



RAUNAQ INTERNATIONAL LIMITED
(Formerly known as Raunaq EPC International Limited)



60th **ANNUAL** **REPORT**

2024-25

INSIDE THIS REPORT

CORPORATE OVERVIEW

Company Synopsis	02
Operational Highlights	03
Chairman's Message	04
Board of Directors	06
Corporate Information	07
CSR Initiatives	08

STATUTORY REPORTS

Management Discussion and Analysis	09
Board's Report	14

FINANCIAL STATEMENTS

Financial Statements	25
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Disclaimer Regarding Forward-Looking Statements

We have used a few forward-looking (futuristic) statements throughout the report solely to articulate our future growth prospects and to exemplify our intended milestones. However, the actual results may vary from the forward-looking statements as the business is subject to a number of risks and uncertainties according to the market scenario. For reader's reference, we have used words like 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar nature to signify every forward-looking statement. We do not guarantee that these statements will stand true, but we believe that these are backed up by prudent assumptions. The achievement of the result may vary due to risks, uncertainties and inaccurate assumptions. If in case, certain unforeseen risks or uncertainties dominate the market or any of the assumptions proved erroneous, then the final result may vary exponentially with respect to the anticipated, estimated or projected result. Thus, the readers should bear this in their mind.

We undertake no obligation to update any forward-looking statements publicly, if there is any change in future events, there is new information, or whatsoever.

COMPANY SYNOPSIS

CORPORATE OVERVIEW

- Raunaq International Limited (RIL) (Formerly known as Raunaq EPC International Limited) established in 1965 is a Company under Surinder Paul Kanwar Group.
- Group Companies include Bharat Gears Limited, Clip-Lok Simpak (India) Private Limited.

EPC BUSINESS

- **Industrial Piping systems for:**
 - Power plant piping
 - Utility Industrial piping
 - Large Dia piping
 - Ash/sludge disposal piping
 - Process piping
- **Cross country pipeline and piping systems**
- **Storage tanks and oil handling systems**
- **Ash water recirculation systems**
- **Compressed air systems**
- **Fire water systems**
- **Site fabrication and equipment erection works**

CLIENTELE

OPERATIONAL HIGHLIGHTS

PROJECTS EXECUTION AND AWARD

In terms of the execution, the Company successfully finished the tasks associated with previous jobs and has obtained the completion certificate as proof of their accomplishment.

- During the Financial Year 2024-25, the Company successfully secured a prestigious work order from Adani Power Limited for the '2x800 MW Ultra Supercritical Thermal Power Plant (Phase-II)' project at Village Chote Bhandar, Post Bade Bandar, Tehsil Pussore, Raigarh, Chhattisgarh, amounting to Rs. 16.80 Crores.
- Further, during the Financial Year 2025-26, the Company secured a work order from Adani Power Limited for the '2x800 MW (Phase-III) Mahan Ultra Supercritical Thermal Power Project, at Village Bandhaura, District Singrauli, Madhya Pradesh', amounting to Rs. 15.40 Crores.

In addition to EPC activities, the Company recorded a revenue of Rs. 9.00 Crores (inclusive of the total revenue of Rs. 22.06 Crores) during the Financial Year 2024-25 from its trading operations in alloy steel for auto components.





Chairman's Message

Greetings to all.

It is with immense pride and deep gratitude that I present to you the **60th Annual Report of Raunaq International Limited** for the Financial Year 2024-25.

After enduring a prolonged series of global economic shocks, the world economy appears to have stabilized, though growth remains **moderate and below expectations**. The **January 2025 World Economic Outlook (WEO)** has revised global growth projections down due to factors such as persistent inflation, rising tariff barriers, and geopolitical uncertainties, especially in Europe and East Asia.

In this challenging global landscape, **India's economy continues to show remarkable resilience**. Despite these external challenges, India's GDP is projected to grow at around **5.9% in 2024**, underpinned by government-driven infrastructure development, strong reforms, and efforts to boost employment across sectors. The country remains a bright spot in the global economy, with the government's continued focus on infrastructure and manufacturing playing a central role in sustaining growth.

Infrastructure: A Key Enabler for India's Growth

India's future economic growth, including the aspiration of becoming a **US\$ 26 trillion economy by 2047**, is significantly supported by infrastructure development. **The Gati Shakti National Master Plan**, alongside the **National Infrastructure Pipeline (NIP)**, continues to accelerate systemic reforms, enabling multimodal connectivity, and transforming the infrastructure landscape.

The ongoing push towards infrastructure development also drives complementary sectors such as housing, urban development, and construction, fueling the growth of allied industries like **EPC and logistics**.

The Power Sector: Essential for Growth

In line with these national priorities, **India's power sector remains fundamental** for economic prosperity. The country has transformed its power industry from one with a shortage of electricity to a power-surplus nation, with a strong emphasis on renewables and achieving **universal electrification**. With India's energy demand expected to continue rising, the development of **power infrastructure** will remain a critical focus for years to come.

Performance Highlights FY 2024-25

I am pleased to share that **FY 2024-25 marked a significant turnaround** for Raunaq International Limited.

- **Total revenue** rose sharply from ₹ 465.11 Lakhs in FY 2023-24 to ₹ **2,206.43 Lakhs**, reflecting the successful execution of our strategic initiatives and operational focus.
- Despite challenges in securing Bank Guarantees due to tighter banking norms in the EPC sector, we secured a prestigious contract from **Adani Power Limited** for the 2x800 MW Ultra Supercritical Thermal Power Plant (Phase-II) in Chhattisgarh, valued at ₹ **16.80 Crores**.
- Additionally, we secured a new work order in FY 2025-26 for the **Mahan Ultra Supercritical Thermal Power Project** in Madhya Pradesh amounting ₹ **15.40 Crores**, to further reinforcing our market presence.

Expanding into Trading Operations

Alongside EPC activities, our **trading operations** in alloy steel for auto components contributed ₹ **899.92 Lakhs**, demonstrating potential for continued growth and diversification.

Looking Ahead

With a solid performance foundation, we are confident that securing improved banking facilities will further enable our ability to pursue new EPC contracts and strengthen working capital for trading operations. We are well-positioned to continue our growth trajectory in both sectors.

Gratitude and Commitment

I extend my heartfelt thanks to all our stakeholders-employees, partners, customers, and shareholders for their continued trust and support. We are committed to building a **resilient, sustainable, and future-ready business**, focused on long-term value creation.

Let us look forward to a **stronger and brighter future-together**.

Warm regards,



Surinder Paul Kanwar

Chairman and Managing Director

BOARD OF DIRECTORS



Mr. Surinder Paul Kanwar
Chairman & Managing Director



Mr. Naresh Kumar Verma
Non-Executive Director



Mr. Rajiv Chandra Rastogi
Non-Executive
Independent Director



Ms. Preeti Goel
Non-Executive
Independent Director



Mr. Nagar Venkatraman Srinivasan
Non-Executive
Independent Director
*Appointed on 30 May 2025

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Director

Mr. Surinder Paul Kanwar, Chairman & Managing Director

Non-Executive Director

Mr. Naresh Kumar Verma

Independent Directors

Mr. Rajiv Chandra Rastogi

Ms. Preeti Goel

Mr. Nagar Venkatraman Srinivasan

***Appointed on 30 May 2025**

Dr. Sanjeev Kumar

***Tenure completion on 29 July 2025**

AUDIT COMMITTEE

Dr. Sanjeev Kumar

Mr. Rajiv Chandra Rastogi

Ms. Preeti Goel

Mr. Naresh Kumar Verma

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Dr. Sanjeev Kumar

Mr. Surinder Paul Kanwar

Mr. Naresh Kumar Verma

NOMINATION & REMUNERATION COMMITTEE

Dr. Sanjeev Kumar

Mr. Surinder Paul Kanwar

Mr. Rajiv Chandra Rastogi

Mr. Naresh Kumar Verma

FINANCE COMMITTEE

Dr. Sanjeev Kumar

Mr. Surinder Paul Kanwar

Mr. Naresh Kumar Verma

Mr. Rajiv Chandra Rastogi

SHARE ISSUE COMMITTEE

Dr. Sanjeev Kumar

Mr. Surinder Paul Kanwar

Mr. Rajiv Chandra Rastogi

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Surinder Paul Kanwar

Dr. Sanjeev Kumar

Mr. Rajiv Chandra Rastogi

AUDITORS

M/s B.R. Maheswari & Co. LLP

COMPANY SECRETARY & CFO

Ms. Neha Patwal

BANKERS

Punjab National Bank

State Bank of India

IndusInd Bank Ltd.

REGISTRAR & TRANSFER AGENT

MUFG Intime India Private Limited

(Formerly known as Link Intime India Private Limited)

Noble Heights, 1st Floor, Plot No. NH-2,

C-1 Block LSC, Near Savitri Market,

Janakpuri, New Delhi-110 058

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E-mail: delhi@in.mpms.mufg.com

REGISTERED OFFICE

20 K.M. Mathura Road, P. O. Amar Nagar,
Faridabad - 121 003 (Haryana)

OTHER OFFICES

1009, Surya Kiran Building,
19, Kasturba Gandhi Marg,
New Delhi - 110 001

*Board/Committees composition as on 30 May 2025



In FY15, the Company's Board of Directors approved the Corporate Social Responsibility (CSR) policy on the recommendation of the CSR committee in terms of provisions of Section 135 of the Companies Act, 2013. The said policy is available on the website of the Company i.e. [www.raunaqinternational.com](http://www.raunaqinternational.com/pdf/corporate_social_responsibility_CSR_policy.pdf) under the link: http://www.raunaqinternational.com/pdf/corporate_social_responsibility_CSR_policy.pdf. The broader activities proposed to be undertaken by the Company are incorporated under the CSR policy in line with the activities prescribed under the Schedule VII of the Companies Act, 2013. These include:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation (including contribution to the Swach Bharat Kosh set-up by the Central Government for promotion of sanitation) and making available safe drinking water.
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water (including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga).
- Protection of national heritage, art and culture including restoration of building and sites of historical importance and works of art and setting up of public libraries; promotion and development of traditional arts and handicrafts.
- Measures for the benefit of armed forces veterans, war widows and their dependents.
- Training to promote rural sports, nationally recognized sports, Paralympic and Olympic sports.
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare or the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
- Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
- Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs)
- Rural Development projects.
- Slum area development.
- Disaster management, including relief, rehabilitation and reconstruction activities.

Due to the loss during the previous years, the Company has not spent on CSR activities during the year 2024-25.

Nevertheless, the Company continued contributing to the lives of all its stakeholders in many different ways. This forms an integral part of the activities as enumerated in the CSR policy of the Company which it adopted after the enactment of the Companies Act, 2013.

Management Discussion and Analysis

ECONOMIC REVIEW

Global Economy

After enduring a prolonged and unprecedented series of shocks, the global economy appeared to have stabilized, with steady yet underwhelming growth rates. However, the landscape has changed as governments around the world reorder policy priorities and uncertainties have climbed to new highs. Forecasts for global growth have been revised markedly down compared with the January 2025 World Economic Outlook (WEO) Update, reflecting effective tariff rates at levels not seen in a century and a highly unpredictable environment. Global headline inflation is expected to decline at a slightly slower pace than what was expected in January.

Intensifying downside risks dominate the outlook, amid escalating trade tensions and financial market adjustments. Divergent and swiftly changing policy positions or deteriorating sentiment could lead to even tighter global financial conditions. Ratcheting up a trade war and heightened trade policy uncertainty may further hinder both short-term and long-term growth prospects. Scaling back international cooperation could jeopardize progress toward a more resilient global economy.

At this critical juncture, countries should work constructively to promote a stable and predictable trade environment and to facilitate international cooperation, while addressing policy gaps and structural imbalances at home. This will help secure both internal and external economic stability. To stimulate growth and ease fiscal pressures, policies that promote healthy aging and enhance labor force participation among older individuals and women could be implemented. Additionally, productivity growth can be fostered with better integration of migrants and refugees and mitigation of skill mismatches.

Global Economic Growth

(in %)

Output	2024	2025P	2026P
World output	3.30	2.80	3.00
Advanced Economies	1.80	1.40	1.50
Emerging Market and Developing Economies(EMDEs)	4.30	3.70	3.90

P = Projections

Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025>

Indian Economy

The Asian Development Bank (ADB) forecasts India's gross domestic product (GDP) to expand by 6.7% in fiscal year (FY) 2025 (ending 31 March 2026) spurred by higher domestic demand, rising rural incomes, a strong services sector, and moderating inflation that will boost consumer confidence.

Favorable monetary and fiscal policies are expected to sustain the growth momentum, with GDP projected to increase by 6.8% in FY 2026.

A senior official of ADB said "India continues to show resilient growth despite global uncertainties, driven by the Government of India's focus on infrastructure

development and job creation. The further strengthening of the manufacturing sector through regulatory reforms, combined with the already robust services and agriculture sectors and the recently announced tax incentives for the middle class, will help sustain India's strong economic growth trajectory."

The report underscores that consumption will be a major growth driver, fueled by rising rural incomes and increased demand from urban middle-class and affluent households thanks to reductions in personal income tax rates. Additionally, moderating inflation is expected to further boost consumer sentiment with rates projected at 4.3% in FY 2025 before declining slightly to 4.0% in FY 2026. Falling inflation would create policy space for more cuts to repo rate even with global financial uncertainty.

The services sector will remain a key growth driver, supported by the expansion of business services exports, education, and health services. The agriculture sector is expected to maintain strong growth in FY 2025, driven by robust winter crop sowing, particularly wheat and pulses. Meanwhile, the manufacturing sector is anticipated to rebound after experiencing tepid growth in FY 2024.

Investment in urban infrastructure will increase, supported by a new government fund with an initial allocation of 100 billion Indian rupees (\$1.17 billion). While global economic uncertainties may hinder private investment prospects in the short term, they are expected to improve with the gradual lowering of borrowing costs and planned regulatory reforms aimed at spurring investment.

The report notes a range of near-term growth risks, including uncertainties created by the recent increase in US tariffs on Indian exports and broader global developments that could lead to higher commodity prices. However, some of these risks are expected to be mitigated by India's relatively stable macroeconomic position.

Source: <https://www.adb.org/news/adb-forecasts-india-economy-grow-6-7-fy2025>

INDUSTRY OVERVIEW

Infrastructure Sector

Introduction

India's high growth will significantly be driven by major strides in key sectors with infrastructure development being a critical force aiding the progress.

Infrastructure is a key enabler in helping India become a US\$ 26 trillion economy. Investments in building and upgrading physical infrastructure, especially in synergy with the ease of doing business initiatives, remain pivotal to increase efficiency and costs. Prime Minister Mr. Narendra Modi also recently reiterated that infrastructure is a crucial pillar to ensure good governance across sectors.

The government's focus on building infrastructure of the future has been evident given the slew of initiatives launched recently. The US\$ 1.3 trillion national master plan for infrastructure, Gati Shakti, has been a forerunner to bring about systemic and effective reforms in the sector, and has already shown a significant headway.

Infrastructure support to the nation's manufacturers also remains one of the top agendas as it will significantly transform goods and exports movement making freight delivery effective and economical.

The “Smart Cities Mission” and “Housing for All” programmes have benefited from these initiatives. Saudi Arabia seeks to spend up to US\$ 100 billion in India in energy, petrochemicals, refinery, infrastructure, agriculture, minerals, and mining.

The infrastructure sector is a key driver of the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from the Government for initiating policies that would ensure the time-bound creation of world-class infrastructure in the country. The infrastructure sector includes power, bridges, dams, roads, and urban infrastructure development. In other words, the infrastructure sector acts as a catalyst for India's economic growth as it drives the growth of the allied sectors like townships, housing, built-up infrastructure, and construction development projects.

To meet India's aim of reaching a US\$ 5 trillion economy by 2027, infrastructure development is the need of the hour. The government has launched the National Infrastructure Pipeline (NIP) combined with other initiatives such as ‘Make in India’ and the Production-Linked Incentives (PLI) scheme to augment the growth of the infrastructure sector. Historically, more than 80% of the country's infrastructure spending has gone toward funding for transportation, electricity, and water, and irrigation.

While these sectors still remain the key focus, the government has also started to focus on other sectors as India's environment and demographics are evolving. There is a compelling need for enhanced and improved delivery across the whole infrastructure spectrum, from housing provision to water and sanitation services to digital and transportation demands, which will assure economic growth, increase quality of life, and boost sectoral competitiveness.

Robust Demand

India has to enhance its infrastructure to reach its 2027 economic growth target of US\$ 5 trillion. Cement demand in India is projected to remain robust in the coming years, with a compound annual growth rate (CAGR) of 7-8% over FY 25E-27E, according to a report by JM Financial.

As per the Reserve Bank of India (RBI) in the past 4 years until March 2024, Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) have amassed US\$ 15.60 billion (Rs. 1.3 lakh crore). According to a Cushman & Wakefield report, India's real estate market saw a surge in investments during the second quarter of 2024, attracting US\$ 2.77 billion.

India road logistics industry will grow at 3-6% in FY 25 as per ICRA. India's logistics market is estimated to be US\$ 317.26 billion in 2024 and is expected to reach US\$ 484.43 billion by 2029, growing at a CAGR of 8.8%.

Attractive Opportunities

Development of infrastructure has a multiplier effect on demand and efficiency of transport and increases commercial and entrepreneurship opportunities. In March 2024, Prime Minister, Mr. Narendra Modi inaugurated multiple connectivity projects in Kolkata, totaling US\$ 1.8 billion. Union Minister of Finance Ms. Nirmala Sitharaman announced plans to connect 120 new airports over the next 10 years, benefiting four crore additional passengers. As per a report of Morgan Stanley India's infrastructure investment to steadily increase from 5.3% of GDP in FY 24 to 6.5% of GDP by FY 29. Government has approved 56 new Watershed Development Projects across 10 high-performing states, with a budget of Rs. 700 crore (US\$ 80.9 million). Indian Railways will achieve 100% electrification by FY 26, with over 97%

already completed, and is rapidly adopting renewable energy, says Union Minister of Railways Mr. Ashwini Vaishnaw.

Policy Support

As a part of the Union Budget 2025-26 is complemented with a continuation of the 50-year interest-free loan states for capital expenditure and incentives for reforms, with a significantly enhanced outlay of Rs. 1.5 lakh crore (US\$ 17.30 billion). As per the Union Budget 2025-26 access to relevant data and maps from the PM Gati Shakti portal will be provided to private sector in project planning. The Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) is a government initiative aimed at developing modern infrastructure and efficient supply chain management to boost the food processing sector in India. The scheme aims to reduce agricultural wastage, increase the processing level, improve farmers' returns, and create rural employment opportunities.

Increasing Investments

In the Union Budget 2025-26, capital investment outlay for infrastructure has been increased to Rs.11.21 lakh crore (US\$ 128.64 billion), which would be 3.1% of GDP.

*FDI in construction development (townships, housing, built-up infrastructure and construction development projects) and construction (infrastructure) activity sectors stood at Rs. 1,32,601.17 crore (US\$ 26.76 billion and Rs. 2,50,628.61 crore (US\$ 35.24 billion), respectively, between April 2000-September 2024.

Adani Group has announced an investment of Rs. 30,237 crore (US\$ 3.46 billion) in Kerala over the next five years, focusing on infrastructure, logistics, and manufacturing. This significant investment presents attractive opportunities for growth and development in the region.

India's ambitious plan calls for spending US\$ 1.723 trillion (approximately Rs. 143 trillion) on infrastructure between FY 24 and FY 30, with a particular emphasis on power, roads, and developing industries like renewable energy and electric vehicles.

The Road Ahead

With a 37% increase in the current fiscal year, capital expenditures (CAPEX) are on the rise, which bolsters ongoing infrastructure development and fits with 2027 goals for India's economic growth to become a US\$ 5 trillion economy. In order to anticipate private sector investment and to address employment and consumption in rural India, the budget places a strong emphasis on the development of roads, shipping, and railways.

Global investment and partnerships in infrastructure, such as the India-Japan forum for development in the Northeast are also indicative of more investments. These initiatives come at a momentous juncture as the country aims for self-reliance in future-ready and sustainable critical infrastructure.

India, it is estimated, needs to invest US\$ 840 billion over the next 15 years into urban infrastructure to meet the needs of its fast-growing population.

This investment will only be rational as well as sustainable, if we additionally focus on long-term maintenance and strength of our buildings, bridges, ports, and airports.

As a result of digitalisation and opportunities that tier II and III cities present for economic growth, the divide between metro and non-metros is blurring, moving to the new era of infrastructure growth. Commercial real estate properties have witnessed exponential growth in demand

across Tier II & III cities as Information technology and Information technology enabled services and banking financial services and insurance focused organizations are increasingly decentralizing their operations to adapt to the new normal.

Civil Aviation Ministry's "Vision 2040" report states that there will be 190-200 functioning airports in India by 2040. Delhi and Mumbai will have three international airports each, while top 31 Indian cities will have two operational airports each.

There has been a significant shift in the industry that is leading to the development of world-class facilities across the country in the areas of roads, waterways, railways, airports, and ports, among others. The country-wide smart cities programmes have proven to be industry game-changers. Given its critical role in the growth of the nation, the infrastructure sector has experienced a tremendous boom because of India's necessity and desire for rapid development.

The infrastructure sector has become the biggest focus area for the Government of India. India's GDP is expected to grow by 8% over the next three fiscal years, one of the quickest rates among major, developing economies, according to S&P Global Ratings. India and Japan have joined hands for infrastructure development in India's Northeast states and are also setting up an India-Japan Coordination Forum for development of Northeast to undertake strategic infrastructure projects for the region.

India being a developing nation is set to take full advantage of the opportunity for the expansion of the infrastructure sector, and it is reasonable to conclude that India's infrastructure has a bright future ahead of it.

Source: <https://www.ibef.org/industry/infrastructure-sector-india>

POWER SECTOR

Introduction

India's high growth will significantly be driven by major strides in key sectors with infrastructure development being a critical force aiding the progress.

Infrastructure is a key enabler in helping India become a US\$ 26 trillion economy. Investments in building and upgrading physical infrastructure, especially in synergy with the ease of doing business initiatives, remain pivotal to increase efficiency and costs. Prime Minister Mr. Narendra Modi also recently reiterated that infrastructure is a crucial pillar to ensure good governance across sectors.

The government's focus on building infrastructure of the future has been evident given the slew of initiatives launched recently. The US\$ 1.3 trillion national master plan for infrastructure, Gati Shakti, has been a forerunner to bring about systemic and effective reforms in the sector, and has already shown a significant headway.

Infrastructure support to the nation's manufacturers also remains one of the top agendas as it will significantly transform goods and exports movement making freight delivery effective and economical.

The "Smart Cities Mission" and "Housing for All" programmes have benefited from these initiatives. Saudi Arabia seeks to spend up to US\$ 100 billion in India in energy, petrochemicals, refinery, infrastructure, agriculture, minerals, and mining.

The infrastructure sector is a key driver of the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from the Government for initiating policies that would ensure the time-bound creation of world-class infrastructure in the country. The infrastructure sector includes power, bridges, dams, roads, and urban infrastructure development. In other words, the infrastructure sector acts as a catalyst for India's economic growth as it drives the growth of the allied sectors like townships, housing, built-up infrastructure, and construction development projects.

To meet India's aim of reaching a US\$ 5 trillion economy by 2027, infrastructure development is the need of the hour. The government has launched the National Infrastructure Pipeline (NIP) combined with other initiatives such as 'Make in India' and the Production-Linked Incentives (PLI) scheme to augment the growth of the infrastructure sector. Historically, more than 80% of the country's infrastructure spending has gone toward funding for transportation, electricity, and water, and irrigation.

While these sectors still remain the key focus, the government has also started to focus on other sectors as India's environment and demographics are evolving. There is a compelling need for enhanced and improved delivery across the whole infrastructure spectrum, from housing provision to water and sanitation services to digital and transportation demands, which will assure economic growth, increase quality of life, and boost sectoral competitiveness.

Growing Demand

India is the third-largest producer and consumer of electricity worldwide, with an installed power capacity of 442.85 GW as of April 30, 2024. Growing population along with increasing electrification and per-capita usage will provide further impetus. Power consumption in India in FY 23 logged a 9.5% growth to 1,503.65 Billion Units (BU). India has committed to augment non fossil fuel based installed electricity generation capacity to over 5,00,000 MW by 2031-32.

Attractive Opportunities

According to a report by Motilal Oswal, the Indian power sector presents an investment opportunity worth Rs. 40,00,000 crore (US\$ 461.95 billion) over the next decade, driven by rising demand, infrastructure upgrades, and the transition to clean energy. Renewable energy and transmission infrastructure offer attractive prospects, such as Power Grid's Rs. 2,00,000 crore (US\$ 23.10 billion) Capital Expenditure (capex) opportunity. In the Budget for 2024, the government's power sector initiatives have been allocated funds that are 50% higher. Increased funds have been allocated to green hydrogen, solar power, and green-energy corridors in line with the renewable energy target for 2030. In order to meet India's 500 GW renewable energy target and tackle the annual issue of coal demand supply mismatch, the Ministry of Power has identified 81 thermal units which will replace coal with renewable energy generation by 2026.

Policy Support

India has unveiled a comprehensive plan worth Rs. 9.15 lakh crore (US\$ 109.50 billion) to enhance its power infrastructure and meet a projected demand of 458 GW by 2032. This initiative, led by the Ministry of Power under Prime Minister Narendra Modi, aims to strengthen the national power grid and boost energy security. Cabinet approves PM-Surya Ghar: Muft Bijli Yojana for installing rooftop solar in One Crore households.

Higher Investments

GEAPP plans to scale decarbonisation technologies in India, investing Rs. 861.10 crore (US\$ 100 million) for clean energy projects, including AI-driven grid optimization in Rajasthan. The nation plans to invest Rs. 9,15,920 crore (US\$ 107 billion) by 2032 to develop additional transmission lines, supporting its goal to nearly triple its clean power capacity. India's power sector is expected to attract investment worth Rs. 17 lakh crore (US\$ 205.31 billion) in next five to seven years. The power generation industry in India will require a total investment of Rs. 33 lakh crore (US\$ 400 billion) and 3.78 million power professionals by 2032 to meet the rising energy demands, as per the National Electricity Plan India has the potential to attract an investment of over US\$ 20 billion in renewables in 2023. As per the National Infrastructure Pipeline 2019-2025, energy sector projects accounted for the highest share (24%) out of the total expected capital expenditure of Rs. 111 lakh crore (US\$ 1.4 trillion).

The Road Ahead

In the current decade (2020-29), the Indian electricity sector is likely to witness a major transformation with respect to demand growth, energy mix and market operations. India wants to ensure that everyone has reliable access to sufficient electricity at all times, while also accelerating the clean energy transition by lowering its reliance on dirty fossil fuels and moving toward more environmentally friendly, renewable sources of energy. Future investments will benefit from strong demand fundamentals, policy support and increasing government focus on infrastructure.

The Government of India is preparing a 'rent a roof' policy for supporting its target of generating 40 GW of power through solar rooftop projects by 2022. It also plans to set up 21 new nuclear power reactors with a total installed capacity of 15,700 MW by 2031.

The Central Electricity Authority (CEA) estimates India's power requirement to grow to reach 817 GW by 2030. Also, by 2029-30, CEA estimates that the share of renewable energy generation would increase from 18% to 44%, while that of thermal energy is expected to reduce from 78% to 52%.

The government plans to establish renewable energy capacity of 500 GW by 2030.

Source: <https://www.ibef.org/industry/power-sector-india>

COMPANY REVIEW

Business Performance and Outlook

During the Financial Year 2024-25, the Company witnessed a significant turnaround in its financial performance. Total revenue increased sharply from Rs. 465.11 Lakhs in the previous year to Rs. 2,206.43 Lakhs in FY 2024-25, reflecting the successful execution of strategic initiatives and operational focus.

Despite facing constraints in obtaining Bank Guarantees due to tightened norms in the banking sector-particularly affecting the EPC industry-the Company continued to actively pursue select, high-value tenders. As a result, the Company was awarded a prestigious work order by Adani Power Limited for the 2x800 MW Ultra Supercritical Thermal Power Plant (Phase-II) project, located at Village Chote Bhandar, Post Bade Bandar, Tehsil Pussore, Raigarh, Chhattisgarh. This contract, valued at Rs. 16.80 Crores, was secured during the year under review.

Further reinforcing its market presence, the Company has also secured an additional work order in the current Financial Year 2025-26 from Adani Power Limited for the 2x800 MW (Phase-III) Mahan Ultra Supercritical Thermal Power Project, at Village Bandhaura, District Singrauli, Madhya Pradesh, amounting to Rs. 15.40 Crores.

In addition to EPC activities, the Company recorded a revenue of Rs. 899.92 Lakhs (inclusive of the total revenue) from its trading operations in alloy steel for auto components. This segment has demonstrated promising growth potential and is expected to contribute meaningfully alongside the EPC business in the coming years.

With this improved financial and operational performance, the Company is optimistic about obtaining the necessary banking facilities, which will further enhance its ability to bid for additional EPC contracts and strengthen working capital for its trading operations. The management remains confident that the Company will continue to improve its performance and achieve progressive growth in both revenue and profitability across its core business segments.

Significant Changes in Key Financial Ratios during the Financial Year 2024-25

PARTICULARS	2024-25	2023-24	% Change in Ratios	Remarks
Debtor Turnover Ratio	3.22	1.24	160%	Company realised/settled majority of its debtors during the year.
Inventory Turnover Ratio	14.95	20.67	-28%	Due to increase in closing stock.
Current Ratio	1.47	1.64	-10%	Change < 25%
Debt Equity Ratio	0.22	-	100%	During the year, Company borrowed the funds.
Operating Profit Margin	14.88%	-5.17%	388.00%	Improvement in business & reduction in percentage of expenses.
Net Profit/Loss Margin	5.69%	-29.14%	120%	Company has earned profit during the year.

OUTLOOK

Going forward, having successfully transitioned from a loss-making to a profit-generating entity, the Company is now strategically positioned to pursue new EPC tenders. The Company plans to leverage its extensive industry experience while actively exploring opportunities to enhance bank guarantee limits, supported by its improved financial credentials. The Company also seeks to explore opportunities within the trading and machining sectors, particularly in the auto component industry. Our commitment lies in timely project execution, fueled by top-notch engineering capabilities. We are equally dedicated to advancing our trading and machining activities alongside our EPC projects, all within the confines of our available banking facilities.

Risk and Concerns

Some of the possible key risks for the Company are given below with corresponding mitigation measures.

Macroeconomic risk:

A downturn in the macroeconomic scenario along with unfavorable regulatory policies can negatively impact on business.

Mitigation: The Company not only applying for new jobs in thermal power cautiously and obtaining EPC contracts but also doing a sizeable growth in the steel trading.

Competition risk:

The increasing competition within the EPC space may coerce the Company to tender at lower prices leading to compressed margins.

Mitigation: The Company's focus on quality, timely delivery, projects brand value and successful track record give a competitive edge over others. Further, its vast experience, technology investments and competent work force enable to manage the project costs allowing it to provide customers the most competitive rates.

Project execution risk:

Inability of the Company to effectively manage projects may lead to cost/time overruns and reputation loss.

Mitigation: The Company has arranged adequate modern equipments and experienced manpower which leads to high productivity at project sites.

Liquidity risk:

Inability of the Company to recover payments in time may hamper its working capital which in turn may impact funding of other on-going projects. Further banks/Financial Institutions adopts strict guidelines to extend credit limits to the Companies in EPC and Power Business due to the prolong downturn in the sector for quiet sometime.

Mitigation: The Company conducts a judicious risk-return evaluation of each project and rigorous follow up for the outstanding balances over 180 days. The Company with improved performance both in EPC contracts and auto components trading business the Company is confident of the Bankers support with extended credit facilities.

Fraud risk:

RIL cannot eliminate fraud entirely however, the Company is trying to prevent some things from happening to lessen the financial impact to it.

Mitigation: We have put in place and strengthen anti-fraud measures. The Company has adopted following measures to tranquillize the risk:

- Carry out fraud risk assessment including results from past reviews and audits.
- Improve controls.
- An effective governance structure including appropriate lines of authority and Board oversight.
- Independent check on performance and compliance.
- Segregation of duties so that no employee has control over whole process.

Legal risk:

The traditional mechanisms for project risk allocation that are available in other countries are not suitable in India due to differences in legal systems. Moreover we strive upon to develop a compliance structure which can be carefully studied and processed.

Mitigation: The management has a team of advisors for deep study of contractual terms and access the risk associated with it and make out strategies accordingly and provide legal proactive support and contingency planning.

Information risk:

Information risk is the probability that the information circulated by the company can be leaked or destroyed. This may affect the Company's ongoing and upcoming operations.

Mitigation: The information risk mitigation process developed by our Company includes:

- Establishing information risk management practices that will help to make the organization successful.
- Regular re-evaluation of the nature and extent of the risks to which the organization is exposed, plus periodic adjustment to ensure that the company continues to steer the line between allowing risks to grow out of hand and constraining operational effectiveness.

Natural calamity/crisis risks:

Natural calamities or any global/national crises such as a pandemic, cyclones, major earthquakes, political upheavals, wars, etc. would not only disrupt the Company's operations at various sites.

Mitigation: The Company's focus in such scenarios is to do everything to first ensure business survival and protection of life and limbs of its stakeholder community. It would then focus on adopting strategies to revive business fortunes under the new circumstances. Some of the survival strategies that RIL has adopted in the past during such a crisis include deferring capex, liquidity management and cutting costs.

Internal Control Systems and their Adequacy

Every successful Company needs to have certain controls in place for function effectively. Raunaq as well has sufficient internal controls in accordance with the nature and magnanimity of its business. These have been designed to ensure that:

- Assets of the Company are acquired in an economical manner and safeguards are in place for their upkeep and to ensure their protection against any damage or destruction.
- Controls relating to the financial and operational aspects of the business remain in place and are working satisfactorily to detect exceptions and raise alerts.
- The Company enforces stringent compliance with all applicable laws and internal policies.

The internal auditor of the Company regularly carry out reviews of the internal control system to detect deviations. The report of the internal auditor is submitted to the management on a quarterly basis and is helpful in the prevention and detection of fraud and to report any discrepancies in the day-to-day activities of the Company. Further, internal control systems are periodically review by the Audit Committee and are kept updated and consistent with the requirements of the organization.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the infrastructure sector, significant changes in India's political and economic environment, exchange rate fluctuations, tax laws, litigation, labour relations, and interest costs.

BOARD'S REPORT

(SECTION 134 OF THE COMPANIES ACT, 2013)

To The Members

Raunaq International Limited

(Formerly known as Raunaq EPC International Limited)

Your Directors have pleasure in presenting the 60th Annual Report of your Company together with the Audited Financial Statements and the Auditors' Report thereon for the Year ended 31 March, 2025.

FINANCIAL RESULTS

The highlights of Financial Results of your Company are as follows:

(₹/Lakhs)

Financial Results		
Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Revenue from Operations and other income	2206.43	465.11
Profit before Finance Cost and Depreciation	117.54	(101.73)
Finance Cost	14.15	7.48
Depreciation	3.56	13.52
Profit Before Tax	99.83	(122.73)
Less: Tax Expense	(22.11)	(15.84)
Profit for the Year	121.94	(106.89)
Other Comprehensive Income		
Items that will not be reclassified to Profit and Loss (net of tax)	(0.52)	2.61
Total Comprehensive Income for the year	121.42	(104.28)

(₹/Lakhs)

Surplus in Statement of Profit and Loss		
	Year ended 31 March, 2025	Year ended 31 March, 2024
Opening balance	(1370.34)	(1266.06)
Add: Profit for the year	121.42	(104.28)
Less:		
Proposed Dividend-Equity	-	-
Tax on distributed profits	-	-
Transferred to General Reserve	-	-
Closing Balance	(1248.92)	(1370.34)

Dividend

During the year 2024-25, the Company has earned a profit ₹ 121.94 Lakhs. But, in order to conserve the resources for the future contingencies, your directors have not recommended any dividend on Equity Shares of the Company for the year ended 31 March, 2025.

Business Operations

During the year under review, the Company witnessed a significant upturn in its total revenue, increasing from ₹ 465.11 Lakhs in the Financial Year 2023-24 to ₹ 2,206.43 Lakhs in Financial Year 2024-25. Despite challenges in securing Bank Guarantees due to stringent banking norms impacting the EPC industry, the Company actively participated in select tenders. As a result of these efforts, the Company successfully secured a prestigious work order from Adani Power Limited for the '2x800 MW Ultra Supercritical Thermal Power Plant (Phase-II)' project at Village Chote Bhandar, Post Bade Bandar, Tehsil Pussore, Raigarh, Chhattisgarh, amounting to ₹ 16.80 Crores during the Financial Year 2024-25.

Further, during the Financial Year 2025-26, the Company secured a work order from Adani Power Limited for the '2x800 MW (Phase-III) Mahan Ultra Supercritical Thermal Power Project, at Village Bandhaura, District Singrauli, Madhya Pradesh', amounting to ₹ 15.40 Crores.

Due to unavailability of banking facilities, the Company was unable to bid for more new jobs during the period under review. Further, the Company has continued its trading activities alongside EPC projects during the year to sustain a level of revenues and profitability of the Company.

In addition to EPC activities, the Company recorded a revenue of ₹ 899.92 Lakhs (inclusive of the total revenue) from its trading operations in alloy steel for auto components. This segment has demonstrated promising growth potential and is expected to contribute meaningfully alongside the EPC business in the coming years.

Future Outlook

Having successfully transitioned from a loss-making to a profit-generating entity, the Company is now strategically positioned to pursue new EPC tenders. The Company plans to leverage its extensive industry experience while actively exploring opportunities to enhance bank guarantee limits, supported by its improved financial credentials. The Company also seeks to explore opportunities within the trading sector, particularly in the auto component industry. Our commitment lies in timely project execution, fueled by top-notch engineering capabilities. We are equally dedicated to advancing our trading activities alongside our EPC projects, all within the confines of our available banking facilities.

Indian Accounting Standards ("Ind AS")

The financial statements for the year ended 31 March, 2025 have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as required under the provisions of Section 133 of the Companies Act, 2013 read with rules made there under, as amended.

Management Discussion and Analysis

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

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) read with 134(5) of the Companies Act, 2013, your Directors confirm that:-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2025 and of the Profit and Loss of the Company for the period ended on that date;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Related Party Contracts and Arrangements

The contracts or arrangements of the Company with related parties during the period under review referred to in Section 188(1) of the Companies Act, 2013 were in ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the related party transaction policy of the Company. Thus, there are no transactions which are required to be reported in the prescribed Form AOC-2 of the Companies (Accounts) Rules, 2014.

Further, during the Financial Year 2024-25, there were no materially significant related party transactions entered into by your Company with the Promoters, Directors, Key Managerial Personnel or other designated persons, which might have potential conflict with the interest of the Company at large.

As all the related party transactions are at arm's length price and in the ordinary course of business, the same are placed before the Audit Committee for its approval. There was no related party transaction which requires approval of the Board. During the Financial Year under review, the Audit Committee has approved the related party transactions through the omnibus mode in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Related party transactions were disclosed to the Board on regular basis as per Ind AS-24. Details of related party transactions as per Ind AS-24 may be referred to in the Notes forming part of the Financial Statements.

The policy on Related Party Transactions as approved by the Board in terms of provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is available on the website of the Company i.e. [www.raunaqinternational.com](https://www.raunaqinternational.com/pdf/related_party_transactions_policy.pdf) under the link https://www.raunaqinternational.com/pdf/related_party_transactions_policy.pdf

Particulars of Loans, Guarantees or Investment

Details of Loans or guarantee given or security provided in terms of the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 have been adequately disclosed in the financial statements.

Directors

During the period under review, the members of the Company, at their Annual General Meeting held on 20 September, 2024 approved the:

- Re-appointment of Mr. Naresh Kumar Verma as a Non-Executive Director of the Company liable to

retire by rotation in terms of the provisions of Section 152 of the Companies Act, 2013 upto the conclusion of the 60th AGM of the Company in the Calendar year 2025.

- Re-appointment of Mr. Rajiv Chandra Rastogi as a Non-Executive Independent Director on the Board of the Company for a further period of 5 (Five) consecutive years upto the conclusion of the 64th Annual General Meeting (AGM) of the Company in the Calendar Year 2029 in terms of the provisions of Section 149 of the Companies Act, 2013;

in terms of the applicable provisions of the Companies Act, 2013 and the Regulations, in read with Regulation 17 of the Regulations as amended, as the age of Mr. Rajiv Chandra Rastogi will be more than seventy five years during his tenure.

In terms of the provisions of Section 149 of the Companies Act, 2013, Dr. Sanjeev Kumar was re-appointed as Non-Executive Independent Directors at the Annual General Meeting (AGM) of the Company held on 31 August, 2020 for second consecutive term for a further period of 5 (Five) Years upto the conclusion of his tenure on 29 July, 2025.

The Board of Directors of the Company appointed Mr. Nagar Venkatraman Srinivasan as an Additional Director in the capacity of Non-Executive Independent Director on 30 May, 2025 till the conclusion of ensuing Annual General Meeting.

Therefore, in terms of the provisions of Section 149 of the Companies Act, 2013, it has been proposed to appoint Mr. Nagar Venkatraman Srinivasan as a Non-Executive Independent Director for a period of 5 (Five) Years at the ensuing Annual General Meeting (AGM) of the Company by way of special resolution pursuant to the applicable provisions of the Companies Act, 2013 and the Regulations, in read with Regulation 17 of the Regulations as amended, the age of Mr. Nagar Venkatraman Srinivasan being more than seventy five years at the commencement of his proposed tenure.

The Company has received notice under Section 160 of the Companies Act, 2013 from the member of the Company proposing the candidature of Mr. Nagar Venkatraman Srinivasan for the office of Non-Executive Independent Director of the Company.

Further, in terms of the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association (AOA) of the Company, Mr. Naresh Kumar Verma, Non-Executive Director of the Company retires by rotation at the ensuing Annual General Meeting and has offered himself for re-appointment.

Therefore, in terms of the provisions of Section 152 of the Companies Act, 2013, it has been proposed to re-appoint Mr. Naresh Kumar Verma as a Non-Executive Director liable to retire by rotation at the ensuing Annual General Meeting (AGM) of the Company.

Board's Opinion Regarding Integrity, Expertise and Experience (Including the proficiency) of the Independent Directors appointed/re-appointed during the year

The Board is of the opinion that the Independent Directors appointed/re-appointed during the year under review are person(s) of integrity and possess core skills/expertise/competencies (including the proficiency) as identified by the Board of Directors as required in the context of Company's business(es) and sector(s) for Company to function effectively.

Number of Meetings of the Board

During the Financial Year 2024-25, 4 (Four) Board Meetings were held on the following dates. The gap between any two meetings was not more than one hundred twenty days as mandated under the provisions of Section 173 of the Companies Act, 2013 and Regulation 17(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:-

- 30 May, 2024;
- 06 August, 2024;
- 12 November, 2024; and
- 14 February, 2025

Independent Directors

In terms of the provisions of Section 149(7) of the Companies Act, 2013 read with Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Independent Directors of the Company have furnished a declaration to the Company at the meeting of the Board of Directors held on 30 May, 2025 stating that they fulfill the criteria of Independent Director as prescribed under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are not being disqualified to act as an Independent Director. Further, they have declared that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

In the opinion of the Board, all the Independent Directors fulfill the conditions specified in the Companies Act, 2013 read with the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

In terms of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had adopted a familiarization

programme for the Independent Directors to familiarize them with working of the Company, nature of the industry in which the Company operates, business model of the Company, their roles, rights, responsibilities, and other relevant details. During the Financial Year 2024-25, however the Company was not required to comply with the provisions of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the familiarization programme for the Directors has been conducted voluntarily. The details of familiarization programme during the Financial Year 2024-25 are available on the official website of the Company i.e. [www.raunaqinternational.com](https://www.raunaqinternational.com/pdf/details-of-familiarization-programme-for-independent-directors-FY-24-25.pdf) under the link: <https://www.raunaqinternational.com/pdf/details-of-familiarization-programme-for-independent-directors-FY-24-25.pdf>

Policy on Appointment and Remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel

In terms of the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Nomination and Remuneration Committee ('NRC') has formulated a policy relating to appointment and determination of the remuneration for the Directors, Key Managerial Personnel and Senior Management Personnel which has been adopted by the Board of Directors of the Company. The NRC has also developed the criteria for determining the qualifications, competencies, positive attributes and independence of Directors and for making payments to the Executive/Non-Executive and Independent Directors of the Company.

Your Directors affirm that the remuneration paid to the Directors, Key Managerial Personnel, Senior Management and other employees is as per the Nomination and Remuneration Policy of your Company.

The salient features of the Nomination and Remuneration Policy are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director.
 - For every appointment of an Independent Director, the Nomination and Remuneration Committee evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates.

- Identification of 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 the Nomination and Remuneration policy.
- Recommendation to the Board for appointment and removal of Director, KMP and Senior Management Personnel.
- Formulation of the criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Formulation of the criteria for devising a policy on diversity of Board of Directors.
- Deciding that whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Recommendation to the Board, all remuneration, in whatever form, payable to senior management.

The said policy is available on the official website of the Company i.e. [www.raunaqinternational.com](https://www.raunaqinternational.com/pdf/nomination-and-remuneration-policy.pdf) under the link: <https://www.raunaqinternational.com/pdf/nomination-and-remuneration-policy.pdf>

Evaluation Process

The Nomination and Remuneration Committee has established a framework for the evaluation process of performance of the Board, its Committees and Individual Directors and the same was adopted by the Board.

During the year under review, the Board of Directors at its meeting held on 14 February, 2025 have carried out the evaluation of the performance of Independent Directors and their independence criteria and the Independent Directors in their meeting held on even date have evaluated the performance of the Chairman and Non-Independent Directors and the Board as a whole and also assessed the quality, quantity and timeliness of flow of information between the Board and Company management.

Key Managerial Personnel

The following Directors/Officials of the Company have been designated as Key Managerial Personnel (KMP) of the Company by the Board of Directors in terms of the provisions of Section 203 of the Companies Act, 2013 and the Regulations:

- | | |
|-----------------------------|--------------------------------|
| 1. Mr. Surinder Paul Kanwar | Chairman and Managing Director |
| 2. Ms. Neha Patwal | Company Secretary and CFO |

There is no change in Key Managerial Personnel (KMP) of the Company during the financial year ended 31 March, 2025.

Disclosure under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Disclosures pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed as **Annexure -“A”** to this report.

Particulars of Employees

Information regarding employees in accordance with the provisions of Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 containing particulars of top ten employees in terms of the remuneration drawn and employees drawing remuneration in excess of the limits set out in Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are provided as part of the Board' Report. However, in terms of provisions of Section 136 of the Companies Act, 2013, the Annual Report is being sent to all the members of the Company and others entitled thereto, excluding the said statement. Any member interested in obtaining such particulars may write at secretarial@raunagintl.com. The said information is also available for inspection at the Registered Office of the Company during working hours till the date of Annual General Meeting.

Risk Management

A robust and integrated enterprise risk management framework is in existence under which the common prevailing risks in the Company are identified, the risks so identified are reviewed on periodic basis by the Audit Committee and the management's actions to mitigate the risk exposure in a timely manner are assessed.

A risk management policy under the above said enterprise risk management framework as approved by the Board has been adopted by the Company.

Corporate Social Responsibility

In terms of the provisions of Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee ("CSR Committee") is in existence to monitor the Corporate Social Responsibility Policy of the Company as approved by the Board and the said policy is available on official website of the Company i.e. www.raunagintl.com.

The CSR Committee comprises of Mr. Surinder Paul Kanwar, Mr. Rajiv Chandra Rastogi and Dr. Sanjeev Kumar.

The role of the Corporate Social Responsibility Committee includes:

- (a) Formulation and recommendation to the Board, a Corporate Social Responsibility (CSR Policy) and annual action plan in pursuance of CSR Policy consisting of list of approved projects or programs to be undertaken within the purview of Schedule VII of the Companies Act, 2013, manner of execution of such projects, modalities of fund utilization and implementation schedules, monitoring and reporting mechanism for the projects, and details

of need and impact assessment, if any, for the projects to be undertaken.

- (b) Monitoring the Corporate Social Responsibility Policy and annual action plan of the Company from time to time.
- (c) Recommendation of the amount of expenditure to be incurred on the activities referred to in clause (a) above.
- (d) Instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

As per the provisions of Section 135 of the Companies Act, 2013, the Company was not required to spend any amount on CSR activities during the Financial Year 2024-25 in terms of loss incurred during the Financial Year 2023-24.

Audit Committee

The Audit Committee comprises of Dr. Sanjeev Kumar, Mr. Rajiv Chandra Rastogi, Ms. Preeti Goel and Mr. Naresh Kumar Verma.

During the year under review, all recommendations of the Audit Committee were accepted by the Board of Directors of the Company unanimously.

Internal Complaints Committee for Prevention of Sexual Harassment

Pursuant to Section 21 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, as the Company doesn't have adequate women employee, the women employees of the Bharat Gears Limited, a Company within the group have been nominated as members of the Internal Complaints Committee (ICC) of the Company to deal with the complaints related to the sexual harassment, where any grievances of sexual harassment at workplace can be reported.

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

During the year ended 31 March, 2025, no complaint pertaining to sexual harassment was received by ICC.

Subsidiaries/Joint Ventures/Associate Companies

During the year under review, no Company has become or ceased to be subsidiary, joint venture or associate of the Company.

Deposits

During the year under review, the Company did not accept any deposits.

Investor Education and Protection Fund (IEPF)

In terms of the provisions of Section 124(5) of the Companies Act, 2013 read with the Investor Education

and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and further amendments thereto, no unclaimed dividend was required to be transferred to the Investor Education and Protection Fund (IEPF) during the Financial Year 2024-25, and there were no equity shares liable to be transferred into IEPF during the Financial Year 2024-25.

Auditors

The Statutory Auditors, M/s B.R. Maheswari & Co. LLP, Chartered Accountants (ICAI Registration No. 001035N/N500050) had been re-appointed as the Statutory Auditors of the Company in the 57th Annual General Meeting held on 19 September, 2022 for a period of 5 (Five) years in terms of the provisions of Section 139 of the Companies Act, 2013 to hold office from the 57th AGM till 62nd AGM in the calendar year 2027.

Report on Financial Statements

The report of M/s B.R. Maheswari & Co. LLP, Chartered Accountants (ICAI Registration No. 001035N/N500050), the Statutory Auditors of the Company on the financial statements of the Company for the year ended 31 March, 2025 is annexed to the financial statements in terms of the provisions of Section 134(2) of the Companies Act, 2013. The observations of the Auditors in their report are self-explanatory and/or explained suitably in the Notes forming part of the Financial Statements. The report of the Statutory Auditors does not contain any qualification, reservation or adverse remark which needs any explanation or comment of the Board.

Secretarial Audit

The Board has appointed M/s Sanket Jain & Co., Company Secretaries, Jhansi-284002 (Uttar Pradesh) as Secretarial Auditor for the Financial Year 2024-25 in terms of the provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report of the Company for the Financial Year ended 31 March, 2025 in the prescribed Form MR-3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure-“B”** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark which needs any explanation or comment of the Board.

Internal Financial Controls and their Adequacy

The Company has a proper and adequate system of internal financial controls which includes the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. During the year, such controls were tested and no material weakness in the design or operations were observed.

Maintenance of Cost Records

During the year under review, the Company had not been mandatorily required to maintain Cost Records in

terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014.

Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance. The provisions of Regulation 15(2) of the Regulations w.r.t. Corporate Governance requirements are not applicable to the Company for the Financial Year 2024-25 as the paid up equity share capital and net worth of the Company as on 31 March, 2024 stood at ₹ 334.32 Lakhs and ₹ 652.35 Lakhs respectively, which are below the prescribed threshold limits for applicability of the aforesaid Regulation.

Since the aforesaid provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable on the Company for the Financial Year 2024-25, the report on Corporate Governance as stipulated under Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 has not been annexed to this Report.

Vigil Mechanism/Whistle Blower Mechanism

In terms of the provisions of Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established an effective mechanism called Vigil Mechanism (Whistle Blower Mechanism). The mechanism under the Policy has been appropriately communicated within the organisation. The purpose of this policy is to provide a framework to promote responsible whistle blowing by employees or by any other person who avails such mechanism. It protects employees or any other person who avails such mechanism wishing to raise a concern about serious irregularities, unethical behavior, actual or suspected fraud within the Company by reporting the same to the Audit Committee.

Protected Disclosure can be made by the whistle blower in a closed and secured envelope or sent through e-mail to the Compliance Officer.

During the year under review, no complaint has been received and no employee was denied access to the Audit Committee.

The functioning of the Whistle Blower Mechanism/Vigil Mechanism existing in the Company is reviewed by the Audit Committee on Annual basis.

The policy on vigil mechanism is available on the official website of the Company i.e. [www.raunaginternational.com](https://www.raunaginternational.com/pdf/policy_on_vigil_mechanism.pdf) under the link: https://www.raunaginternational.com/pdf/policy_on_vigil_mechanism.pdf

Reconciliation of Share Capital Audit

In terms of Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, the Reconciliation of Share Capital Audit is undertaken by a firm of Practicing Company Secretaries on quarterly basis. The Audit is aimed at reconciliation of total shares held in CDSL, NSDL and in physical form with the admitted, issued and listed capital of the Company.

The Reconciliation of Share Capital Audit Reports as submitted by the Auditor on quarterly basis were filed with the BSE Limited (BSE) through BSE Listing Centre, where the original shares of the Company are listed.

Listing of Shares

The Equity shares of the Company are listed on the BSE Limited (BSE), Mumbai.

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.

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

The information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8 of the Companies (Accounts) Rules, 2014:

The Company organizes the workshops/lectures on regular basis for its employees to promote, motivate and encourage them how to conserve the energy. The Company is in process to adopt the latest technologies for conservation of energy.

The particulars with respect to foreign exchange earnings and outgo during the year under review are as follows:

(₹/Lakhs)

Particulars	2024-25	2023-24
Foreign Exchange Earned	-	-
Foreign Exchange Used	-	-

Annual Return

In terms of the provisions of Section 134(3)(a) read with 92(3) of the Companies Act, 2013 and the relevant rules made thereunder, a copy of the Annual return as prescribed under Section 92 of the Companies Act, 2013, as amended shall be made available on the official website of the Company www.raunaqinternational.com

under the link: <https://www.raunaqinternational.com/pdf/annual-return-for-2024-25.pdf>

Compliance of Secretarial Standards

During the period under review, the Company has duly complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Court/Tribunal Orders

There were no instances of any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Details of Application/Proceeding pending under the Insolvency and Bankruptcy Code, 2016

Neither any application has been made nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review.

Instances of Difference in Valuation

There is no such instance where there is difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

Acknowledgements

The Board of Directors gratefully acknowledge the continued co-operation, trust and support of the shareholders and would like to place on record its appreciation for the dedicated services rendered by the Employees at all levels. The Directors further express their gratitude to the Bankers, Customers and Sub-vendors and other associates for co-operation and confidence reposed by them in the Company.

For and on behalf of the Board of Directors



Surinder Paul Kanwar

Chairman and Managing Director

Dated: 30 May, 2025

DIN: 00033524

Annexure-“A”**Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. No Executive Director has drawn managerial remuneration as per Schedule V of the Companies Act, 2013. Therefore, the ratio of the remuneration of any such director to the median remuneration of the employees of the Company for the Financial Year 2024-25 is not available.

Other directors are being paid with sitting fees only, details of which are mentioned in the Annual Return.

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

S.No.	Name of the Director/KMP	% increase in Remuneration in the Financial Year 2024-25
1.	Ms. Neha Patwal Company Secretary and CFO	10.00*

*Drawn remuneration of Rs. 27,500/- per month as contractual fees for professional services.

3. The percentage increase in the remuneration of the median employee is (58.27)% in the Financial Year 2024-25.
4. There were 22 permanent employees on the rolls of the Company as on 31 March, 2025.
5. The average percentage decrease made in the salaries of employees other than the managerial personnel in the last financial year 2024-25 was 19.34% and average percentage decrease in the managerial remuneration of persons referred in point no. 2 is 24.63% in the Financial Year 2024-25.
6. It is affirmed that the remuneration paid is as per the Remuneration policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board of Directors



Surinder Paul Kanwar
Chairman and Managing Director
DIN: 00033524

Dated: 30 May, 2025

FORM NO. MR-3 **SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members,
Raunaq International Limited
(Formerly Known as Raunaq EPC International Limited)
20 K.M. Mathura Road,
P.O. Amar Nagar
Faridabad - 121003
Haryana

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **Raunaq International Limited (Formerly known as Raunaq EPC International Limited)** (hereinafter called “the Company”), having **CIN: L51909HR1965PLC034315**, for the year ended 31 March, 2025. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minutes 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, 2025 (“Audit Period”) 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 the Company for the financial year ended on 31 March, 2025, according to the provisions of (including any statutory modifications, amendments, or re-enactment thereof for the time being in force):

- (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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

Not applicable as the Company has not obtained any FDI, or ECB or made any ODI during the year under review.

The following Regulations 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, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable, as the Company did not issue any securities during the year under review;**
- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable as the Company does not have Employee Stock Option Scheme for its employees during the year under review;**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable as the Company has not issued any debt securities during the year under review.**
- 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; **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review.**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable as the Company has not delisted its Equity Shares from any stock exchange during the year under review;**
- h) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **Not Applicable as the Company has not done any buyback of its securities during the year under review.**
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

(v) Other laws:

- The Indian Contract Act, 1872;
- The Indian Stamp Act, 1999;
- The Limitation Act, 1963;
- The Payment of Wages Act, 1936;
- The Minimum Wages Act, 1948;
- The Employees Provident Fund and Misc. Provisions Act, 1952;
- The Employees Deposit-Linked Insurance Scheme, 1976;
- The Employees' Pension Scheme, 1995;
- The Employees State Insurance Act, 1948; Employees' State Insurance (Central) Rules, 1950 and Employees' State Insurance (General) Regulations, 1950;
- The Equal Remuneration Act, 1976;
- The Payment of Bonus Act, 1965;
- The Contract Labour (Regulation and Abolition) Act, 1970 and Contract Labour (Regulation and Abolition) Rules (as per respective state);
- The Environment (Protection) Act, 1986;
- The Income Tax Act 1961 and Income Tax Rules, 1962;
- The Negotiable Instrument Act, 1881;
- The Maternity Benefits Act, 1961;
- The Payment of Gratuity Act, 1972;
- The Transfer of Property Act, 1882;
- The Indian Registration Act, 1908;
- The Industrial Health & Safety Act, 1972;
- The Indian Evidence Act, 1872;
- The Consumer Protection Act, 1986;
- The Child Labour (Regulation and Abolition), Act 1970;
- The Weekly Holiday Act, 1942;
- The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013;
- The Electricity Act, 2003;
- The Micro, Small and Medium Enterprises Development Act, 2006;
- The Information Technology Act, 2000;
- Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011.

We have relied on the representation made by the Company and its officers for the systems and the mechanism formed by the Company for the compliances under the applicable Acts and the regulations to the Company.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI);

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

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company seems adequate to ensure compliance of laws specifically applicable to the Company.

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.

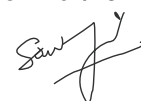
Adequate notice was given to all Directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (and at a shorter notice, for which necessary approvals were obtained) and a system exists for seeking and obtaining further information 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' view 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 year under report, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For M/s Sanket Jain & Co.
Company Secretaries
Firm Registration No. S2013UP231400
Peer Review No. 2262/2022



Sanket Jain
(Proprietor)

M.No.: A26531, C.P. No.: 12583
 UDIN: A026531G000504888

Date: 30.05.2025
 Place: Jhansi

ANNEXURE TO SECRETARIAL AUDIT REPORT

To
The Members,
Raunaq International Limited
(Formerly Known as Raunaq EPC International Limited)
20 K.M. Mathura Road,
P.O. Amar Nagar
Faridabad - 121003, Haryana

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial and other record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, followed by us, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For M/s Sanket Jain & Co.
Company Secretaries
Firm Registration No. S2013UP231400
Peer Review No. 2262/2022



Sanket Jain
(Proprietor)

M.No.: A26531, C.P. No.: 12583
UDIN: A026531G000504888

Date: 30.05.2025
Place: Jhansi

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF RAUNAQ INTERNATIONAL LIMITED

Report on the audit of the Financial Statements

We have audited the financial statements of Raunaq International Limited (Formerly known as Raunaq EPC International Limited ("the Company"), which comprise the Balance Sheet as at 31 March, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and the statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2025, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Description of Key Audit Matters:

Basis for Opinion

We conducted our audit of financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended 31 March, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
Revenue from Operations The Company recognises revenue in accordance with Ind AS 115, Revenue from Contracts with Customers, which outlines a five-step model for recognising revenue arising from contracts with customers. Revenue is recognised upon the transfer of control of goods or services to customers in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. Revenue from trading activities involving alloy steel for auto components is recognised at a point in time when control of the goods is transferred to the customer. This typically occurs upon delivery or as specified in the terms of the contract. Revenue is measured net of returns, trade discounts, and indirect taxes (such as Goods and Services Tax) collected on behalf of third parties. Revenue from service contracts with fixed consideration is recognised over time, as the performance obligations are satisfied. The Company applies the output method, recognising revenue based on the value of actual services performed and approved by the customer up to the end of the reporting period, relative to the total services promised under the contract. Where it is no longer probable that the outcome of a contract can be reliably estimated, revenue is recognised only to the extent of costs incurred that are likely to be recoverable.	Our audit procedures included the following: • Considered the appropriateness of Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'; • Assessed the design and tested the operating effectiveness of internal controls related to sales and costs; • Performed sample tests of individual sales transaction and traced to sales invoices, sale contracts, project progress and other related documents. In respect of the samples selected, tested that the revenue has been recognized as per the sales agreements; • Assessed the relevant disclosures made in the financial statements; • Verification of the Company's computation of revenue to be recognized over a period of time on a sample basis, where we assessed the appropriateness of work in progress as at the balance sheet date by evaluating the underlying documentation to identify possible delays in achieving milestones which require changes in estimated costs to complete the remaining performance obligations.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Board's report and management discussion and analysis but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact with those charged with the governance.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also 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; and design, implementation and maintenance of adequate internal financial controls, that were 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.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 'I' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, based on our audit we 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 it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Ind AS 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 31 March, 2025 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'II'.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, no managerial remuneration has been paid or provided by the Company during the year.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 36 and 37 to the financial statements;
- ii. The Company did not have any long-term contracts including any derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year;
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in

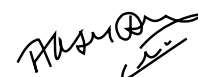
any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures performed that we considered reasonable and appropriate in the circumstances, and according to the information and explanation provided to us by the management in this regard, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement;
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the Company has used an accounting software, for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For B R Maheswari & Co LLP

Chartered Accountants

Firm's Registration No. 001035N/N500050



Akshay Maheshwari

Partner

Place: New Delhi

Date: 30 May, 2025

Membership No: 504704

UDIN: 25504704BMIBGR1063

Annexure 'I' to the Independent Auditors' Report

(Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company does not have intangible assets during the financial year ended 31st March, 2025, therefore the question of our commenting on whether the Company has proper record on intangible assets does not arise.
- (b) The Property, Plant and Equipment have been physically verified by the management during the year as per the regular programme of verification which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties, and accordingly, reporting under clause 3(i)(c) of the Order is not applicable.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year.
- (e) There are no proceedings that have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) As per the information and explanation provided to us and to the best of our knowledge and documents available with us, the Company has done physical verification of inventory items at reasonable intervals further as per our verification no material discrepancies (i.e over and above 10%) were required to be reported during the financial year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current asset, and accordingly clause 3(ii)(b) of the order is not applicable.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act for the Financial Year 2024-25, and accordingly clause 3(iii) (a), (b), (c), (d), (e) and (f) of the order are not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any loans, investments, guarantees and security which are covered under the provisions of section 185 and 186 of the Act, accordingly, reporting under paragraph 3(iv) of the Order is not applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- (vi) The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3(vi) of the Order are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31 March, 2025 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues of Income Tax, Goods and Services Tax and Cess which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) (a) According to the information and explanations given to us, no income has been surrendered or disclosed, which is not recorded in the books of accounts, during the year found in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

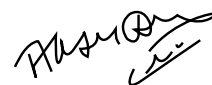
- (ix) (a) Based on the information and explanations given to us, we are of the opinion that the Company has not availed any loan from the financial institutions, banks or debenture holders. Also, the Company did not have any outstanding loans and borrowings from government during the year. Accordingly, the provision stated in clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and on the basis of our audit procedures, the Company does not have any outstanding term loan at any point of time during the year, hence clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates hence clause 3(ix)(e) is not applicable to the Company.
- (f) According to the information and explanations given to us and procedures performed by us, the Company does not raised loans during the year on the pledge of securities held in its associate, hence clause 3(ix)(f) is not applicable to the Company.
- (x) (a) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.
- (b) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not allotted Preferential shares (Section 62) or raised money by way of Private placement (Section 42) or convertible debentures (fully, partially or optionally convertible), during the year.
- (xi) (a) During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has not received whistle-blower complaints during the year, hence whether the auditors have considered the complaints does not arise.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- (xiv) (a) In our opinion and best of knowledge and believe the Company has an internal audit system commensurate with the size and nature of its business;
- (b) According to the information and reports given to us, we have considered all the internal audit reports covering period up to the end of the financial year under audit prior to finalizing her audit report.

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company has not conducted non-banking financial or Housing finance activities during the year.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence whether the Company has fulfilled the criteria of CIC does not arise.
- (d) Based on the information and explanations provided by management of the Company, the group has no CICs as part of Group.
- (xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has not been any resignation of the statutory auditors during the year, hence para 3 clause (xviii) is not applicable.
- (xix) According to the information and explanations given to us and based on our examination of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) Clause (xx) of this report is not applicable, since section 135 of the said Act is not applicable.
- (xxi) The Company does not have any associate companies, joint venture or subsidiaries at the reporting date, therefore clause (xxi) of this report is not applicable.

For B R Maheswari & Co LLP

Chartered Accountants

Firm's Registration No. 001035N/N500050



Akshay Maheshwari

Partner

Membership No. 504704

UDIN: 25504704BMIBGR1063

Place: New Delhi

Date: 30 May, 2025

Annexure 'II' to the Independent Auditors' Report

(Referred to in Paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date)

Report on the Internal Financial Controls under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Raunaq International Limited ("the Company") as of 31 March, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to the Financial statements

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

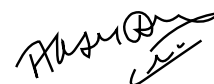
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2025 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

For B R Maheswari & Co LLP

Chartered Accountants

Firm's Registration No. 001035N/N500050



Akshay Maheshwari

Partner

Place: New Delhi

Date: 30 May, 2025

Membership No.504704

UDIN: 25504704BMIBGR1063

BALANCE SHEET

AS AT 31 MARCH, 2025

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 March, 2025	As at 31 March, 2024
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	20.04	25.90
Financial Assets			
a. Investments	4	170.12	262.45
b. Trade Receivables	5	176.07	82.68
c. Other Financial Assets	6	1.03	1.03
Deferred tax assets (Net)	7	37.51	15.40
Total Non-Current Assets		404.77	387.46
Current Assets			
Inventories	8	143.34	-
Financial Assets			
a. Trade Receivables	9	875.19	196.89
b. Cash and Cash Equivalents	10	190.43	49.50
c. Bank Balances other than (b) above	11	178.98	257.23
d. Loans and Advances	12	7.36	0.02
e. Other Financial Assets	13	8.87	8.57
Current Tax Assets	14	20.25	3.09
Other Current Assets	15	282.91	168.28
Total Current Assets		1,707.33	683.58
Total Assets		2,112.10	1,071.04
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	334.32	334.32
Other Equity	17	439.46	318.04
Total Equity		773.78	652.36
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
a. Borrowings	18	170.00	-
Provisions	19	5.22	2.89
Total Non-Current Liabilities		175.22	2.89
Current Liabilities			
Financial Liabilities			
a. Trade Payables	20	-	-
Total Outstanding Dues of Micro Enterprises and Small Enterprises		-	-
Total Outstanding Dues of creditors other than Micro Enterprises and Small Enterprises		876.72	266.69
b. Other Financial Liabilities	21	50.35	59.88
Other Current Liabilities	22	154.37	14.28
Provisions	23	81.66	74.94
Total Current Liabilities		1,163.10	415.79
Total Liabilities		1,338.32	418.68
Total Equity and Liabilities		2,112.10	1,071.04
Material accounting policies and notes to Financial Statements	1-47		

This is the Balance Sheet referred to in our report of even date.

For and on behalf of the Board of Directors

For B R Maheswari & Co LLP

Chartered Accountants
Firm's Registration No.
001035N/N500050

Surinder Paul Kanwar

Chairman and Managing Director
(DIN: 00033524)

Dr. Sanjeev Kumar (DIN: 00364416)

Rajiv Chandra Rastogi (DIN: 00035460)

Naresh Kumar Verma (DIN: 07087356)

Preeti Goel (DIN: 09561869)

Directors

Akshay Maheshwari

Partner

Membership No. 504704

Dated: 30 May, 2025

Neha Patwal

Chief Financial Officer and Company Secretary
(PAN: ESRPP5275F)

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH, 2025

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024
Revenue from operations	24	2,142.55	374.21
Other income	25	63.88	90.90
Total revenue/income		2,206.43	465.11
EXPENSES			
a. Cost of material consumed	26	1,511.65	389.00
b. Changes in inventory of Contract Work-in-Progress	27	(39.46)	-
c. Employee benefits expenses	28	104.91	56.98
d. Finance cost	29	14.15	7.48
e. Depreciation and amortization expenses	30	3.56	13.52
f. Other expenses	31	511.79	120.86
Total expenses		2,106.60	587.84
Profit/(Loss) before tax		99.83	(122.73)
Income tax expenses			
a. Current tax		-	-
b. Tax expense related to prior period		-	-
Net current tax	33	-	-
Deferred tax - charge/(credit)	33	(22.11)	(15.84)
Total tax expense		(22.11)	(15.84)
Profit/(Loss) for the year		121.94	(106.89)
Other Comprehensive Income			
Items that will not be reclassified to Profit and Loss			
Re-measurement gains/(Losses) on defined benefit plan		(0.52)	2.61
Income tax effect		-	-
Other comprehensive income for the Year (net of tax)		(0.52)	2.61
Total comprehensive income for the year		121.42	(104.28)
Earnings per equity share of [face value per share ₹ 10/- (31 March, 2024 : ₹ 10/-)]			
Basic earning per share	32	3.65	(3.20)
Diluted earning per share	32	3.65	(3.20)
Material accounting policies and notes to Financial Statements	1-47		

This is the Statement of Profit and Loss referred to in our report of even date.

For and on behalf of the Board of Directors

For B R Maheswari & Co LLPChartered Accountants
Firm's Registration No.
001035N/N500050**Surinder Paul Kanwar**Chairman and Managing Director
(DIN: 00033524)**Dr. Sanjeev Kumar** (DIN: 00364416)**Rajiv Chandra Rastogi** (DIN: 00035460)**Naresh Kumar Verma** (DIN: 07087356)**Preeti Goel** (DIN: 09561869)

Directors

Akshay Maheshwari

Partner

Membership No. 504704

Neha PatwalChief Financial Officer and Company Secretary
(PAN: ESRPP5275F)

Dated: 30 May, 2025

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31 MARCH, 2025

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/(Loss) before tax	99.83	(122.73)
Adjustments for:		
Net (gain)/Loss on fair value of financial assets through Statement of Profit & Loss	92.33	4.54
Expected credit loss	(3.95)	(0.72)
Depreciation and amortization	3.56	13.52
Loss on sale of fixed Assets	4.14	15.45
Loss on disposal of assets	2.73	-
Interest and other charges	6.78	7.48
Interest Income	(8.87)	(20.29)
Operating profit before working capital changes	196.55	(102.75)
Changes in working Capital		
Adjustments for (increase)/decrease in operating assets:		
Trade receivables	(674.35)	19.08
Inventories	(143.33)	35.48
Short term loans & advances	0.02	1.12
Non-current trade receivables	(93.38)	24.43
Other current financial assets	(0.31)	(3.11)
Other current assets	(153.90)	6.75
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	610.03	(39.05)
Provisions	30.64	(16.71)
Other current liabilities	130.55	(14.40)
Cash generated from operations	(97.48)	(89.15)
Income tax paid (net)	-	-
Net Cash from/(used) in operating activities	(97.48)	(89.15)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment's and intangible assets (including capital work-in-progress, capital advances)	5.60	(6.31)
Proceeds from sale of property, plant and equipment/Investments	(10.17)	37.49
Interest received	8.87	20.29
Redemption/(Investment) in deposits	78.25	60.64
Net Cash from/(used) in investment activities	82.55	112.11
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Received/(Repayment) of long term borrowings	170.00	(25.00)
Interest and other charges paid	(14.14)	(7.48)
Net Cash from/(used) in financing activities	155.86	(32.48)
Net increase/(decrease) in Cash and cash equivalents	140.93	(9.53)
Opening balance of Cash and cash equivalents	49.50	59.04
Closing balance of Cash and cash equivalents	190.43	49.50

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31 MARCH, 2025..... CONTD.

Reconciliation of cash and cash equivalents as per the cash flow statements

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
(a) Cash and cash equivalents as per above comprise of the following:		
Cash on hand	3.32	0.17
Balance with scheduled banks:		
in current accounts	187.11	49.33
Cash and cash equivalents at the end of the year	190.43	49.50

(b) The above Cash Flow statement is prepared as per "Indirect method" specified in Ind AS 7 "Statement of Cash Flows".

This is the Statement of Cash Flow referred to in our report of even date.

For and on behalf of the Board of Directors

For B R Maheswari & Co LLP

Chartered Accountants
Firm's Registration No.
001035N/N500050

Surinder Paul Kanwar

Chairman and Managing Director
(DIN: 00033524)

Dr. Sanjeev Kumar (DIN: 00364416)

Rajiv Chandra Rastogi (DIN: 00035460)

Naresh Kumar Verma (DIN: 07087356)

Preeti Goel (DIN: 09561869)

Directors

Akshay Maheshwari

Partner

Membership No. 504704

Neha Patwal

Chief Financial Officer and Company Secretary
(PAN: ESRPP5275F)

Dated: 30 May, 2025

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	Amount
As at 31 March, 2024	16	334.32
Change in equity share capital		-
As at 31 March, 2025	16	334.32

B. Other Equity

Particulars	Reserves and Surplus					Total Other Equity
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Other Comprehensive Income	
Balance at 01 April, 2023	0.68	162.43	1,525.27	(1,323.12)	57.06	422.32
Profit/(Loss) for the year	-	-	-	(106.89)	-	(106.89)
Re-measurement gains/(losses) on defined benefit plan	-	-	-	-	2.61	2.61
Total comprehensive income for the year	0.68	162.43	1,525.27	(1,430.01)	59.67	318.04
Transactions with owners in their capacity as owners:						
Remeasurement of defined benefit plans (net of tax)	-	-	-	-	-	-
Balance at 31 March, 2024	0.68	162.43	1,525.27	(1,430.01)	59.67	318.04
Balance at 01 April, 2024	0.68	162.43	1,525.27	(1,430.01)	59.67	318.04
Profit/(Loss) for the year	-	-	-	121.94	-	121.94
Re-measurement gains/(losses) on defined benefit plan	-	-	-	-	(0.52)	(0.52)
Total comprehensive income for the year	0.68	162.43	1,525.27	(1,308.07)	59.15	439.46
Transactions with owners in their capacity as owners:						
Remeasurement of defined benefit plans (net of tax)	-	-	-	-	-	-
Balance at 31 March, 2025	0.68	162.43	1,525.27	(1,308.07)	59.15	439.46

This is the Statement of Changes in Equity referred to in our report of even date.

For and on behalf of the Board of Directors

For B R Maheswari & Co LLP

Chartered Accountants
Firm's Registration No.
001035N/N500050

Surinder Paul Kanwar
Chairman and Managing Director
(DIN: 00033524)

Dr. Sanjeev Kumar (DIN: 00364416)
Rajiv Chandra Rastogi (DIN: 00035460)
Naresh Kumar Verma (DIN: 07087356)
Preeti Goel (DIN: 09561869)
Directors

Akshay Maheshwari
Partner
Membership No. 504704

Neha Patwal
Chief Financial Officer and Company Secretary
(PAN: ESRPP5275F)

Dated: 30 May, 2025

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note	Particulars
1. COMPANY OVERVIEW	Raunaq International Limited (Formerly Known as Raunaq EPC International Limited) ('the Company') is engaged in Engineering Contracting Business, established in 1965 and primarily in the service of core infrastructural and industrial sectors in India, namely Power, Chemical, Hydro-carbon, Metal and Automobile sectors. The Company is a Limited Company and has its Registered Office in Haryana, India. Its shares are listed on the BSE Limited. The Company has sufficient in-house resources in terms of Engineering Manpower, Tools & Plants, and Technical know-how. The Company is also involved in trading activities of alloy steel used in auto components sector. These financial statements are approved and adopted by the Board of Directors of the Company in their meeting held on 30 May, 2025.
2. MATERIAL ACCOUNTING POLICIES	This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.
2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS	a. STATEMENT OF COMPLIANCE The financial statements of the Company have been prepared in compliance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act. b. These financial statements have been prepared on a historical cost basis except for the following:- • Certain Financial Assets and liabilities measured at fair value. • Defined benefit plans - Plan assets measured at fair value.
2.2 FUNCTIONAL AND PRESENTATION CURRENCY	These financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency and all amount are rounded to the nearest lakhs and two decimals thereof, except as stated otherwise.
2.3 USE OF ESTIMATES	The preparation of financial statements in accordance with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported accounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are known or materialized.
2.4 REVENUE RECOGNITION	The Company recognises revenue in accordance with Ind AS 115, Revenue from Contracts with Customers, which outlines a five-step model for recognising revenue arising from contracts with customers. Revenue is recognised upon the transfer of control of goods or services to customers in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. a. REVENUE FROM SALE OF ALLOY STEEL FOR AUTO COMPONENTS Revenue from trading activities involving alloy steel for auto components is recognised at a point in time when control of the goods is transferred to the customer. This typically occurs upon delivery or as specified in the terms of the contract. Revenue is measured net of returns, trade discounts, and indirect taxes (such as Goods and Services Tax) collected on behalf of third parties. b. REVENUE FROM SERVICES RENDERED UNDER FIXED-PRICE CONTRACTS Revenue from service contracts with fixed consideration is recognised over time, as the performance obligations are satisfied. The Company applies the output method, recognising revenue based on the value of actual services performed and approved by the customer up to the end of the reporting period, relative to the total services promised under the contract. Where it is no longer probable that the outcome of a contract can be reliably estimated, revenue is recognised only to the extent of costs incurred that are likely to be recoverable.

Note	Particulars
c. OTHER ITEMS OF REVENUE	
	Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate method.
	Dividend income is recognised when the Company's right to receive the payment is established.
	Other items like extra items claim, insurance claims, any receipts on account of pending income tax, sales tax, GST and excise duty assessments, where quantum of accruals cannot be ascertained with reasonable certainty, are recognized as income only when revenue is virtually certain which generally coincides with receipts.

2.5 PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment assets are carried at cost net of tax/duty credit availed less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

The items of property, plant and equipment which are not yet ready for use are disclosed as Capital work-in-progress and are carried at historical cost.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its recoverable amount.

Property, Plant and Equipment are eliminated from the financial statements, either on disposal or when retired from active use.

Gains and losses on disposal or retirement of assets are determined by comparing proceeds with carrying amount. These are recognised in the Statement of Profit and Loss.

Depreciation is calculated using the straight line method to allocate their cost, net of their residual values on the basis of useful life prescribed in Schedule II to the Act, which are also supported.

The residual values are not more than 5% of the original cost of the asset.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at end of each financial year and any changes there-in are considered as change in estimate and accounted prospectively.

2.6 INTANGIBLE ASSETS (OTHER THAN GOODWILL)

Intangible assets are stated at cost less accumulated amortization and impairment loss, if any. Computer Software for internal use which is primarily acquired is capitalized. Subsequently costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes licenses fees, cost of implementation, system integration services etc. where applicable.

The Company amortises intangible assets (Computer Software) with a finite useful life using the straight line method over a period of (3/5 years).

2.7 IMPAIRMENT OF ASSETS

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing of an asset is required, the Company estimates the asset recoverable amount. An asset's recoverable amount is the higher of an asset or Cash-generating unit (CGU) fair value less cost of disposal and its fair value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or group of asset. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining the fair value less cost of disposal, recent market transactions are taken in account. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses are recognised in statement of profit and loss.

Note	Particulars
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2.8 INVENTORIES

Raw material, stores, work-in-progress and traded goods are stated at the lower of cost and net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost. Cost of inventories comprises all cost of purchase and other cost incurred in bringing them to their present location and condition. The cost, in general, is determined under First In First Out (FIFO) Method.

Contract cost incurred related to future activity of the contract are recognised as an asset provided it is probable that they will be recovered during the contract price. Such cost represent the amount due from customer and are often classified as contract work-in-progress.

2.9 FOREIGN CURRENCY TRANSACTIONS

Transaction in foreign currencies are initially recorded by the Company at rates prevailing on the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference is recognised in Profit and Loss. Difference arising on settlement of monetary items is also recognised in profit or loss.

Non-monetary items that are carried in terms of historical cost in a foreign currency are translated using the exchange rate at the dates of the transaction.

2.10 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.11 BORROWING COSTS

Borrowing costs specifically relating to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use is capitalized as part of the cost of the asset. All other borrowing costs are charged to revenue in the period in which it is incurred. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Finance costs will normally include:

- i) interest expense calculated using the effective interest rate method as described in Ind AS 109,
- ii) the unwinding of the effect of discounting provisions.

2.12 PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability is not considered. However, a disclosure for contingent liabilities is made when there is a possible obligation arising from past event, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

2.13 DIVIDEND

Dividend on equity shares is recorded as a liability on the date of approval by the shareholders and interim dividend is recorded as a liability on the date of declaration by the Company's Board of Directors.

2.14 CASH AND CASH EQUIVALENTS

For the purpose of the Statement of cash flows, cash and cash equivalents consists of cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investment with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

Note	Particulars
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2.15 EMPLOYEE BENEFITS

- Short term employee benefits are recognised as an expense in the statement of profit and loss of the year in which the related services are rendered.
- Compensated absence is accounted for using the project unit credit method, on the basis of actuarial valuation carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.
- Contribution payable by the Company to the concerned government authorities in respect of provident fund, family pension fund and employee state insurance are defined contribution plans. The contributions are recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. The Company does not have any further obligation in this respect, beyond such contribution.
- Certain employees are participated in a defined contribution plan of superannuation. The Company has no further obligation to plan beyond its monthly contribution which is periodically contributed to a trust fund, the corpus of which is invested with the Life Insurance Corporation of India.
- The cost of providing gratuity, a defined benefit plan is determined using the Projected Unit Credit Method, on the basis of actuarial valuation carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in Statement of profit and loss.

The Company operates a defined benefit plan for gratuity, which requires contributions to be made to a separately administered fund. The fund is managed by trust, the corpus of which is invested with the Life Insurance Corporation of India.

2.16 INCOME TAX

Income tax expenses comprises current and deferred income tax. Income tax expenses are recognised in the Statement of Profit and Loss except that it relates to items recognised directly in equity, in those case it is recognised in 'Other Comprehensive Income'. Current Income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised to the extent that it is probable that future profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiary where it is expected that earnings of the subsidiary will not be distributed in foreseeable future. The Company off sets current tax assets and Current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the assets and settle the liability simultaneously. The income tax provision of the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year.

2.17 FINANCIAL INSTRUMENTS

A financial instrument is any contract that give rise to a financial asset of one entity and financial liability or equity instrument of another entity.

a. Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial assets.

Subsequent measurement

Financial assets are subsequently measured at amortized cost or fair value through profit or loss depending on its business model for managing those financial assets and the asset's contractual cash flow characteristics.

Derecognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Note	Particulars
	<u>Impairment of Financial Assets</u> The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets. If credit risk has not increased significantly 12 months ECL is used to provide the impairment loss. If credit risk has increased significantly lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original EIR (Effective Interest Rate Method). ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit & loss. b. Financial Liabilities <u>Initial recognition and measurement</u> Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings or payable. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. <u>Subsequent measurement</u> The measurement of financial liabilities depends on their classification described below: Financial liabilities at fair value through profit and loss Financial liabilities at fair value through profit or loss includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships. All changes in the fair value of such liability are recognised in the statement of profit and loss. Loans and borrowings After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized costs using EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Derecognition A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

2.18 SEGMENT REPORTING

Operating systems are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Managing Director of the Company has been identified as CODM and he is responsible for allocating the resources, assess the financial performance and position of the Company and make strategic decisions. Refer note 35 for segment information presented.

2.19 CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions which affect the reported amount of assets and liabilities as at the balance sheet date, reported amount of revenues and expenses for the year and disclosure of contingent assets and liabilities as at the balance sheet date.

The areas involving critical estimates or judgements are:

i Critical estimates

- Measurement of defined benefit obligations - Note 42
- Estimated useful life of property, plant & equipment and intangible assets - Note 2.5 and 2.6
- Estimated fair value of financial instruments - Note 44
- Recognition of revenue - Note 2.4
- Provision for expected credit losses - Note 39

ii Significant Judgements

- Designating financial asset/liability through fair value through profit or loss so as to reduce/eliminate accounting mismatch.
- Probability of an outflow of resources to settle an obligation resulting in recognition of provision.

The estimates, judgements and assumptions used in the financial statements are based upon Management's evaluation of relevant facts and circumstances and as at the date of financial statements. Accounting estimates could differ from period to period and accordingly appropriate changes in estimates are made as the management becomes aware of the changes. Actual results could differ from the estimates.

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 3 : Property, Plant & Equipment

Particulars	Plant and Machinery	Electricals Fittings	Vehicles	Computers	Total
As at 31 March, 2024					
Gross carrying amount					
Opening gross carrying amount	95.90	0.19	4.32	3.86	104.27
Addition	3.22	-	-	3.09	6.31
Disposals/transfers	62.47	0.01	0.42	0.71	63.61
Closing gross carrying amount	36.65	0.18	3.90	6.24	46.97
Accumulated depreciation					
Opening accumulated depreciation	9.06	0.01	4.19	1.51	14.77
Depreciation charged during the year	13.15	-	-	0.37	13.52
Disposals/transfers	6.15	-	0.40	0.67	7.22
Closing accumulated depreciation	16.06	0.01	3.79	1.21	21.07
Net carrying amount	20.59	0.17	0.11	5.03	25.90
As at 31 March, 2025					
Gross carrying amount					
Opening gross carrying amount	36.65	0.18	3.90	6.24	46.97
Addition	3.15	0.44	-	2.01	5.60
Disposals/transfers	19.16	0.18	-	3.23	22.57
Closing gross carrying amount	20.64	0.44	3.90	5.02	30.00
Accumulated depreciation					
Opening accumulated depreciation	16.06	0.01	3.79	1.21	21.07
Depreciation charged during the year	2.26	0.03	-	1.28	3.56
Disposals/transfers	13.59	0.01	-	1.07	14.67
Closing accumulated depreciation	4.73	0.03	3.79	1.42	9.96
Net carrying amount	15.92	0.41	0.11	3.60	20.04

Note 4 : Non-current Investments

Particulars	As at 31 March, 2025	As at 31 March, 2024
Investment in equity instruments		
Quoted		
At fair value through profit and loss (FVTPL) 2,59,206 (31 March, 2024: 2,59,206) Equity shares of ₹ 10/- each fully paid up in Bharat Gears Limited	170.12	262.45
Total	170.12	262.45

Note 5 : Non-current Trade Receivables

Particulars	As at 31 March, 2025	As at 31 March, 2024
Trade receivables including retention money	176.07	82.68
Trade receivables which have significant increase in credit risk	-	115.84
Trade receivables - credit impaired	-	-
Allowance for expected credit loss	-	(115.84)
Total	176.07	82.68

(All amounts in ₹ Lakhs, unless otherwise stated)

Trade Receivables as on 31 March 2025

Particulars	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
i. Trade receivables - considered good	176.07	-	-	-	-	176.07
ii. Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
iii. Disputed Trade receivables – considered good	-	-	-	-	-	-
iv. Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-

Trade Receivables as on 31 March 2024

Particulars	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
i. Undisputed Trade receivable – considered good	82.68	-	-	-	-	82.68
ii. Undisputed Trade receivables – which have significant increase in credit risk	115.84	-	-	-	-	115.84
iii. Disputed Trade receivables – considered good	-	-	-	-	-	-
iv. Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-

Note 6 : Other Non-current Financial Assets

Particulars	As at 31 March, 2025	As at 31 March, 2024
Security deposit		
Unsecured, considered good	1.03	1.03
Total	1.03	1.03

Note 7 : Deferred Tax Assets (Net)

Particulars	As at 31 March, 2025	(Charged)/ credit during the year	As at 31 March, 2024
Deferred tax assets/(liabilities) on account of:			
a) Difference between book and tax depreciation	8.05	(6.17)	14.22
b) Loss on Fair valuation of shares of Bharat Gears Limited	24.01	22.83	1.18
c) Provision for Gratuity	2.38	2.38	-
d) Provision for leave encashment	3.07	3.07	-
Total	37.51	22.11	15.40

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 8 : Inventories

Particulars	As at 31 March, 2025	As at 31 March, 2024
Inventory (Cost or NRV whichever is lower)		
(i) Stock-in-hand	103.88	-
(ii) Contract Work in Progress	39.46	-
Total	143.34	-

Note 9 : Current Trade Receivables

Particulars	As at 31 March, 2025	As at 31 March, 2024
Unsecured considered good, unless otherwise stated		
Trade receivables	875.19	196.89
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	875.19	196.89

Trade Receivables as on 31 March, 2025

Particulars	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
i. Undisputed Trade receivables – considered good	826.49	48.46	0.24	-	-	875.19
ii. Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
iii. Disputed Trade receivables – considered good	-	-	-	-	-	-
iv. Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-

Trade Receivables as on 31 March, 2024

Particulars	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
i. Undisputed Trade receivables – considered good	152.42	2.03	-	4.39	38.05	196.89
ii. Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
iii. Disputed Trade receivables – considered good	-	-	-	-	-	-
iv. Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-

Note 10 : Cash and Cash Equivalents

Particulars	As at 31 March, 2025	As at 31 March, 2024
Balance with banks		
In current account	187.11	49.33
Cash on hand	3.32	0.17
Total	190.43	49.50

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 11 : Bank Balances other than Cash and Cash Equivalents

Particulars	As at 31 March, 2025	As at 31 March, 2024
Fixed deposits with various authorities		
Margin money against bank guarantees	178.98	257.23
Total	178.98	257.23

Note 12 : Current Loans and Advances

Particulars	As at 31 March, 2025	As at 31 March, 2024
Unsecured, considered good		
Advances to employees	7.36	0.02
Total	7.36	0.02

Note 13 : Other Current Financial Assets

Particulars	As at 31 March, 2025	As at 31 March, 2024
Accrued interest on deposits with banks and others	-	3.82
Security deposits	8.87	4.75
Total	8.87	8.57

Note 14 : Current Tax Assets

Particulars	As at 31 March, 2025	As at 31 March, 2024
Current tax assets (net of provision)	20.25	3.09
Total	20.25	3.09

Note 15 : Other Current Assets

Particulars	As at 31 March, 2025	As at 31 March, 2024
Unsecured considered good		
Prepaid expenses	2.15	1.67
Advances recoverable in cash or in kind or for value to be received	69.21	64.49
Balance with Government authorities	211.55	102.12
Total	282.91	168.28

Note 16 : Equity Share Capital

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Authorized:				
Equity shares of ₹ 10 each (31 March, 2024: ₹ 10 each)	3,50,00,000	3,500.00	3,50,00,000	3,500.00
Issued, Subscribed and Paid-up:				
Equity shares of ₹ 10 each (31 March, 2024: ₹ 10 each)	33,43,243	334.32	33,43,243	334.32
Total		334.32		334.32

(All amounts in ₹ Lakhs, unless otherwise stated)

The Company has one class of equity share having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	No. of Shares	%	No. of Shares	%
Mr. Surinder Paul Kanwar	14,66,695	43.87	14,66,695	43.87
Strategic Capital Partners Private Limited	2,45,316	7.34	2,45,316	7.34
Soham Ashok Kumar Shah	2,00,972	6.01	2,00,972	6.01

Promoter's Shareholdings

Promoter Name	As at 31 March, 2025			As at 31 March, 2024		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Mr. Surinder Paul Kanwar	14,66,695	43.87	-	14,66,695	43.87	-
Late Dr. Raunaq Singh*	-	-	(0.60)	19,935	0.60	-
Gulab Merchandise Private Limited	1,44,825	4.33	-	1,44,825	4.33	-
Vibrant Reality Infra Private Limited	1,16,500	3.48	-	1,16,500	3.48	-

* The name of Late Dr. Raunaq Singh has been shifted to public category from promoter category on 14 February, 2025 in terms of the provisions of Regulation 31A(6)(c) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 due to his demise on 30 September, 2002.

Reconciliation of No. of Shares Outstanding and the amount of the share capital at the beginning and end of the year

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
At the beginning of the year	33,43,243	334.32	33,43,243	334.32
Add: Shares allotted during the year	-	-	-	-
Outstanding at the end of the year	33,43,243	334.32	33,43,243	334.32

Note 17 : Other Equity

Particulars	Refer following items	As at 31 March, 2025	As at 31 March, 2024
Capital reserve	17(a)	0.68	0.68
Securities premium reserve	17(b)	162.43	162.43
General reserve	17(c)	1,525.27	1,525.27
Retained earnings	17(d)	(1,248.92)	(1,370.34)
Total		439.46	318.04

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
a. Capital reserve-balance at the beginning and end of the year	0.68	0.68
b. Securities premium reserve-balance at the beginning and end of the year	162.43	162.43
c. General Reserve		
Balance at the beginning of the year	1,525.27	1,525.27
Add: Transferred from retained earnings	-	-
Balance at the end of the year	1,525.27	1,525.27
d. Retained earnings		
Balance at the beginning of the year	(1,370.34)	(1,266.06)
Profit for the year	121.94	(106.89)
Remeasurement of defined benefit plans (net of tax)	(0.52)	2.61
Balance at the end of the year	(1,248.92)	(1,370.34)
Total	439.46	318.04

Nature and purpose of reserves

Capital Reserve: Represents the reserves created as a result of forfeiture of shares of the Company. Capital reserve will be utilized for issue of fully paid bonus shares.

Retained Earnings: Represents the accumulated profit/(loss), inclusive other comprehensive income, which the Company has earned.

Securities Premium Reserve: The amount received from share holders in excess of face value of the equity shares is recognised in Securities Premium Reserve and will be utilized as per provisions of the Companies Act, 2013.

General Reserve: The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013. General Reserve will be utilized as per the provisions of the Companies Act, 2013. The same is a free reserve and available for distribution.

Note 18 : Non-current Borrowings

Particulars	As at 31 March, 2025	As at 31 March, 2024
Unsecured borrowings		
Loan from related party		
a) Inter corporate Loan	75.00	-
b) Director's Loan	95.00	-
Total	170.00	-

Note:- Unsecured Loan of ₹ 75 lakhs from Vibrant Reality Infra Private Limited (VRIPL) at an interest rate @ 11% p.a. and ₹ 95 lakhs from Mr. Naresh Kumar Verma, Non-Executive Director at an interest rate @ 11% p.a.

Note 19 : Non-current Provisions

Particulars	As at 31 March, 2025	As at 31 March, 2024
Provision for employee benefits		
Provision for compensated absences	5.19	2.39
Provision for Gratuity	0.03	0.50
Total	5.22	2.89

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 20 : Trade Payables

Particulars	As at 31 March, 2025	As at 31 March, 2024
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of Creditors other than micro enterprises and small enterprises	876.72	266.69
Total	876.72	266.69

Trade Payables as at 31 March, 2025

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i. MSME	-	-	-	-	-
ii. Others	797.84	15.83	8.91	54.14	876.72
iii. Disputed dues – MSME	-	-	-	-	-
iv. Disputed dues – Others	-	-	-	-	-

Trade Payables as at 31 March, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i. MSME	-	-	-	-	-
ii. Others	179.13	3.50	8.81	75.25	266.69
iii. Disputed dues – MSME	-	-	-	-	-
iv. Disputed dues – Others	-	-	-	-	-

As at 31 March, 2025 there were Nil (as at 31 March, 2024: Nil) amounts outstanding to be paid to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). No interest is paid/payable during the year to any micro or small enterprise registered under the MSMED. No amount of interest accrued and remaining unpaid at the end of the year and no amount of further interest remaining due and payable in succeeding years. The above information takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose.

Note 21 : Other Current Financial Liabilities

Particulars	As at 31 March, 2025	As at 31 March, 2024
Employee dues	15.97	11.67
Creditors for expenses	21.47	33.99
Interest payable	12.91	14.22
Total	50.35	59.88

(All amounts in ₹ Lakhs, unless otherwise stated)

Creditors for Expenses as at 31 March, 2025

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i. MSME	-	-	-	-	-
ii. Others	1.25	-	5.90	14.32	21.47
iii. Disputed dues – MSME	-	-	-	-	-
iv. Disputed dues – Others	-	-	-	-	-

Creditors for Expenses as at 31 March, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i. MSME	-	-	-	-	-
ii. Others	2.72	15.29	0.82	15.16	33.99
iii. Disputed dues – MSME	-	-	-	-	-
iv. Disputed dues – Others	-	-	-	-	-

Note 22 : Other Current Liabilities

Particulars	As at 31 March, 2025	As at 31 March, 2024
Statutory dues	152.33	12.38
Contractually reimbursable expenses	1.80	1.66
Advance from customers	0.24	0.24
Total	154.37	14.28

Note 23 : Current Provisions

Particulars	As at 31 March, 2025	As at 31 March, 2024
Provision for employee benefits		
Provision for compensated absences	6.63	5.04
Provision for gratuity	9.13	6.33
Provision-others		
Provision for other outstanding liabilities	65.90	63.57
Total	81.66	74.94

Note 24 : Revenue from Operations

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024
(A) Engineering Contracting Business (EPC)		
(i) Sales of service	909.04	1.88
(ii) Supply service	333.59	-
(B) Trading Business	899.92	372.33
Total	2,142.55	374.21

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 25 : Other Income

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Interest income	8.87	20.29
Unclaimed balances written back	41.24	4.83
Allowance for expected credit loss	3.95	0.72
Other non-operating income	9.82	65.06
Total	63.88	90.90

Note 26 : Cost of Materials Consumed

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024
Opening stock	-	0.86
Add: Purchases during the year	1,192.55	365.89
Less: Closing stock	103.88	-
Net material consumed	1,088.67	366.75
Add: Erection Expenses	422.98	22.25
Total	1,511.65	389.00

Note 27 : Changes in Inventory of Contract Work-in-Progress

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Inventories (at the end of the year)		
- Work-in-progress	(39.46)	-
Inventories (at the beginning of the year)		
- Work-in-progress	-	-
Total	(39.46)	-

Note 28 : Employee Benefits Expenses

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
a. Salaries and wages	92.10	46.69
b. Contributions to provident and other fund	4.31	2.66
c. Gratuity fund contribution - (Refer note 42)	1.81	5.63
d. Staff welfare expenses	6.69	2.00
Total	104.91	56.98

Note 29 : Finance Cost

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
a. Interest expenses on:		
Borrowings	5.34	-
b. Other borrowing costs (Bank and other financial charges)	8.81	7.48
Total	14.15	7.48

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 30 : Depreciation and Amortization Expenses

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Depreciation of property, plant & equipment assets	3.56	13.52
Total	3.56	13.52

Note 31 : Other Expenses

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Consumption of stores and spare parts	78.45	1.17
Power and fuel	0.20	0.02
Hire charges	211.38	-
Travelling & conveyance	33.46	16.22
Rent	6.41	2.63
Repairs and maintenance - machinery	0.43	0.09
Insurance	0.71	0.20
Rates and taxes	1.83	22.83
Freight and forwarding	21.89	3.28
Payments to auditors (Refer Note (i) below)	4.01	4.29
Loss on fixed assets sold	4.14	15.45
Loss on disposal of fixed assets	2.73	-
Legal & professional charges	37.80	26.23
Loss on fair value of financial assets through statement of profit & loss (FVTPL)	92.33	4.54
Marketing Expenses	0.91	10.13
Miscellaneous expenses (refer working note-1)	15.11	13.78
Total	511.79	120.86

Auditor's Remuneration paid/payable for the year

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Statutory audit fee	2.50	2.50
Limited review and other certifications	1.51	1.79
Total	4.01	4.29

Working Note-1

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Postage, Telegram, Telephone & Telex	0.87	0.65
Printing & Stationery	2.04	0.67
Miscellaneous Expenses	2.46	3.89
Security expenses	1.51	1.07
Repairs & Maintenance - Others	3.43	1.97
Advertisement & Publicity, Subscription & Periodicals	3.10	4.23
Director's Sitting Fees	1.70	1.30
Total	15.11	13.78

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 32 : Earnings Per Share

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Weighted average number of equity shares outstanding	33,43,243	33,43,243
Profit after tax available for shareholders	121.94	(106.89)
Basic & diluted earning per share	3.65	(3.20)
Face value per share	10.00	10.00

Note 33 : Tax Reconciliation

Reconciliation of tax expense and accounting profit as per Ind AS 12:

Income Tax Expenses

This note provides an analysis of the Company's income tax expenses that how the tax expenses are affected by non-assessable and not-deductible items:

Particulars	2024-25	2023-24
Income Tax Expenses		
Current tax for the year	-	-
Adjustment for current tax of prior period	-	-
Total current tax expenses	-	-
Deferred tax		
Increase/(Decrease) in deferred tax assets	22.11	-
(Increase)/Decrease in deferred tax liabilities	-	15.84
Total deferred tax income/(expenses)	22.11	15.84
Income tax expenses	(22.11)	(15.84)

Reconciliation of tax expenses and accounting profit multiplied by applicable Indian tax rate:

Particulars	2024-25	2023-24
Profit before income taxes	99.83	(122.73)
Enacted tax rate in India (%)	26.00%	26.00%
Computed expected tax expenses	-	-
Tax effect due to non-taxable income for Indian tax purposes	(22.83)	1.18
Tax reversals	-	-
Effect of non-deductible expenses	(5.46)	(1.18)
Others WDV difference	6.18	(15.84)
Income tax expenses	(22.11)	(15.84)

Note 34 : Disclosure required pursuant to Ind AS-36 "Impairment of Assets"

The Company has carried out impairment test on its fixed assets as on the date of Balance Sheet and the Management is of the opinion that there is no asset for which provision for impairment is required to be made as per Ind AS - 36 Impairment of Assets.

Note 35 : Operating Segment Information

Information required to be disclosed under Ind AS 108 - Operating Segments. The following business segments have been identified as primarily reportable segments:

The business of the Company comprise of engineering contracting business and trading of alloy steel auto components. The Company is operating only in India and there is no other significant geographical segment.

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Engineering Contracting Business	Trading of alloy steel for auto components	Total
Operating revenue	1,242.63	899.92	2,142.55
Direct cost	608.10	864.09	1,472.19
Indirect Cost	367.77	-	367.77
Segment results	266.76	35.83	302.59
Unallocable other income	-	-	63.88
Unallocable indirect expenses	-	-	266.64
Profit before tax	-	-	99.83
Less: Tax expense	-	-	(22.11)
Profit after tax			121.93
Segment assets	664.78	545.99	1,210.77
Unallocable assets	-	-	901.33
Total assets	664.78	545.99	2,112.10
Segment liabilities	509.85	366.87	876.72
Unallocable liabilities	-	-	461.60
Total liabilities	509.85	366.87	1,338.32

Note 36 : Contingent Liabilities

a. Contingent liabilities not provided for

Particulars	As at 31 March, 2025	As at 31 March, 2024
Contingent liabilities		
a. Guarantees/letter of credit given by the banks which are counter guaranteed by the Company and secured against fixed and current assets	171.72	209.90
b. Guarantee given to bank on behalf of other Company	-	-
Total	171.72	209.90

Note 37 : The Hon'ble ITAT, New Delhi, vide order dated 18 March, 2025, upheld the CIT(A)'s decision dated 21 March, 2022, confirming disallowance of employee PF contribution under Section 36(1)(va) of the Income Tax Act, amounting to ₹ 46.20 lakhs.

Accordingly, the brought-forward loss has been reduced to ₹ 392.89 lakhs (from ₹ 439.09 lakhs). As there is no additional tax liability arising from this adjustment, no provision for income tax is considered necessary in the books.

Note 38 : Capital Management

The Company's capital management objective is to maximize the total shareholder's return by optimizing cost of capital through flexible capital structure that supports growth. Company ensures optimal credit risk profile to maintain/enhance credit rating.

The Company determines the amount of capital requirement on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long term/short term borrowings. The Company monitors the capital structure on the basis of Net debts to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of Company's capital management, equity includes paid up equity share capital and reserves and surplus and Debt comprises of long term borrowings including current maturities of these borrowings.

The following table summarizes long term debt and equity of the Company:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Equity share capital	334.32	334.32
Other equity	439.46	318.04
Total equity	773.78	652.36
Long term debt	170.00	-
Debt to equity ratio	0.22	-

Note 39 : Financial Risk Management Objectives and Policies

The Company's business activities are exposed to a variety of financial risk viz., market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial risk and to address the issue to minimize the potential adverse effects of its financial performance.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Company's management.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

Interest rate risk

The interest rate is primarily based on the Company's credit rating and also the changes in the financial market. Company's performance influence rating and also factors which influence the determination of the interest rates by the banks to minimize the interest continuously.

Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, loans, investments and other financial assets.

At each reporting date, the Company measures loss allowance for certain class of financial assets based on historical trend, industry practices and the business environment in which the Company operates.

Credit risk with respect to trade receivables is limited, due to the Company's customer profiles are well balanced in Government and Non-Government customers and diversified amongst in various geographies. All trade receivables are reviewed and assessed on a quarterly basis.

Credit risk arising from investments and balances with banks is limited because the counter parties are banks and recognised companies with high credit worthiness.

(i) Provision for expected credit losses:

The Company measures Expected Credit Loss (ECL) for financial instruments based on historical trend, industry practices and the business environment in which the Company operates.

For financial assets, a credit loss is the difference between:

- (a) the contractual cash flows that are due to an entity under the contract; and
- (b) the cash flows that the entity expects to receive.

The Company recognizes in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date in accordance with Ind AS 109.

In determination of the allowances for credit losses on trade receivables, the Company has used a practical expedience by computing the expected credit losses based on ageing matrix, which has taken into account historical credit loss experience and adjusted for forward looking information.

(ii) The movement of Trade Receivables and Expected Credit Loss are as follows:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Trade Receivables (Gross)	1,051.26	395.42
Less: Expected Credit Loss	-	(115.84)
Trade Receivables (Net)	1,051.26	279.57

(All amounts in ₹ Lakhs, unless otherwise stated)

Financial Instruments and Cash Deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Investments of surplus funds are made only with approved counterparties. The maximum exposure to credit risk for the components of the balance sheet is ₹ 1,608.31 lakhs as at 31.03.2025 and ₹ 858.37 lakhs as at 31.03.2024, which is the carrying amount of cash and cash equivalents, other bank balances, investments, trade receivables, loans and other financial assets.

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (i.e. trade receivables, other financial assets) and projected cash flows from operations.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital loans, letter of credit facility, bank loans and credit purchases.

The table below provides details regarding the contractual maturities of significant financial liabilities to the contractual maturity date:

As at 31 March, 2025

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans and Borrowings (Including Current Maturities)	170.00	-	-	170.00
Trade Payables	876.72	-	-	876.72
Other Financial Liabilities	50.35	-	-	50.35
Total	1,097.07	-	-	1,097.07

As at 31 March, 2024

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans and Borrowings (Including Current Maturities)	-	-	-	-
Trade Payables	266.69	-	-	266.69
Other Financial Liabilities	59.88	-	-	59.88
Total	326.57	-	-	326.57

Note 40 : Corporate Social Responsibility

Gross amount required to be spent by the Company during the Financial Year 2024-25 is Nil as the Company has incurred losses in the previous years.

Note 41 : Expenditure in Foreign Currency

During the financial year (2024-25 & 2023-24) the Company has not incurred any expenditure in foreign currency.

Note 42 : Employee Benefits**a) Defined Contribution Plans**

The Company's contribution to the provident fund and Superannuation funds are charged to the Profit and Loss Statement.

During the year, the Company has recognised the following amounts in the statement of profit & loss:

Particulars	2024-25	2023-24
Contribution to provident fund and family pension fund	4.31	2.66
Contribution to superannuation fund	-	-

b) Post Employment Defined Benefit Plans

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the scheme, the Gratuity Trust fund managed by the Trust, makes payment to vested employees on retirement, death, incapacitation or termination/resignation of employment, of an amount based on the respective employee's

eligible salary depending upon the tenure of service. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity plan are determined by actuarial valuation as set out in Note 2.15, based upon which, the Company makes contribution to the Gratuity fund.

c) Other Long Term Employee Benefit Plan

Leave Encashment Scheme [LES] (Unfunded)

The Company provides for accumulated leave benefit for eligible employees payable at the time of retirement/resignation from service as per the policy of the Company, actual number of days outstanding based on last drawn salary. The liabilities with regard to leave encashment scheme are determined by actuarial valuation as set out in Note 2.15.

d) Risk Exposure

Aforesaid post employment defined benefit plans typically expose the Company to actuarial risks, most significant of which are discount rate risk, salary escalation risk and demographic risk.

Discount Risk

The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of liability.

Salary Escalation Risk

The present value of defined benefit plan liability is calculated by reference to the future salaries of plan participant. An increase in the salary of plan participants will increase the plan liabilities.

Demographic Risk

In the valuation of liability certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumption thereby causing an increase in the plan liability.

Details of Defined Benefits plans - as required by Ind AS - 19 Employee Benefits

Particulars	Gratuity Funded	
	2024-25	2023-24
Components of employee expenses		
Current service cost	1.27	0.64
Past service cost	-	-
Interest cost	0.83	1.71
Expected return on Plan Assets	(0.30)	(1.16)
Total expenses recognised in the Profit & Loss Statement	1.80	1.19
Cumulative unrecognised actuarial (gain)/loss opening B/F	(1.43)	0.48
Actuarial (gain)/loss-Obligation	0.57	(2.61)
Actuarial (gain)/loss-plan assets	(0.05)	0.70
Total Actuarial (gain)/loss recognised in other comprehensive (income)/expenses	(0.91)	(1.43)
Actual Contribution & Benefits payment for the year	2024-25	2023-24
Actual Benefits payments	-	11.85
Actual contributions	-	-
Net assets/(liability) recognised in the Balance Sheet	2024-25	2023-24
Present value of Defined Benefit Obligation	14.15	11.47
Fair value of Plan Assets	4.99	4.63
Funded Status [Surplus/(Deficit)]	(9.16)	(6.84)
Net assets/(liability) recognised in the Balance Sheet	(9.16)	(6.84)
Change in Defined Benefits Obligation during the year	2024-25	2023-24
Present value of Defined Benefit Obligation as at the beginning of the year	11.47	23.58
Current service cost	1.27	0.64
Interest Cost	0.83	1.71
Actuarial Losses/(Gains)	0.58	(2.61)
Benefits paid	-	(11.85)
Present value of Defined Benefits Obligation as at the end of the year	14.15	11.47
Change in Fair value of the Plan Assets during the year	2024-25	2023-24
Plan Asset as at the beginning of the year	4.62	16.01
Actuarial Adjustment	-	-
Expected return on the Plan Assets	0.30	1.16

(All amounts in ₹ Lakhs, unless otherwise stated)

Actual Company contributions	-	-
Actuarial (Losses)/Gains	0.05	(0.70)
Benefits paid	-	11.85
Plan Asset as at the end of the year	4.98	4.62
Actuarial Assumptions	2024-25	2023-24
Discount rate	6.50%	7.25%
Expected return on plan assets	6.50%	7.25%
Withdrawal rate (per annum) (18 to 30 years)	5.00%	5.00%
Withdrawal rate (per annum) (30 to 44 years)	3.00%	3.00%
Withdrawal rate (per annum) (44 to 60 years)	2.00%	2.00%
Salary escalation rate	5.00%	5.00%

The expected rate of return on the plan asset (Gratuity funded) is based on the average long term rate of return expected on investment of funds during estimated term of obligation.

The assumption of the future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion & other relevant factors.

The major categories of plan assets as a percentage of the total plan assets	2024-25	2023-24
Insurer Managed Funds	100%	100%
Experience Adjustments	2024-25	2023-24
Present value of Defined Benefit Obligation as at the end of the year	14.15	11.47
Fair value of plan assets as at the end of the year	4.98	4.62
Funds Status [Surplus/(Deficit)]	(9.16)	(6.84)
Experience adjustment of Plan Liabilities	0.58	(2.61)
Experience adjustment of Plan Asset	(0.05)	(0.70)

The liability for leave encashment is accounted for on accrual basis on actuarial valuation at the year end.

Sensitivity Analysis for significant assumptions as on 31.03.2025 are as follows:-

Assumptions	Discount rate		Future Salary		Withdrawal Rate	
Sensitivity Analysis	1.00% Increase	1.00% Decrease	1.00% Increase	1.00% Decrease	1.00% Increase	1.00% Decrease
Impact on defined benefit obligation	(0.40)	0.45	0.45	(0.41)	0.01	0.01

Sensitivity Analysis for significant assumptions as on 31.03.2024 are as follows:-

Assumptions	Discount rate		Future Salary		Withdrawal Rate	
Sensitivity Analysis	1.00% Increase	1.00% Decrease	1.00% Increase	1.00% Decrease	1.00% Increase	1.00% Decrease
Impact on defined benefit obligation	(0.28)	0.32	0.33	(0.29)	0.04	(0.03)

The Company expects to contribute ₹ 2.17 lakhs (Previous year: ₹ 0.84 lakhs) to gratuity fund in next year.

The weighted average duration of the defined benefit obligation as at 31.03.2025 is 5 years (as at 31.03.2024: 4 years).

(All amounts in ₹ Lakhs, unless otherwise stated)

Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Particulars	(₹ in Lakhs)
01 April, 2025 to 31 March, 2026	9.13
01 April, 2026 to 31 March, 2027	0.16
01 April, 2027 to 31 March, 2028	0.96
01 April, 2028 to 31 March, 2029	0.12
01 April, 2029 to 31 March, 2030	0.13
01 April, 2030 onwards	3.65

Note 43 : Related Party Disclosure

Pursuant to Ind AS-24 "Related Party Disclosures", following parties are to be treated as related parties:

(a) Entities over which key managerial personnel is able to exercise significant influence:

Bharat Gears Limited (BGL)
Vibrant Reality Infra Private Limited (VRIPL)
Ultra Consultants Private Limited (UCPL)
Clip-Lok Simpak (India) Private Limited (CSIPL)
Nexus EPC Private Limited (Formerly Known as Samreet Investment and Management Consultancy Private Limited (SIMCPL))
Gulab Merchandise Private Limited (GMPL)

(b) Key managerial personnel

Mr. Surinder Paul Kanwar - Chairman and Managing Director
Dr. Sanjeev Kumar - Non - Executive Independent Director
Mr. Rajiv Chandra Rastogi - Non - Executive Independent Director
Mr. Naresh Kumar Verma - Non - Executive Director
Ms. Preeti Goel - Non - Executive Independent Director
Ms. Neha Patwal - Chief Financial Officer and Company Secretary

Details of transactions with the related parties

Particulars	Associate Companies		Entities over which key managerial personnel is able to exercise significant influence		Key managerial personnel		KMP's Relative	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Transaction during the year								
Rent expense								
BGL	-	-	1.39	1.39	-	-	-	-
VRIPL	-	-	-	-	-	-	-	-
Interest expense								
Mr. Naresh Kumar Verma	-	-	-	-	1.98	-	-	-
VRIPL	-	-	3.09	-	-	-	-	-
Loan repaid								
VRIPL	-	-	30.00	-	-	-	-	-
Loan taken								
Mr. Naresh Kumar Verma	-	-	-	-	95.00	-	-	-
VRIPL	-	-	105.00	-	-	-	-	-
Managerial remuneration								
Mr. Surinder Paul Kanwar	-	-	-	-	^	^	-	-
Director's sitting fees								
Dr. Sanjeev Kumar	-	-	-	-	0.90	0.50	-	-
Ms. Preeti Goel	-	-	-	-	0.80	0.80	-	-

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Associate Companies		Entities over which key managerial personnel is able to exercise significant influence		Key managerial personnel		KMP's Relative	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Transaction during the year								
Balance payable/ (receivable)								
BGL	-	-	0.07	-	-	-	-	-
BGL	-	-	(0.19)	-	-	-	-	-
Mr. Naresh Kumar Verma	-	-	-	-	1.98	-	-	-
VR IPL	-	-	21.71	19.67	-	-	-	-
Loan balance								
Mr. Naresh Kumar Verma	-	-	-	-	95.00	-	-	-
VR IPL	-	-	75.00	-	-	-	-	-
Guarantee given for credit limits taken by Company								
VR IPL	-	-	-	200.00	-	-	-	-
Mr. Surinder Paul Kanwar	-	-	-	-	-	-	-	-

^ Token remuneration of ₹ 12 (Rupees Twelve) paid to Chairman & Managing Director.

Note 44 : Financial Instruments

Particulars	Notes	31 March, 2025			31 March, 2024		
		FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets							
Investment							
Equity Shares (Quoted)	4	170.12	-	-	262.45	-	-
Equity Shares (Unquoted)	4	-	-	-	-	-	-
Loans and Advances	12	-	-	7.36	-	-	0.02
Trade Receivables	5,9	-	-	1,051.26	-	-	279.58
Cash and Bank Balances	10,11	-	-	369.41	-	-	306.73
Other Financial Assets	6,13	-	-	9.90	-	-	9.60
Total Financial Assets		170.12	-	1,437.93	262.45	-	595.93
Financial Liabilities							
Borrowings	18	-	-	170.00	-	-	-
Trade Payables	20	-	-	876.72	-	-	266.69
Other Financial Liability	21	-	-	50.35	-	-	59.88
Total Financial liabilities		-	-	1,097.07	-	-	326.57

Fair Value Hierarchy

The Company uses following method of hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(All amounts in ₹ Lakhs, unless otherwise stated)

i) Financial assets and liabilities are measured at recurring fair value measurement at 31 March, 2025

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investment in:					
Equity Instruments	4	170.12	-	-	170.12

ii) Financial assets and liabilities are measured at recurring fair value measurement at 31 March, 2024

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investment in:					
Equity Instruments	4	262.45	-	-	262.45

During the year ended 31.03.2025, there were no transfers between Level 1 and Level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is a transaction/balance under Level 3.

Note 45 : Other Disclosure

- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company do not have any transactions with companies struck off.
- The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company do not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company has not been declared wilful defaulter by any Banks/Financial Institutions.

Note 46 : Key Ratios

Particulars	2024-25	2023-24	% Change	Remarks
Current Ratio	1.47	1.64	(10.00)%	
Debt-Equity Ratio	0.22	-	100.00%	During the year, the Company has borrowed the funds
Debt Service Coverage Ratio	5.27	(2.81)	(287.00)%	Debt service coverage is better due to positive EBITDA
Return on Equity Ratio	15.76%	(15.00)%	(205.00)%	Ratio improved due to better profitability
Inventory Turnover Ratio	14.95	20.67	(28.00)%	Due to increase in closing stock

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	2024-25	2023-24	% Change	Remarks
Trade Receivables Turnover Ratio	3.22	1.24	160.00%	Company realised/settled majority of its debtors during the year
Trade payables Turnover Ratio	2.64	1.40	89.00%	Company credit period is increased during the year
Net capital Turnover Ratio	3.94	1.25	215.00%	Company earned profit during the year
Net profit Ratio	5.69%	(29.14)%	(120.00)%	Company earned profit during the year
Return on Capital Employed	10.52%	(45.54)%	(123.00)%	Due to profit earned during the year
Return on Investment	(35.18)%	(1.70)%	1969.00%	Decrease in fair value of investments due to market fluctuations

Explanation to the ratios:

Current Ratio: Current assets (numerator) include trade receivables, short term investments, cash and cash equivalents, and other current assets. Current liabilities (denominator) includes trade payables, lease liability, other financial liabilities, provisions and statutory dues.

Debt-Equity Ratio: Total liabilities (numerator) includes current liabilities as defined above, lease liability, equity share capital and other equity. Total Equity (Denominator) includes Equity share capital and other equity.

Debt Service Coverage Ratio: Earning for debts services (numerator) includes Net profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments. Debt service (denominator) includes lease payments.

Return on Equity Ratio: Net income (numerator) is net profit earned after tax. Average shareholder's equity (denominator) includes equity share capital and other Equity.

Inventory Turnover Ratio: Net Sales (numerator). Average Inventory (denominator).

Trade Receivables Turnover ratio: Net Sales (numerator). Average Trade Receivables (denominator).

Trade payables Turnover ratio: Net Credit Purchase (numerator). Average Trade Payables (denominator).

Net capital Turnover ratio: Numerator contains net revenue. Net working capital (denominator) calculated by subtracting current liabilities from current assets.

Net Profit Ratio: Numerator contains net profit. Denominator contains net sales.

Return on Capital Employed: Numerator contains earning before interest and taxes. Capital employed (denominator) calculated by subtracting current liabilities from total assets.

Return on Investment: Numerator contains change in investment. Denominator contains cost of investment.

Note 47 : Previous year's figures are reclassified, where necessary, to conform to the current year's classification.

For and on behalf of the Board of Directors**For B R Maheswari & Co LLP**

Chartered Accountants
Firm's Registration No.
001035N/N500050

Surinder Paul Kanwar

Chairman and Managing Director
(DIN: 00033524)

Dr. Sanjeev Kumar (DIN: 00364416)

Rajiv Chandra Rastogi (DIN: 00035460)

Naresh Kumar Verma (DIN: 07087356)

Preeti Goel (DIN: 09561869)

Directors

Akshay Maheshwari

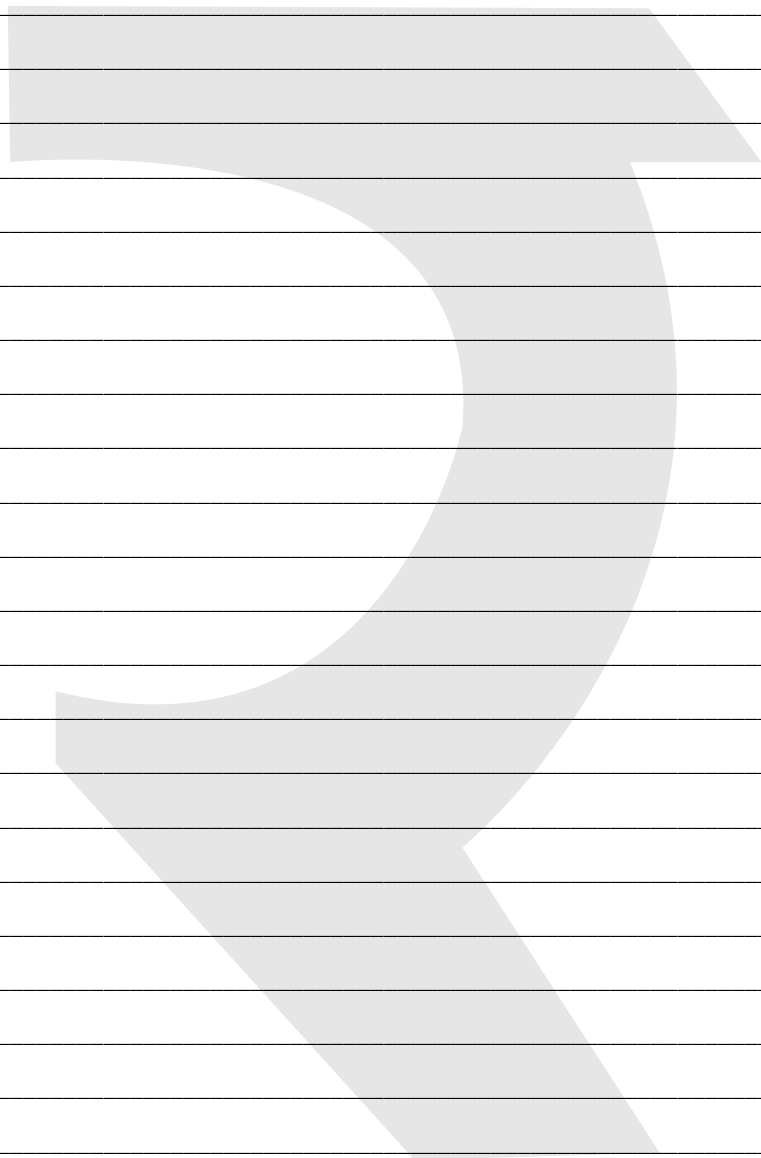
Partner
Membership No. 504704

Neha Patwal

Chief Financial Officer and Company Secretary
(PAN: ESRPP5275F)

Dated: 30 May, 2025

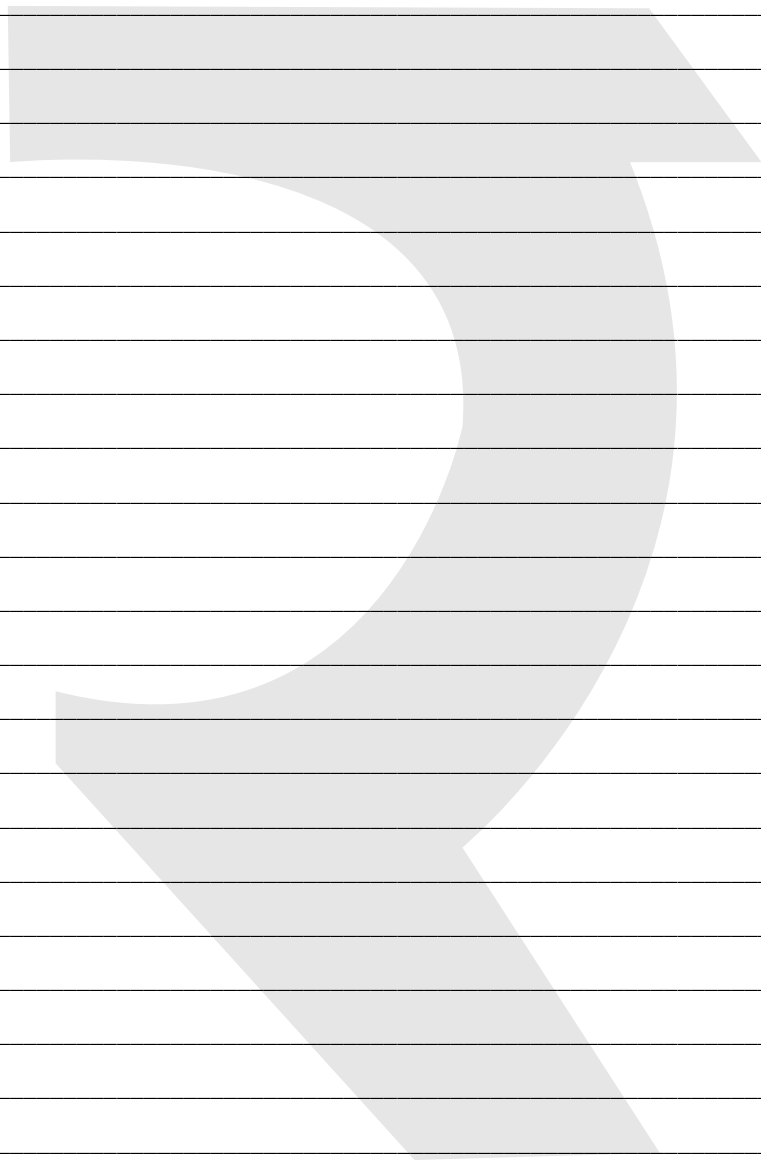
NOTES



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Form ISR – 1

(see SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 on Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination)

REQUEST FOR REGISTERING PAN, KYC DETAILS OR CHANGES/UPDATION THEREOF

[For Securities (Shares/Debentures/Bonds, etc.) of the Company held in physical form]

Date: ____/____/____

A. I/We request you to Register/Change/Update the following (Tick ✓ relevant box)

☐ PAN	☐ Bank details	☐ Signature
☐ Mobile number	☐ E-mail ID	☐ Address

B. Security Details:

Name of the Issuer Company	RAUNAQ INTERNATIONAL LIMITED	Folio No.:
Name(s) of the Security holder(s) as per the Certificate(s)	1. 2. 3.	
Number & Face value of securities		
Distinctive number of securities		From To

C. I/We are submitting documents as per Table below (tick ✓ as relevant, refer to the instructions):

	✓	Document/Information/ Details	Instruction/Remark
1.	PAN of (all) the (joint) holder(s)		
		PAN Whether it is Valid (linked to Aadhaar): ☐ Yes ☐ No	, PAN shall be valid only if it is linked to Aadhaar by March 31, 2023* For Exemptions/Clarifications on PAN, please refer to Objection Memo in Page 6 & 7
2.	Demat Account Number (Optional)		 Also provide Client Master List (CML) of your Demat Account, provided by the Depository Participant.
3.	Proof of Address of the first holder		Any one of the documents, only if there is change in the address; ☐ Unique Identification Number (UID) (Aadhaar) ☐ Valid Passport/ Registered Lease or Sale Agreement of Residence / Driving License ☐ Flat Maintenance bill accompanied with additional self-attested copy of Identity Proof of the holder/claimant. ☐ Utility bills like Telephone Bill (only land line)/ Electricity bill / Gas bill - Not more than 3 months old. ☐ Identity card / document with address, issued by any of the following: Central/State Government and its Departments, Statutory / Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions duly attested by the employer with date and organisation stamp ☐ For FII / sub account, Power of Attorney given by FII / sub-account to the Custodians (which are duly notarized and / or apostilled or consularised) that gives the registered address should be taken. ☐ Proof of address in the name of the spouse accompanied with self- attested copy of Identity Proof of the spouse. ☐ Client Master List (CML) of the Demat Account of the holder / claimant, provided by the Depository Participant.

4.	Bank details (to be updated for first holder in case of joint holding)	Account Number: _____ # Bank Name: _____ Branch Name: _____ IFS Code: _____ Provide the following: ☐ Original cancelled cheque bearing the name of the security holder; OR ☐ Bank passbook/statement attested by the Bank;
5.	E-mail address	_____ #
6.	Mobile	_____ #

* or any date as may be specified by the CBDT

(DP: Depository Participant)

In case it is not provided, the details available in the CML will be updated in the folio

Authorization: I/ We authorise you (RTA) to update the above PAN and KYC details in following additional folio(s) held in my / our name (use Separate Annexure if extra space is required):

S. No.	Name of the Issuer Company	Folio No.	Quantity of securities	Face value of securities	Distinctive number of securities (Optional)

in which I / We are the holder(s) (strike off what is not applicable).

Declaration: All the above facts stated are true and correct.

	Holder 1	Holder 2	Holder 3
Signature	✓		
Name	✓		
Full address	✓		
PIN	□ □ □ □ □ □	□ □ □ □ □ □	□ □ □ □ □ □

Mode of submission of documents to the RTA

Please use any one of the following mode:

- Through 'In Person Verification' (IPV):** The authorized person of the RTA shall verify the original documents furnished by the investor and retain copy (ies) with IPV stamping with date and initials.
- Through Post:** Hard copies of the documents which are self-attested.
- Through electronic mode with e-sign:** The holder(s)/ claimant(s) may furnish the documents to RTAs electronically including by way of email or through service portal of the RTA provided the documents furnished shall have e-sign* of the holder(s)/ claimant(s).

*E-Sign is an integrated service which facilitates issuing a Digital Signature Certificate and performing signing of requested data by e-Sign user. The holder/claimant may approach any of the empanelled e-Sign Service Providers, details of which are available on the website of Controller of Certifying Authorities (CCA), Ministry of Communications and Information Technology (<https://cca.gov.in/>) for the purpose of obtaining an e-sign.

Note

• Holders of physical securities in listed company are mandatorily required to furnish PAN, KYC details (Contact details, Bank Account Details, Signature) and Nomination (for all the eligible folios) to enable RTA to process any service request or complaints received from the security holder(s)/ Claimants.	
• Upon receipt or up-dation of bank details, the RTA shall, suo-moto, generate request to the company's bankers to pay electronically all the moneys of / payments to the holder that were previous unclaimed / unsuccessful.	
• RTA shall update the folio with PAN, KYC details and Nominee, within timelines as mentioned in the circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/670 dated November 26, 2021. However, cancellation of nomination, shall take effect from the date on which this intimation is received by the company / RTA.	
• RTA shall not insist on Affidavits or Attestation / Notarization or indemnity for registering / up-dating / changing PAN, KYC details and Nomination.	
• Specimen Signature	Option A i Security holder shall provide the following documents: (a) Original cancelled cheque with name of the security holder printed on it; or (b) Self-attested copy of Bank Passbook/ Bank Statement; and ii Banker's attestation of the signature of the same bank account as mentioned in (i) above as per Form ISR - 2. OR Option B • The investor may get his or her signature changed or updated by visiting the Office of the RTA in person. In such a case, the investor shall sign before the authorized personnel of the RTA, along with PAN card and any one additional document mentioned at Serial Nos. 1-4 of Annexure – E of SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, in original for verification by the RTA, and submit self- attested copies of the same.
• Nomination**	• Providing Nomination: Please submit the duly filled up Nomination Form (SH-13) or 'Declaration to Opt out of Nomination' as per Form ISR-3, in SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 • Variation in Existing Nomination: Please use Form SH-14 • Cancellation of Existing Nomination and opting out: use Form SH- 14 & Form ISR – 3

** Nomination (**Form SH-13 or SH-14**) / 'Declaration to Opt-Out of nomination' (**Form ISR – 3**), has to be furnished by the holder(s) separately for each listed company.

Form ISR – 2

(see circular No. SEBI/HO/MIRSD/MIRSD-POD-1/P/CIR/2023/37 dated March 16, 2023 on Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination)

Confirmation of Signature of securities holder by the Banker

1.	Bank Name and Branch	
2.	Bank contact details	
	Postal Address	
	Phone number	
	E-mail address	
3.	Bank Account number	
4.	Account opening date	
5.	Account holder(s) name(s)	1) 2) 3)
6.	Latest photograph of the account holder(s)	
	1st Holder 2nd Holder 3rd Holder	
7.	Account holder(s) details as per Bank Records	
	a) Address	
	b) Phone number	
	c) Email address	
	d) Signature(s)	
	1) 2) 3)	
	Seal of the Bank	Signature verified as recorded with the Bank
		(Signature)
Place:	Name of the Bank Manager:	
	Employee Code:	
Date:	E-mail address:	

Form No. SH-13 Nomination Form

[Pursuant to section 72 of the Companies Act, 2013 and rule
19(1) of the Companies (Share Capital and Debentures) Rules 2014]

To

Name of the company: **RAUNAQ INTERNATIONAL LIMITED (FORMERLY KNOWN AS RAUNAQ EPC INTERNATIONAL LIMITED)**

Address of the company: 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad - 121003

I/We the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

(2) PARTICULARS OF NOMINEE/S —

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail id:
- (h) Relationship with the security holder:

(3) IN CASE NOMINEE IS A MINOR--

- (a) Date of birth:
- (b) Date of attaining majority
- (c) Name of guardian:
- (d) Address of guardian:

Name(s) and Address of Security holders(s)

Signature(s)

Sole / First Holder Name: _____

Address: _____

Second Holder Name: _____

Address: _____

Third Holder Name: _____

Address: _____

Name and Address of Witness	Signature

Form No. SH-14 Cancellation or Variation of Nomination

[Pursuant to sub-section (3) of section 72 of the Companies Act, 2013 and rule 19(9) of the Companies (Share Capital and Debentures) Rules 2014]

Name of the company: **RAUNAQ INTERNATIONAL LIMITED (FORMERLY KNOWN AS RAUNAQ EPC INTERNATIONAL LIMITED)**

I/We hereby cancel the nomination(s) made by me/us in favor of (name and address of the nominee) in respect of the below mentioned securities.

or

I/We hereby nominate the following person in place of as nominee in respect of the below mentioned securities in whom shall vest all rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being cancelled / varied)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

(2) (a) PARTICULARS OF THE NEW NOMINEE::

- i. Name:
- ii. Date of Birth:
- iii. Father's/Mother's/Spouse's name:
- iv. Nationality:
- v. Address:
- vi. E-mail id:
- vii. Relationship with the Security holder:

(b) IN CASE NEW NOMINEE IS A MINOR--

- (i) Date of birth:
- (ii) Date of attaining majority
- (iii) Name of guardian:
- (iv) Address of guardian:

Name(s) and Address of Security holders(s)

Signature(s)

Sole / First Holder Name: _____

Address: _____

Second Holder Name: _____

Address: _____

Third Holder Name: _____

Address: _____

Name and Address of Witness	Signature

Form ISR - 3

Declaration Form for Opting-out of Nomination by holders of physical securities in Listed Companies

(see SEBI circular No. SEBI/HO/MIRSD/MIRSD-POD-1/P/CIR/2023/37 dated March 16, 2023 on Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination)

[Under Section 72 r/w Section 24 (1) (a) of Companies Act, 2013 r/w Section 11(1) and 11B of SEBI Act, 1992 and Clause C in Schedule VII and Regulation 101 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]]

RAUNAQ INTERNATIONAL LIMITED (FORMERLY KNOWN AS RAUNAQ EPC INTERNATIONAL LIMITED)

20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad - 121003

I / we the holder(s) of the securities particulars of which are given hereunder, **do not wish to nominate** any person(s) in whom shall vest, all the rights in respect of such securities in the event of my /our death.

PARTICULARS OF THE SECURITIES (in respect of which nomination is being opted out)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

I/ we understand the issues involved in non-appointment of nominee(s) and further are aware that in case of my/our death, my / our legal heir(s) / representative(s) are required to furnish the requisite documents/details, including, Will or documents issued by the Court like Decree or Succession Certificate or Letter of Administration/Probate of Will or any other document as may be prescribed by the competent authority, for claiming my / our aforesaid securities.

Name(s) and Address of Security holders(s)

Signature(s)

Sole/First Holder Name: _____

Address: _____

Second Holder Name: _____

Address: _____

Third Holder Name: _____

Address: _____

Name and Address of Witness	Signature



RAUNAQ INTERNATIONAL LIMITED

(Formerly Known as Raunaq EPC International Limited)

REGD.OFF.:20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad -121003, (Haryana)

www.raunaqinternational.com

CIN: L51909HR1965PLC034315