debtors	(129.98)	209.74
(Decrease)/Increase in Loan & Advances	207.35	(143.84)
(Decrease)/Increase in Current Liabilities	785.12	(131.96)
Cash Generated From Operations	2,086.30	1,293.68
Interest paid	(675.07)	(645.87)
Cash Flow before Extraordinary Items	1,411.23	647.81
Extraordinary Items(Prior Year Income/(Expenditure)		
Tax paid during the Year	(148.33)	(68.14)
Tax paid (previous year)	(5.14)	(3.90)
Others	-	68.14
Net Cash Flow from Operating Activities	1,257.76	643.91
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Inflow/(Out flow)		
Purchase of Fixed Assets	(162.08)	(962.18)
Development Expenses	(49.87)	(61.27)
Net Cash Flow from investing Activities	(211.95)	(1,023.45)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Inflow/(Outflow)		
Repayment of Long Term Borrowings		
(Decrease)/Increase in Term Loan from bank	(92.13)	(356.42)
(Increase)/Decrease fresh share issued	200.00	-
Increase/(Decrease) in Cash Credit Utilisation	884.68	619.78
Increase/(Decrease) loan from others	(213.21)	341.24
Increase/(Decrease) in long term liabilities	49.19	45.34
Loan from Car finance Co	(7.68)	18.89
Interest Free Sales Tax Loan	(95.77)	(224.91)
Net cash flow from financing activities	1044.28	443.92
D. NET INC./(DEC.) IN CASH AND CASH EQUIVALENT:(A+B+C)	1.53	64.38
Opening Balance of Cash and Cash Equivalents	96.83	32.45
Closing Balance of Cash and Cash Equivalents	98.36	96.83



We have verified the above cash flow statement of **RAUNAQ AUTOMOTIVE COMPONENTS LIMITED**
DERIVED FROM

Audited Financial Statements for the year ended 31st March, 2015 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 LIMITED.**

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

Sd/-
GURSHARAN SINGH
(CMD)

Sd/-
D. R. ARYA
(Director & CFO)

Sd/-
ANIL SHARMA
(Director)

Sd/-
NARINDER PAUL KAUR
(Director)

Sd/-
RAJ KUMAR KAPOOR
(Director)

Sd/-
MADAN LAL
(Director)

Place : Gajraula
Date : May 20,2015

Sd/-
RAKESH KAPOOR
(Director)

Sd/-
HITESH KUMAR
(Company Secretary)

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RAUNAQ AUTOMOTIVE COMPONENTS LIMITED

Head Office & Regd. Office: 15TH FLOOR, CHIRANJIV TOWER - 43, NEHRU PLACE, NEW DELHI - 110019

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

Dear Shareholders,

SUB: Registration / Updation of E-mail address for receipt of communication / documents through electronic mode

We draw your attention to our earlier communications requesting you to register your email address with the Company / Depository Participant(s) so that the Annual Reports, Financial Statements, Notices and any communication can be sent to you through electronic mode. We notice from our records that you are yet to register your email address with the company.

We once again request you to register / update your email address in the manner explained below and support the 'Green Initiative' launched by the Ministry of Corporate Affairs, The same will be deemed to be your registered email address for serving Notices/Financial Statements / Annual Reports / documents and any other correspondence including those covered under Sections 134 and 136 of the Companies Act, 2013.

If you hold shares in:

- Electronic form - Please intimate / update your email address to your Depository Participant (s).
- Physical form - Please intimate / update your email address by sending a duly signed letter quoting the name of first / sole holder and folio no.(s) to the Company's Investor Relations Department, at the address given hereunder:

M/s. RAUNAQ AUTOMOTIVE COMPONENTS LTD.

Investor Relations,
Secretarial Department,
15th Floor, Chiranjiv Tower-
43, Nehru Place, New Delhi - 110019

Registrar & Share Transfer Agents

MAS Services Ltd.
T-34, 2nd Floor,
Okhla Industrial Area-II, New Delhi - 110020.
Ph: 011-26387281/82/83, Fax : 011-26387384
E-mail : info@masserv.com
Website : www.masserv.com

We would like to clarify that even after registering your email address as above, you may still request for a physical copy of above referred communication and the same will be sent to you free of cost. Also, all such documents will also be available on the Company's website www.raunaqauto.com.

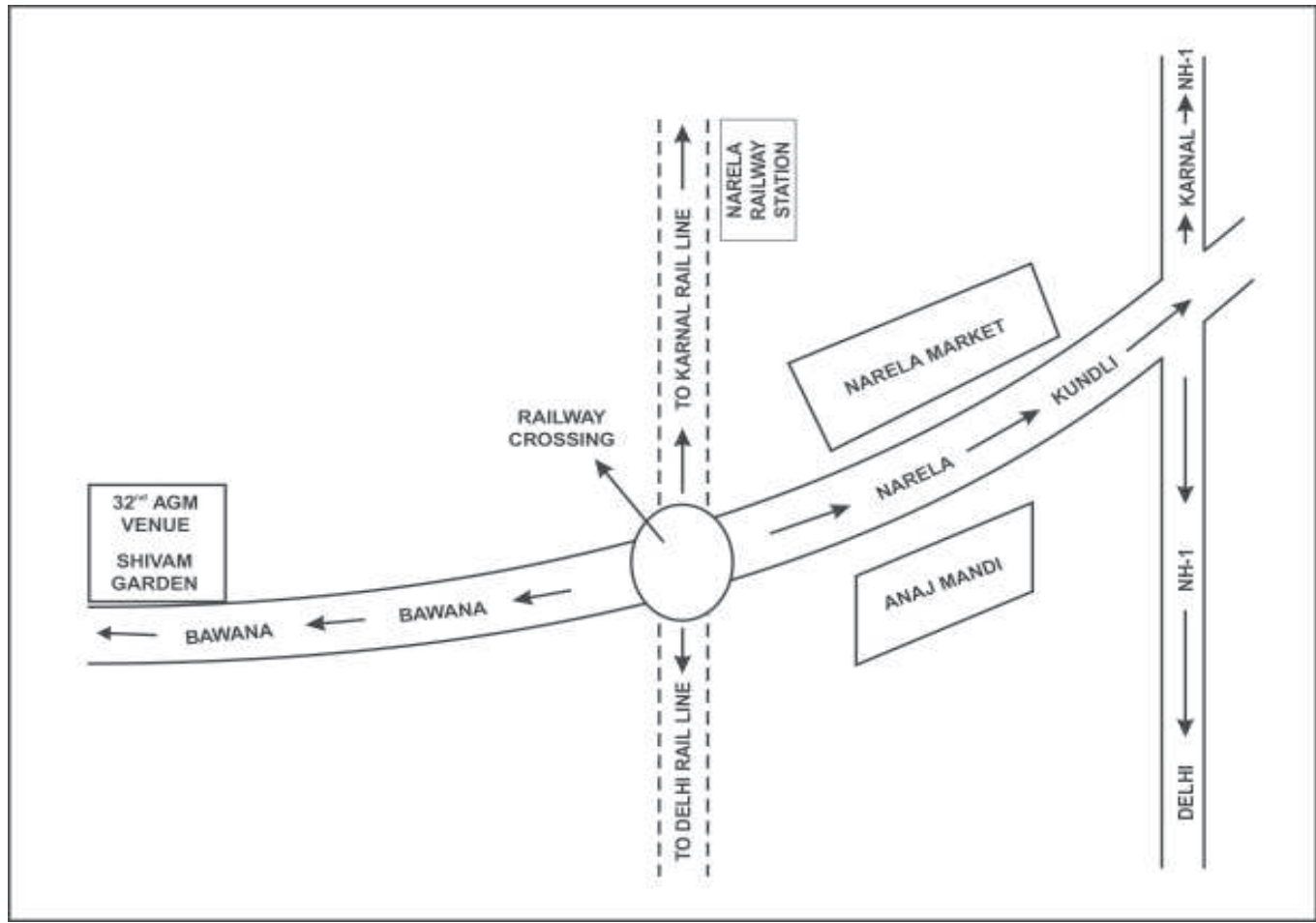
In view of the many benefits of holding securities in electronic form, we urge you to dematerialize your shares, in case you hold the same in physical form, by approaching the Depository Participant(s) of your choice.

**By order of the Board
for RAUNAQ AUTOMOTIVE COMPONENTS LIMITED**

**Place: New Delhi
Date: August 06, 2015
Regd Office : 15TH Floor, Chiranjiv Tower- 43,
Nehru Place, New Delhi-110019
Ph. : +91 11 26418622, Fax : +91 11 26448962
Email - investor@raunaqauto.com**

**Sd/-
Hitesh Kumar
Company Secretary**

ROUTE MAP TO ANNUAL GENERAL MEETING VENUE
LOCATION - SHIVAM GARDEN, BAWANA ROAD,NARELA, NEW DELHI -110040
LAND MARK - NEAR VISHAL ENCLAVE, BAWANA ROAD.





RAUNAQ AUTOMOTIVE COMPONENTS LIMITED

Head Office & Regd. Office:

15TH FLOOR, CHIRANJIV TOWER - 43, NEHRU PLACE, NEW DELHI - 110019

PHONES : 91-11-26418622, 26418633, 26418655 FAX NO.: 91-11-26448962

E-mail: enquiries@raunaqauto.com Visit at [http:// www.raunaqauto.com](http://www.raunaqauto.com)

CIN NO.: L34300DL1983PLC016136

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules 2014]

Name of the member(s):		E-Mail:	
Registered address:		Member's Folio No/DP ID-Client ID	

I/We, being the member(s) of _____ shares of Raunaq Automotive Components Ltd., hereby appoint:

- Name : _____ E-mail ID: _____
Address: _____ Signautre: _____ or failing him/her.
- Name : _____ E-mail ID: _____
Address: _____ Signautre: _____ or failing him/her.
- Name : _____ E-mail ID: _____
Address: _____ Signautre: _____ or failing him/her.

As my/our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the 32nd Annual General Meeting of the Company to be held on Wednesday, the 30th September, 2015 at 11:00 A.M. at Shivam Garden, Bawana Road, Narela, New Delhi - 110040, and/or at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
1.	Adoption of the financial statements of the Company for the year ended March 31, 2015, including the audited Balance Sheet, the Statement of Profit and Loss and the reports of the Board of Directors and Auditors thereon.
2.	Appointment of Director in place of Mr. Dev Raj Arya, who retires by rotation and being eligible, offers himself for reappointment.
3.	Ratification of appointment of M/s. A. Sachdev & Co., Chartered Accountants, as Auditors of the Company and to authorising the Board of Directors to fix their remuneration.
4.	Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.



Resolution No.	Resolution
5.	Approval for change of name of the company.
6.	Approval for payment of remuneration to Non-executive Directors of the company.
7.	Approval for appointment of Mrs. Narinder Paul Kaur (DIN No.02435942) as Director liable to retire by rotation.
8.	Approval for revision in the remuneration of Mr. Gursharan Singh (DIN- 00057602), Chairman & Managing Director of the Company.
9.	Approval for revision in the remuneration of Mr. Dev Raj Arya (DIN- 00057582), Director & Chief Financial Officer of the Company.
10.	Approval for Alteration to the Capital Clause (Clause V) of the Memorandum of Association of the Company.

As witness my/our hand(s), this day of2015.

Signature of shareholder.....

Signature of Proxy holder(s)

Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.



RAUNAQ AUTOMOTIVE COMPONENTS LIMITED

Head Office & Regd. Office:

15TH FLOOR, CHIRANJIV TOWER - 43, NEHRU PLACE, NEW DELHI - 110019

PHONES : 91-11-26418622, 26418633, 26418655 FAX NO.: 91-11-26448962

E-mail: enquiries@raunaqauto.com Visit at [http:// www.raunaqauto.com](http://www.raunaqauto.com)

CIN NO.: L34300DL1983PLC016136

ATTENDANCE SLIP

(Please complete this attendance slip and hand it over at the entrance of the Venue)

I hereby record my presence at the 32nd Annual General Meeting of the Company on Wednesday, the 30th September, 2015 at 11:00 A.M. at Shivam Garden, Bawana Road, Narela, New Delhi - 110040.

Folio No./DP ID-Client ID	
Name and Address of the Shareholder in Block Letters	
No. of shares held	
Name of proxy (If Any) in Block Letters	

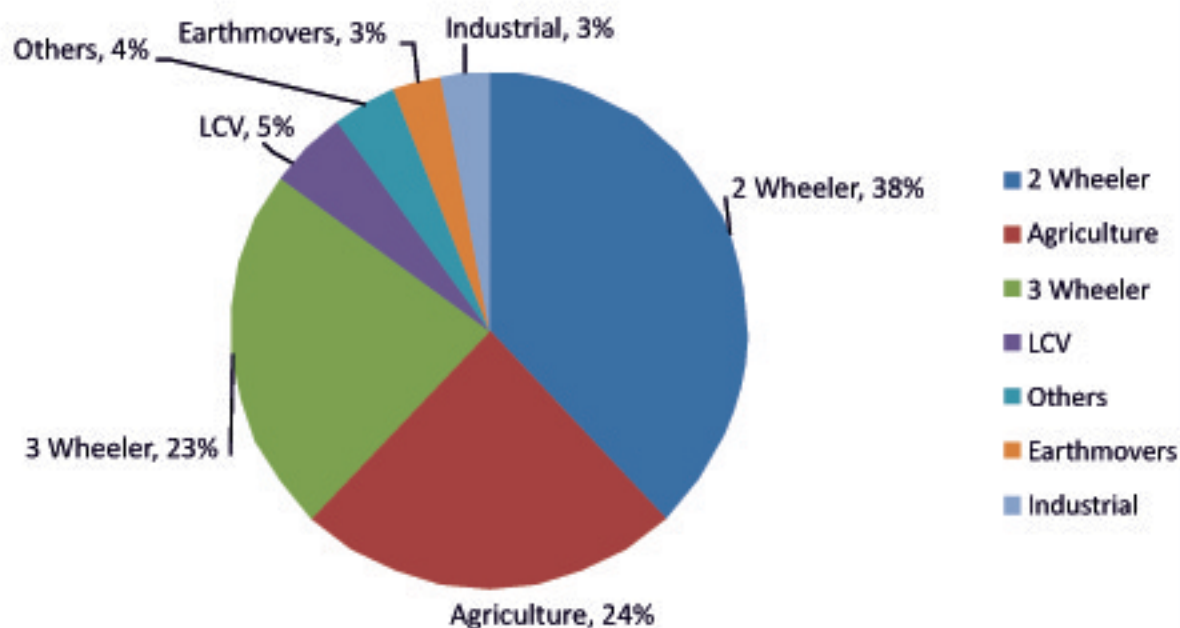
Signature of the Shareholder/Proxy/Representative*

*Strike out whichever is not applicable

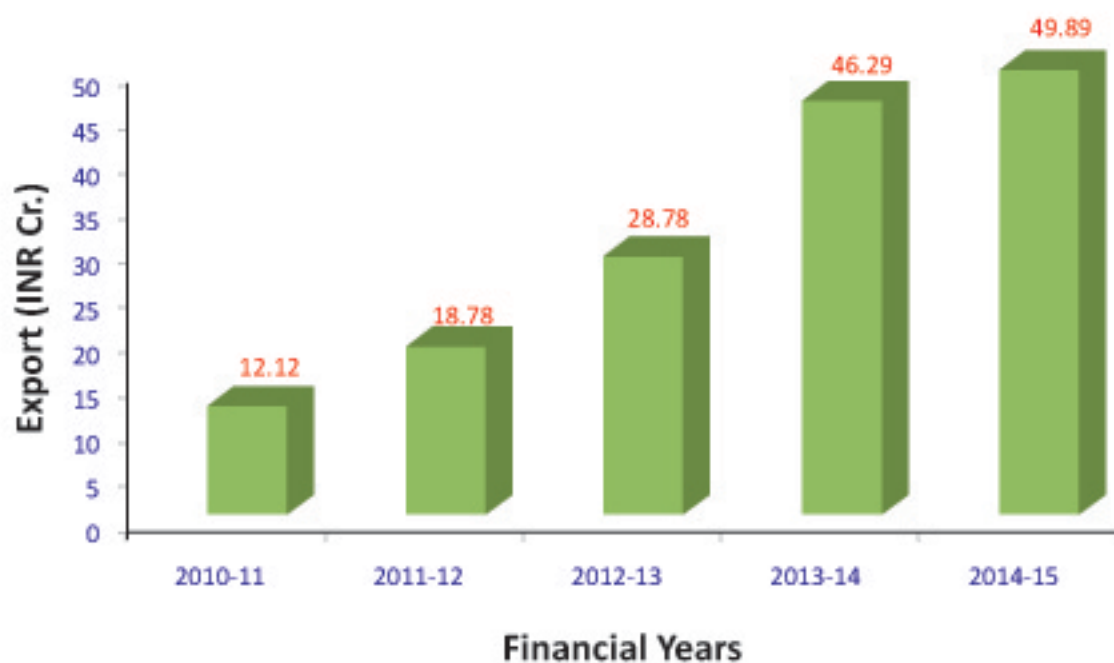
Note:

1. Please hand over the Attendance Slip duly completed and signed at the REGISTRATION COUNTERS.
2. Electronic copy of the Annual Report 2014-15 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/ Depository Participant(s) unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report 2014-15 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is sent in the permitted mode to all the members whose email is not registered or have requested for a hard copy.

Product Wise Business Share (F.Y. 14-15)



Export Performance (last 5 years)



Registered Post



If undelivered please return to :

Raunaq Automotive Components Ltd.
15th Floor, Chiranjiv Tower
43, Nehru Place, New Delhi-110019