

## CORPORATE GOVERNANCE REPORT

### 1. Brief Statement on Company's Philosophy on Code of Corporate Governance:

Corporate Governance envisages commitment of the Company towards the attainment of high levels of transparency, accountability and equity with the ultimate objective of increasing long-term shareholders value, keeping in view the needs and interests of all other stakeholders.

Your Company also believes that good Corporate Governance makes good business sense and build up a good Corporate Image. As such your Company not only complies with all requirements of Corporate Governance laid by various bodies, but follows it in spirit also.

### 2 Board of Directors

The Company's Board of Directors as on 31<sup>st</sup> March, 2013 comprises of Three Non Executive Directors including the Chairman.

Five Meetings of the Board were held during the financial year 2012-2013 i.e. on 02/04/2012, 30/05/2012, 14/08/2012, 12/11/2012 and 14/02/2013.

As is evident, the maximum time gap between any two Board Meetings was not more than four months.

The composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also the number of Directorship and Committee Membership /Chairmanship held by them in other Companies are given below :-

Name of Director	Category	No. of Board Meetings attended	Whether last AGM Attended	No. of other Directorship		No. of other Committee(s) Membership/ Chairmanship
				Public	Private	
Mr. Dinesh Kumar Pandey	Non Executive Independent Director	5	Yes	3	13	-----
Mr. Rabindra Kumar Hisaria	Non Executive Independent Director	5	Yes	0	0	-----
Mr. Bijay Kumar Agarwal	Non Executive Independent Director	5	Yes	0	2	-----
Mr. Kishan Jajodia	Non Executive Independent Director	5	Yes	1	4	-----
Mr. Prakash Jajodia	Non Executive Independent Director	5	Yes	1	4	-----
Mr. Amit Jajodia	Non Executive Independent Director	5	Yes	0	2	-----

### 3 Audit Committee

#### (a) Composition :

The Audit Committee comprises of three non-executive independent directors as on 31<sup>st</sup> March, 2013. The Committee met 4 (Four) times during the year i.e. on 30/05/2012, 14/08/2012, 12/11/2012 and 14/02/2013. The attendances of the members were as follows:

Sl. No.	Name	Status	No. of Meetings
1	Mr. Bijay Kumar Agarwal	Non Executive Independent Director (Chairman of the committee)	4
2	Mr. Rabindra Kumar Hisaria	Non Executive Independent Director	4
3	Mr. Dinesh Kumar Pandey	Non Executive Independent Director	4

**(b) Terms of Reference:-**

The terms of reference of the Committee is in accordance with that specified in clause 49 of the Listing Agreement with Stock Exchanges and also confirms to the requirements of Section 292A of the Companies Act, 1956.

**4. REMUNERATION COMMITTEE**

**(a) Composition of the Committee:**

The Remuneration Committee of the Company comprises of three non-executive independent directors. The details are as follows:

Sl. No.	Name	Status
1	Mr. Bijay Kumar Agarwal	Non Executive Independent Director
2	Mr. Amit Jajodia	Non Executive Independent Director
3	Mr. Rabindra Kumar Hasaria	Non Executive Independent Director (Chairman of the Committee)

During the year, no meeting of the Remuneration Committee was held.

**(b) Terms of Reference:**

The Remuneration Committee of the Company was constituted in accordance with Schedule XIII of the Companies Act, 1956 to carry out functions as envisaged under the said schedule. The Committee was constituted on 24/05/2004.

**(c) Remuneration Policy:**

The Non-Executive Independent Directors of the Company were not paid any sitting fee or any other remuneration or commission.

**5. Share Transfer & Investors Grievance Committee**

The Company has a Share Transfer and Investors Grievance Committee. The Committee consists of two Non-Executive Independent Directors. The Committee deals with matters relating to approval of Share Transfers and Transmissions, Folio Consolidation, Issue of Duplicate Share Certificates, Replacement of Share Certificates, Split and Consolidation of Certificates, Dematerialization and Rematerialization requests, monitoring of shareholder complaints /requests. The composition of the committee members is as under:-

Sl. No.	Name	Status
1	Mr. Bijay Kumar Agarwal	Non Executive Independent Director
2	Mr. Prakash Kumar Jajodia	Non Executive Independent Director
4	Mr. Amit Jajodia	Non Executive Independent Director

During the year the Committee met 4 (Four) times during the year i.e. on 17/07/2012, 28/11/2012, 30/01/2012 and 29/03/2013.

During the year, the Company complied with all the requests received from its shareholders.

Sl. No.	Nature of request	Nos.
1	Issue of Duplicate Share Certificates	6
2	Rematerialisation of Shares	4

## 6. General Body Meetings:

### A. Location and time for last three Annual General Meetings were:

Financial Year	Date of AGM	Venue	Time
2011-2012	29-09-2012	454, Dum Dum Park, Kolkata-700 055	2.00 P.M.
2010-2011	30-09-2011	454, Dum Dum Park, Kolkata-700 055	11.00 A.M.
2009-2010	30-09-2010	454, Dum Dum Park, Kolkata-700 055	11.00 A.M.

### B. SPECIAL RESOLUTIONS AT THE LAST THREE ANNUAL GENERAL MEETINGS:

No Special resolution has put through by postal ballot so far by the Company.

### C. WHETHER ANY SPECIAL RESOLUTION PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT

No resolution is proposed to be conducted through postal ballot in the forthcoming Annual General Meeting.

## 7. DISCLOSURES

a. Related Party transactions have been disclosed under note "2.25" of schedule to the accounts for the year under review.

b. The Company has complied with all the requirements of the listing agreement with the Stock Exchange(s) as well as regulations and guidelines of SEBI. No penalty has been imposed or strictures have been issued by SEBI or any other Stock Exchange(s) on matters related to Capital Market so far.

c. Certificate as stipulated in Clause 49 of the listing Agreement from was obtained and placed before the Board.

d. The Company has complied with all the mandatory requirements of Clause 49 of the Listing agreement but has not adopted the non-mandatory requirements so far save and except the requirements under Remuneration Committee.

## 8. MEANS OF COMMUNICATIONS

Quarterly unaudited results of the Company were published in accordance with the The Calcutta Stock Exchange Association Ltd. Listing Agreement in the Business Standard - English and Arthik Lipi/Newz Bangla -Bengali.

The quarterly and the annual results of the Company are submitted to the The Calcutta Stock Exchange Association Limited. The Annual Reports are posted to every shareholder of the Company.

Management Discussion and Analysis forms part of the Annual Report.

## 9. GENERAL SHAREHOLDERS INFORMATION

- **Annual General Meeting:**
- **Date** : 30<sup>th</sup> September, 2013
- **Time** : 11.30 A.M.
- **Venue** : Centre Point, 21, Hemanta Basu Sarani, Room No. 230, Kolkata - 700 001
- **Financial Calendar** : (Tentative)

Financial Year -- 1 <sup>st</sup> April, 2013 to 31 <sup>st</sup> March, 2014	Relevant Dates
Board Meeting for consideration of accounts	30 <sup>th</sup> May, 2013
Posting of Annual Report along with notice of AGM	6 <sup>th</sup> September, 2013
Book closure dates	21 <sup>st</sup> September, 2013 to 30 <sup>th</sup> September, 2013
Last date for receipts of proxy forms	28 <sup>th</sup> September, 2013
Unaudited results for the quarter ended on June 30, 2013	On or before 14 <sup>th</sup> August, 2013
Unaudited results for the quarter ended on September 30, 2013	On or before 14 <sup>th</sup> November, 2013.
Unaudited results for the quarter ended on December 31, 2013	On or before 14 <sup>th</sup> February, 2014
Unaudited results for the quarter ended on March, 31, 2014	On or before 15 <sup>th</sup> May, 2014

- Listing on Stock Exchanges at:
  - i. The Calcutta Stock Exchange Association Ltd. (Stock code: 10027006)  
7, Lyons Range, Kolkata 700 001.
- The Company has paid the listing fee to The Calcutta Stock Exchange Association Ltd. for the year 2013-2014.
- Stock Market Price for the Financial Year 2012-2013:

Month	High (Rs.)	Low (Rs.)	Volume (Nos.)
April, 2010	81.10	80.00	253
May, 2010	82.20	80.95	300
June, 2010	82.85	81.80	190
July, 2010	83.50	82.45	137
August, 2010	83.80	83.25	148
September, 2010	83.90	83.50	499
October, 2010	84.10	83.95	972
November, 2010	84.45	84.05	137
December, 2010	84.85	84.35	203

January, 2011	85.8	84.95	190
February, 2011	86.25	85.75	151
March, 2011	86.25	86.00	385

- **Share Transfer System:** The Company's shares are in compulsory demat mode. The shares received for transfer in physical mode are registered and returned within a period of 30 days from the date of receipt, if the documents are clear in all respects. Shares under objection are returned within two weeks. No physical shares were transferred during the year ended 31<sup>st</sup> March, 2013.

- **Dedicated email ID for Investors.** For the convenience of our investors, the Company has designated an exclusive email ID for investors i.e. investorsquestfinancial@yahoo.com

- **Registrar & Share Transfer Agent :**

M/s. Niche Technologies Private Ltd.  
D-511, Bagree Market, 71, B.R.B.B. Road, Kolkata 700 001,  
Phone Nos. (033) 2235-7270/7271/2234-3576.

- **Dematerialisation of Shares and Liquidity:**

The Company's shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number (ISIN) of the Company as allotted by NSDL and CDSL is INE 064D01012. Nearly 82.20% of total equity shares have been dematerialized as on 31.03.2013.

- **Distribution of shareholding & shareholding pattern :**

Distribution of shareholding as on 31/03/2013

Ordinary Shares held	Number of shareholders	% of shareholders	Number of shares held	% of shares held
Upto 500	386	12.37	88,649	0.07
501-1000	351	11.25	2,86,174	0.23
1001-5000	886	28.40	25,72,414	2.08
5001-10000	449	14.39	37,11,981	3.01
10001 -50000	794	25.45	1,84,92,596	15.00
50001-100000	150	4.81	1,03,37,277	8.39
100001 and above	104	3.33	8,78,27,409	71.22
Total	3120	100.00	12,33,16,500	100.00

Shareholding Pattern as on 31/03/2013

Sl. No.	Category	No. of shares held	% of shareholding
1	Promoters & their relatives including Associate Companies	2477500	2.01
2	Other bodies Corporate	72717586	58.97
3	Indian public	46336654	37.58
4	Clearing Member	1784760	1.44
	<b>TOTAL</b>	<b>123316500</b>	<b>100.00</b>

- **Outstanding ADRs/GDRs :** Not Applicable

- Address for matters related to shares, any correspondence:  
M/s. Niche Technologies Private Ltd.,  
D-511, Bagree Market, 71, B.R.B.B. Road, Kolkata 700 001,  
Phone Nos. (033) 2235-7270/7271/3070.

- Address for any kind of assistance/clarification :

Mr. Prakash Kumar Jajodia, Compliance Officer  
C/o. Quest Financial Services Ltd.  
Centre Point, 21, Hemanta Basu Sarani Road,  
2<sup>nd</sup> Floor, Room No. 230,  
Kolkata - 700 001

#### 10. CODE OF CONDUCT

The Company's Code of Conduct has been complied with by all the members of the Board and select employees of the Company.

The Company has put in place a prevention of Insider Trading Code based on SEBI (Insider Trading) Regulations, 1992. This code is applicable to all Directors and select employees. The code ensures prevention of dealing in shares by persons having access to unpublished price sensitive information.

#### 11. DECLARATION

As provided under Clause 49 of the Listing Agreement with the stock exchanges, the Board of Directors and select Employees have confirmed Compliance with the code of conduct.

Place : Kolkata  
Dated : 30<sup>th</sup> May, 2013

For and on behalf of the Board of Directors

*Bijay Agarwal*  
Mr. Bijay Kumar Agarwal  
Chairman