

SRI NARAYAN RAJKUMAR MERCHANTS LTD

REPORT ON CORPORATE GOVERNANCE

1. The Company's Philosophy on Corporate Governance

The Board of Directors and Management believe in adopting and practicing principles of good Corporate Governance with a view to :-

- Safeguard shareholders' interest through sound business decisions, prudent financial management and high standard of business ethics; and
- Achieve transparency, accountability and integrity in the dealings and transactions of the Company

2. Board of Directors

(i) Composition :-

The Board of Directors comprises of four Directors as under:-

Name of Director	Promoter Group Brief Particulars	Category
1. Shri V.K. Sureka	He is a graduate and an Industrialist Having 42 years' experience in the Steel Industry. He joined the Board as promoter director w.e.f. 30 th January, 2004 and was appointed as an honorary Managing Director w.e.f. 1 st August, 2005.	Executive
2. Smt. Veena Sureka	She is in business having 32 years' experience in the area of general finance and investment. She joined the Board as promoter director w.e.f. 13 th June, 2014	Non-Executive
Independent		
3. Shri Madhav Sureka	He is an Industrialist having 10 years' experience of Steel Industry. He joined the Board as an independent director w.e.f. 13 th June, 2014.	Non-Executive
4. Shri Archit Kataruka	He is in service having 10 years' experience of Pipe Industry. He joined the Board as an independent director w.e.f. 13 th June, 2014.	Non-Executive

(ii) Board Meetings and attendance

Twelve Board Meetings were held during the financial year ended on 31st March, 2014 and the gap between two Board Meetings did not exceed four months.

The dates on which Board meetings were held are as follows :-

Sr.No.	Date of Meeting	Board strength	No. of Directors Present
1.	06.04.2013	4	2
2.	30.05.2013	4	3
3.	08.07.2013	4	2
4.	11.07.2013	4	3
5.	12.08.2013	4	2
6.	13.08.2013	4	2
7.	07.10.2013	4	2
8.	14.11.2013	4	3
9.	08.01.2014	4	2
10.	08.02.2014	4	2
11.	10.02.2014	4	3
12.	12.02.2014	4	3

(iii) Attendance of each Director at the Board meetings and last Annual General Meeting (AGM) and the number of Companies and committees where he is Director/Member:

Name of Director	Category of Directorship	Number of Board Meetings Attended	Attendance at the Last AGM held on 09.08.13	Number of Directorships in other public Ltd. Companies	Number of committee positions held in other Companies
Shri V. K. Sureka	Executive	09	No	2	-
Shri Vijay Gupta	Non-Executive	05	Yes	2	2
Shri Yogesh Mathur	Non-Executive	11	Yes	2	2
Shri Sanwat Ram Repswal *	Non-Executive	04	No	-	-
Arvind Kumar**	Non-Executive	Nil	No	2	-

*Resigned w.e.f.10.02.2014

**Appointed w.e.f. 08.02.2014

3. Audit Committee

The Audit Committee was Constituted in accordance with the code of Corporate Governance which consisted of three non-executive directors Shri Yogesh Mathur, Vijay Kumar Gupta and Shri Sanwat Ram Repswal with Shri Yogesh Mathur as its Chairman upto 10.02.2014 when Shri Sanwat Ram Repswal ceased to be director by resignation and Shri Arvind Kumar was appointed in his place as a Member.

(i) The terms of reference of the Audit Committee are as per the guidelines set out in clause no. 49 of the listing agreement with the Calcutta Stock Exchange where the shares of the Company are listed.

(iii) The Audit Committee had five Meetings during the financial year 2013-14 ended on 31st March, 2014 as per details thereof and names of Directors who attended the said Meeting are as here-under:-

Details of the Audit Committee Meetings held during the financial year 2013-14 and attended by the Directors:-

Name of the Director	Date of Meeting				
	30-05-2013	11.07.2013	12-08-2013	14.11.2013	12.02.2014
Shri Yogesh Mathur	Yes	Yes	Yes	Yes	Yes
Shri Sanwant Ram Repswal*	No	No	Yes	Yes	-
Shri Vijay Kumar Gupta	Yes	Yes	No	No	Yes
Shri Arvind Kumar **	-	-	-	-	No

*Resigned w.e.f.10.02.2014

** Appointed w.e.f. 08.02.2014

4. Remuneration Committee

The Board did not constitute a Remuneration Committee upto the close of the financial year 2013-14 closed on 31st March, 2014 as the same was not mandatory.

5. Remuneration Policy

Sitting fees of Rs. 250/- for attending Board Meeting is paid to each of the Directors, who are not paid any remuneration.

Since Shri V. K. Sureka was an honorary Managing Director of the company, no remuneration in the capacity as Managing Director was paid to him during the financial year 2013-14 ended on 31st March, 2014.

(i) Sitting fees paid to Directors for meetings of the Board/Committee :-

Name of Director	Amount (Rupees).
Shri V.K. Sureka	2250/-
Shri Vijay Gupta	1250/-
Shri Yogesh Mathur	2750/-
Shri Sanwat Ram Repswal	1000/-
Shri Arvind Kumar	-
	Total : 7250/-

6. Code of Conduct for the Directors & Senior Managerial Personnel

In compliance to the provisions of Clause 49 of the Listing Agreement, the Board has laid down a code of Conduct for all the Board Members and Senior Managerial Personnel and all Board Members and Senior Managerial Personnel have affirmed compliance of code of conduct as on 31st March, 2014 and a declaration to that effect duly signed by the Managing Director is attached and forms part of this report.

7. Investors'/ Shareholders' Grievance Committee

Investors'/Shareholders' Grievance Committee was constituted in accordance with the code of Corporate Governance, with a view to redress shareholders'/ investors' complaints etc. relating to delay in transfer of shares, demat, non-receipt of annual accounts, delays in balance sheet, split, duplicate, transmission etc. of the shares issued by the Company which consisted of two Non-executive directors namely Shri Yogesh Mathur as Chairman and Shri Sanwat Ram Repswal as a member upto 10.02.2014 when Shri Sanwat Ram Repswal ceased to be director by resignation and Shri Arvind Kumar was appointed in his place as a Member.

Shri Avinash Pratap has been nominated as the Compliance Officer.

Number of pending transfers	Nil
Number of Shareholders' complaints received	Nil
Number of Complaints not solved	Nil

8. General Body Meetings

Details of location and time of holding of last three AGMs

AGM for the financial Year ended	Venue	Date	Time
2010-2011 43 rd AGM	Room No. 107, 1 st Floor, Anand Jyoti Building, 41, Netaji Subhas Road, Kolkata-700001	19.08.2011	2.30 P.M.
2011-2012 44 th AGM	Room No. 107, 1 st Floor, Anand Jyoti Building, 41, Netaji Subhas Road, Kolkata-700001	29.09.2012	2.30 P.M.
2012 - 2013 45 th AGM	Room No.107, 1 st Floor, Anand Jyoti Building, 41, Netaji Subhas Road, Kolkata-700001	09.08.2013	2.30 P.M.

9. Details of Directors seeking Appointment/Reappointment in the ensuing Annual General Meeting to be held on 29th September, 2014.

Name of Directors	Shri V.K. Sureka	Smt. Veena Agarwal	Shri Madhav Sureka	Shri Archit Kataruka
DIN	00060160	00060415	06889850	06897147
Date of Birth	23/09/1950	21/10/1959	27/01/1986	30/10/1979
Date of Appointment	30/01/2004	13/06/2014	13/06/2014	13/06/2014
Qualification	Graduate	Higher Secondary	Post Graduate	M.B.A.
Expertise in specific functional area	He is a graduate and an Industrialist having 42 years' experience in the Steel Industry.	She is in business having 32 years' experience in the area of general finance and investment.	He is in Business having 10 years' experience Steel Industry.	He is in service having 10 years' experience of Pipe Industry
List of public companies in which directorship held (including foreign Companies)	1.Mauria Udyog Ltd. 2.Jotindra Steel & Tubes Ltd.	Bihariji Ispat Udyog Ltd.	Quality Synthetics Industries Ltd.	1.Quality Synthetics Industries Ltd. 2.Bihariji Ispat Udyog Ltd.
Chairman/ Member of the Committee of Board of Directors of public Companies	NIL	-Audit Committee- Srinarayan Rajkumar Merchants Ltd. as Chairman -Nomination & Remuneration Committee- Srinarayan Rajkumar Merchants Ltd, Bihariji Ispat Udyog Ltd.-as Member -Stakeholders Relationship Committee- Srinarayan Rajkumar Merchants Ltd. & Bihariji Ispat Udyog Ltd.as Member. -Risk	-Audit Committee and Nomination & Remuneration Committee-- Srinarayan Rajkumar Merchants Ltd. and Quality Synthetics Industries Ltd. as Chairman. -Stakeholders Relationship Committee and Risk Management Committee Srinarayan Rajkumar Merchants Ltd. and Quality Synthetics Industries Ltd. as Member.	Audit Committee- Srinarayan Rajkumar Merchants Ltd.,Bihariji Ispat Udyog ltd. & Quality Synthetics Ind. Ltd. as Member -Nomination & Remuneration Committee -Srinarayan Rajkumar Merchants Ltd., Bihariji Ispat Udyog ltd. & Quality Synthetics Ind. Ltd. as Member

		Management Committee- Bihariji Ispat Udyog Ltd.as Member		-Stakeholders Relationship Committee – Srinarayan Rajkumar Merchants Ltd., Bihariji Ispat Udyog ltd. & Quality Synthetics Ind. Ltd. as Chairman. Risk Management Committee- Srinarayan Rajkumar Merchants Ltd., Quality Synthetics Industries I.td.as Member
Shareholding in the Company	2,59,836 Equity shares of Rs. 10/ each (as on 31.03.2014)	NIL	NIL	NIL

10. Disclosure :

(a) Materially Significant related party transactions

During the period, no transaction of material nature, had been entered into by the Company with the management or their relatives that may have potential conflict with the interests of the company.

(b) Details of non-compliance by the company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

There was no instance of penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority as well as non-compliance of any matter related to the capital markets during the last three years.

11. Means of Communication

The quarterly and yearly results are published in English in widely circulating "The Financial Express" and in Bengali in "Duranta Barta" from Kolkata.

12. General Shareholder information

AGM : Date, time and venue	46 th AGM to be held on Monday, 29 th September, 2014 at 12.30 P.M. at Room No.107, 1 st Floor, Anand Jyoti Building, 41, Netaji Subhas Road, Kolkata-700001
<ul style="list-style-type: none">Financial Calendar (Tentative)	
Results for quarter ending June 30, 2014 Declared on	12 th August, 2014
Results for quarter ending September 30, 2014	14 th November, 2014
Results for quarter ending December 31, 2014	14 th February, 2015
Audited Results for the entire Financial Year ending March 31, 2015	30 th May, 2015
<ul style="list-style-type: none">Date of Book closure	Thursday, the 25 th September, 2014 to Monday, the 29 th September, 2014 (both days inclusive)
Stock Code – Physical Demat ISIN Number for NSDL and CDSL.	29150 on Calcutta Stock Exchange INE063F01019
<ul style="list-style-type: none">High/low of market price of the Company' shares Traded on the Stock Exchange during the financial Year ended 31st March, 2014	The shares <u>have not been</u> traded on the Stock Exchange during the financial year 2013-14. The last quoted price was of Rs. 64.50 per share as per transactions on Calcutta Stock Exchange on 31.03.2006.
Registrar & Transfer Agents	M/s.Beetal Financial & Computer Services Pvt. Ltd., "BEETAL HOUSE", 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi – 110062 Phone No.011-29961281-82 Fax No. 011-29961284
<ul style="list-style-type: none">Share Transfer System	All the transfers received are processed by the Registrar and Share Transfer Agent. Share Transfers are registered and returned within maximum of 15 days from the date of lodgment if documents are complete in all respect. In case the shares are transferred through Demat

mode, the procedure is adopted as stated in Depositories Act, 1996.

Shareholding pattern as on 31-03-2014.

Category	No. of Shares	Percentage
Promoters	27,06,890	54.37
Persons acting in concert	-	-
Mutual Funds and UTI	-	-
Banks, Financial Institution & Insurance Companies.	-	-
FII's	-	-
Private Corporate Bodies	13,82,685	27.77
Indian Public	8,89,325	17.86
NRIs/ OCBs	-	-
Total	49,78,900	100.00

* Distribution of shareholding as on 31st March, 2014.

No. of Shares From To	Folios		Amount	
	Number (2)	% to Total (3)	Rs. (4)	% to Total (5)
1 - 500	533	77.92	15,09,900	3.03
501 - 1000	15	2.19	1,06,150	0.21
1001 - 2000	12	1.75	1,78,700	0.36
2001 - 3000	04	0.59	1,09,000	0.22
3001 - 4000	15	2.19	5,67,000	1.14
4001 - 5000	08	1.17	3,92,000	0.79
5001 - 10000	32	4.68	24,49,410	4.92
10001 and above	65	9.51	4,44,76,840	89.33
Total	684	100.00	4,97,89,000	100.00

Declaration of Managing Director

The Code of Conduct for the Directors and the Senior Managerial Personnel was adopted by the Board of Directors. All the Board Members and Senior Managerial Personnel have affirmed that they have complied with the code of conduct during the financial year ended on 31st March, 2014.



V.K. Sureka
Managing Director

KOLKATA
DATED : 28th August, 2014