

## Corporate Governance Report for the Financial Year 2013-14

(As required under clause 49 of the Listing Agreement entered into with BSE Limited)

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

Gujarat Foils Limited's (GFL) Corporate Governance objective is to create and adhere to a corporate culture of conscience and consciousness, integrity, transparency and accountability and ethical conduct of business for meeting obligation towards shareholders and other stakeholders such as Customers, Vendors, Employees and Financiers and to the society at large. The Company believes in achieving its goals, which result in enhancement of Shareholders' value through transparency, professionalism and nurture these core values in all aspects of its operations.

The entire governance structure is actively supervised by a Board of Directors, who oversee management activities and ensures their effectiveness in delivering member value. To implement this, GFL has always strived to promote an informed Board that functions independently.

### 2. Board of Directors

#### Composition

The composition of the Board is in conformity with Clause 49 of the Listing Agreement, which stipulates that at least 50% of the Board should consist of Independent Directors, if the Chairman of the Board is an Executive Director.

As on March 31, 2014, the Board comprised of Seven Directors. Out of these, 2 (Two) are Executive Directors, including the Chairman & Managing Director who is a Promoter Director. The remaining 5 (Five) Directors are Non-Executive Directors with 4 (Four) Directors being Independent Directors. All the Directors possess experience in various fields that encompasses manufacturing, accounts, finance and law.

#### Board Procedure

In advance of each meeting, the Board is provided with relevant information on various matters related to working of the Company. The agenda is prepared in consultation with the Chairman of the Board. The agenda for the meetings of the board together with the appropriate supporting documents are circulated well in advance of the meeting. Among other matters Board discussions generally relate to Company's business, financial results, review of the reports of the Audit Committee and compliance with their recommendation(s), suggestion(s), non compliance of any regulation, statutory or Listing requirements etc.

#### Board Meetings

The Board of Directors met 5(Five) times during the financial year 2013-2014 on 16<sup>th</sup> May, 2013, 13<sup>th</sup> August, 2013, 1<sup>st</sup> November, 2013, 12<sup>th</sup> February, 2014 and on 28<sup>th</sup> March, 2014 . As stipulated, the gap between two board meetings did not exceed four months.

The Board's composition, attendance and their directorship / committee membership, chairmanship in other Companies as on 31<sup>st</sup> March, 2014 is given below:

Name of Director	Category of Director	Attendance at		Directorships in Companies, Membership/Chairmanship in Committees		
		Board Meeting	Last AGM	Other Directorships <sup>1</sup>	Committee Memberships <sup>2</sup>	Committee Chairmanship <sup>2</sup>
Mr. Abhay Lodha	Promoter, Chairman & Managing Director	4	Yes	1	1	Nil
Mr. Prasenjit Datta	Executive, Whole Time Director	5	Yes	Nil	Nil	Nil
Mr. Satish Chandra Gupta	Non Executive, Independent Director	4	No	9	5	3
Mr. Sanjiv Goel <sup>3</sup>	Non Executive, Non-Independent Director	2	N.A.	Nil	Nil	Nil
Mr. Kanchan Murarka	Non Executive, Non-Independent Director	5	No	Nil	Nil	Nil



Name of Director	Category of Director	Attendance at		Directorships in Companies, Membership/Chairmanship in Committees		
		Board Meeting	Last AGM	Other Directorships <sup>1</sup>	Committee Memberships <sup>2</sup>	Committee Chairmanship <sup>2</sup>
Mr. Surender Kumar Tuteja	Non Executive, Independent Director	3	Yes	14	5	4
Mr. Rahul B. Chhajed	Non Executive, Independent Director	4	No	Nil	Nil	Nil
Mr. Viresh Mathur	Non Executive, Independent Director	3	No	4	Nil	Nil

**Notes:**

- The Directorships, held by Directors as mentioned above, do not include Alternate Directorships and Directorships in Foreign companies, Companies registered under Section 25 of Companies Act, 1956 and private companies.
- Position in Audit Committee and Shareholders' Grievance Committee in other public limited companies are considered for the purpose (excluding Gujarat Foils Limited)
- Resigned from Directorship of the Company w.e.f. 31<sup>st</sup> August, 2013

None of the Director is a member of more than 10 committees and chairman of more than 5 committees (as specified in clause 49) across all the Companies in which they are Directors.

### 3. Audit Committee

**Composition and attendance:**

The Audit Committee had requisite number of Independent Directors. The Company Secretary acted as Secretary of the Audit Committee. The necessary quorum was present at all the meetings. During the year under review, the Audit Committee met 4 (Four) times on 16<sup>th</sup> May, 2013, 13<sup>th</sup> August, 2013, 1<sup>st</sup> November, 2013, and on 12<sup>th</sup> February, 2014. As stipulated, the gap between two committee meetings did not exceed four months.

The composition of the Audit Committee and the Attendance of Directors at its meeting is given hereunder:

Name of the Committee member	Designation	No. of Meetings	
		Held during their tenure	Attended
Mr. Surender Kumar Tuteja	Chairman (Independent Director)	4	3
Mr. Satish Chandra Gupta	Member (Independent Director)	4	4
Mr. Rahul B. Chhajed	Member (Independent Director)	4	3

**Brief description of Terms of reference**

The terms of reference of Audit Committee includes the matters specified in section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement and broadly comprise as under:

- Review of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommend the appointment/re-appointment /replacement or removal of the Statutory Auditors and the fixation of audit fees and payment for any other services to external auditors;
- Reviewing with the management, the quarterly/half yearly and annual financial statements before submission to the Board focusing primarily on:
  - Any change in the accounting policies and practices;
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 217(2AA) of the Companies Act, 1956;
  - Major accounting entries involving estimates based on the exercise of judgment by management;

- Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with accounting standards;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Qualifications in the draft audit report;
4. Reviewing the Company's financial and risk management policies;
  5. Review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency about the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter,
  6. Review with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
  7. Review of the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  8. Discussion with internal auditors any significant findings and follow up there on;
  9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  10. Discussion with statutory auditors about the scope of audit including observation of auditors (post-audit) to ascertain any area of concern;
  11. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
  12. Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;
  13. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment modification as may be applicable.

#### **Powers of Audit Committee**

The Audit Committee has the following powers:

- i) To investigate any activity within its terms of reference;
- ii) To seek any information from any employee;
- iii) To obtain outside legal or other professional advice;
- iv) To secure attendance of outsiders with relevant expertise, if it considers necessary;

#### **4. Stakeholders Relationship Committee/Share Transfer and Shareholders/Investor Grievance Committee:**

The existing Share Transfer and Shareholders/Investor Grievance Committee was renamed by the Board in its meeting held on 19<sup>th</sup> May, 2014 as "Stakeholder's Relationship Committee" by altering the nomenclature of the Committee. The Stakeholders Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

The Stakeholders Relationship Committee's composition is the same as that of Share Transfer and Shareholders/Investor Grievance Committee and the terms of reference meet with the requirements of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013.

Terms of Reference of the Committee, inter alia, includes the following:

- Oversee and review all matters connected with the transfer of the Company's securities
- Approve issue of the Company's duplicate share /debenture certificates



- Monitor redressal of investors' / shareholders' / security holder's grievances
- Oversee the performance of the Company's Registrars and Transfer Agents
- Recommend methods to upgrade the standard of services to investors
- Monitor implementation of the Company's Code of Conduct for Prohibition of Insider Trading
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment / modification as may be applicable.

During the financial year 2013-2014, the Stakeholder's Relationship Committee / Share Transfer and Shareholders/Investor Grievance Committee met 4 (Four) times on 16<sup>th</sup> May, 2013, 13<sup>th</sup> August, 2013, 1<sup>st</sup> November, 2013, and on 12<sup>th</sup> February, 2014. The Company Secretary acted as Secretary of the Stakeholder's Relationship Committee / Share Transfer and Shareholders/Investor Grievance Committee.

The composition of the Stakeholder's Relationship Committee is given hereunder:-

Name of the Committee member	Designation	No. of Meetings	
		Held during their tenure	Attended
Mr. Kanchan Murarka	Chairman (Non-Executive Director)	4	4
Mr. Rahul B. Chhajed	Member (Independent Director)	4	3
Mr. Prasenjit Datta	Member (Whole Time Director)	4	4

#### Status of Investors' Complaints for the financial year 2013-14

At the beginning of the year	Received during the year	Resolved during the year	Pending at the end of the year
Nil	Nil	Nil	Nil

#### Name and designation of Compliance Officer:

Mr. Amit Kumar Gupta - Company Secretary and Compliance Officer (upto 31<sup>st</sup> May, 2014)

Ms. Nikita Pedhdiya - Company Secretary and Compliance Officer (appointed w.e.f 1<sup>st</sup> June, 2014)

### 5. Corporate Social Responsibility Committee (CSR)

#### Composition

The Corporate Social Responsibility (CSR) Committee was constituted by the Board on 19<sup>th</sup> May, 2014 considering requirements of the Companies Act, 2013 relating to the constitution of a Corporate Social Responsibility Committee. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility policy' and to suggest remedial measures wherever necessary. The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

The composition of the Corporate Social Responsibility Committee is given hereunder:-

Name of the Committee member	Designation
Mr. Prasenjit Datta	Member (Whole-Time Director)
Mr. Kanchan Murarka	Member (Non-Executive Director)
Mr. Satish Chandra Gupta	Member (Independent Director)

#### Terms of Reference of the Committee, inter alia, includes the following:

- Formulate and recommend to the Board a Corporate Social Responsibility Policy as required under the Companies Act, 2013 and rules made thereunder;
- Recommend the amount of expenditure to be incurred on the activities;
- Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

## 6. Nomination and Remuneration Committee/ Remuneration Committee

### Composition

The existing Remuneration Committee was renamed by the Board in its meeting held on 19<sup>th</sup> May, 2014 as “**Nomination and Remuneration Committee**” by altering the nomenclature of the Committee pursuant to Section 178 of the Companies Act, 2013 and the listing agreement.

The Nomination and Remuneration Committee has been constituted by the Board in accordance with the guidelines laid out by statute and the Listing Agreement with the Stock Exchange.

The composition of the Nomination and Remuneration Committee is given hereunder:-

Name of the Committee member	Designation	No. of Meetings	
		Held during their tenure	Attended
Mr. Surender Kumar Tuteja	Member (Independent Director)	1	1
Mr. Satish Chandra Gupta	Member (Independent Director)	1	1
Mr. Rahul B. Chhajed	Member (Independent Director)	1	1

### Terms of Reference of the Committee, inter alia, includes the following:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal.
- To carry out evaluation of every Director's performance
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees
- To formulate the criteria for evaluation of Independent Directors and the Board
- To devise a policy on Board diversity
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

During the year under review, one meeting of the Remuneration Committee/ Nomination and Remuneration Committee was held on 13<sup>th</sup> August, 2013

### Remuneration Policy

The Remuneration Policy of the Company is to remain competitive in the industry to attract and retain talent and appropriately reward them. The Company while deciding the remuneration package takes into consideration the following:

- a. Financial Position of the Company;
- b. Trend in the Industry;
- c. Appointee's qualification, experience, past performance, past remuneration etc;
- d. Neutral view while determining the remuneration package;
- e. Balance between interest of the Company and shareholders.
- f. Details of remuneration paid to Executive Directors are as follows:

(₹ in Lacs p.a.)

Name	Salary&Perquisites	Commission	Sitting Fees	Total
Mr. Abhay Lodha	2.40	Nil	N.A	2.40
Mr. Prasenjit Datta	50.50	Nil	N.A	50.50



- g. Number of Equity Shares held by the Directors as on 31st March, 2014

Name	Designation	No. of shares held
Mr. Abhay Lodha	Chairman and Managing Director	30,47,104
Mr. Kanchan Murarka	Non- Executive Director	7,500
Mr. Prasenjit P. Datta	Executive, Whole Time Director	200

### 7. General Body Meetings

- a) The details of last three Annual General Meetings of the Company are as follows:

Year	Date	Time	Venue
2010-11	30 <sup>th</sup> September, 2011	3.00 P.M	Plot no 3436-3439, Chhatral, G.I.D.C., Phase IV, Kalol, Dist. Gandhinagar, Gujarat 382729
2011-12	26 <sup>th</sup> September, 2012	11.30 A.M	Plot no 3436-3439, Chhatral, G.I.D.C., Phase IV, Kalol, Dist. Gandhinagar, Gujarat 382729
2012-13	27 <sup>th</sup> September, 2013	11.30 A.M	Plot no 3436-3439, Chhatral, G.I.D.C., Phase IV, Kalol, Dist. Gandhinagar, Gujarat 382729

- b) Details of Special Resolutions passed in the previous three Annual General Meetings (AGM) / Extra- ordinary General Meetings (EGM) are as under.

Date	Purpose of Special Resolution
27 <sup>th</sup> September, 2013 (AGM)	1. Increase in the amount of remuneration paid to Mr. Prasenjit Datta, Whole-time Director.
26 <sup>th</sup> September, 2012 (AGM)	1. Preferential Allotment of Shares 2. Alteration in Articles of Association of the Company
30 <sup>th</sup> September, 2011 (AGM)	1. Reappointment of Mr. Abhay Lodha as Chairman and Managing Director. 2. Approval for borrowing pursuant to section 293 (1) (d) in excess of the limits specified in the Act. 3. Approval pursuant to section 293 (1) (a) to mortgage, give as security thereby create a charge on the property of the company. 4. Approval to change the name of the company 5. Appointment of Mr. Prasenjit Datta as Whole Time Director for a period of 5 years

All the Special Resolutions placed before the shareholders at the above meetings were approved with requisite majority.

- c) **Postal Ballot conducted during the year:**

During the period under review, following resolutions were passed by mode of Postal Ballot Process.

Date	Type of resolution	Purpose of Special Resolution
21.03.2014	Ordinary	Re-classification of Authorised share capital and amendment to Memorandum of Association.
21.03.2014	Special	Issue of Redeemable, non-convertible preference shares on preferential basis.

All Resolutions mentioned herein above were passed by requisite majority through postal ballot process.

During the year under review, No Extra Ordinary General meeting was held.

### 8. Disclosures

- **Related Party Transaction**

During the year under review, besides the transactions reported in Notes to Accounts to the Balance Sheet as at 31st March, 2014, there were no other related party transactions with promoters, directors and management that had a potential conflict of interest of the Company at large.

- **Disclosure of Accounting Treatment**

The Company has followed all relevant Accounting Standards while preparing the financial statements.

- **Code of Conduct**

- The Board of Directors has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. The said code of conduct is available on the Company's website [www.gujaratfoils.com](http://www.gujaratfoils.com). All Board members and senior management personnel have affirmed compliance with the Code of Conduct. A declaration by the Chairman and Managing Director of the Company affirming the compliance of the same in respect of the financial year ended on 31st March, 2014, by the members of the Board and senior management personnel, as applicable to them, is also annexed separately in this Annual Report.

- **Proceeds from Public Issues, Right Issues, Preferential Issues etc.**

During the financial year 2013-2014, the Company had issued and allotted 250,00,000 10% Non-Convertible, Non-Cumulative, Redeemable preference shares of ₹10/- each at a premium of ₹10/- each on preferential basis to the promoters on 28<sup>th</sup> March, 2014 and the funds were utilised for working capital and general corporate purpose.

- **Disclosure of Risk Management**

The Company has the risk assessment and mitigation procedures in place and the same have been laid before the Board members from time to time.

- **Details of Non-Compliance.**

No penalties and strictures have been imposed by SEBI or the Stock Exchange or any Statutory Authorities on matters relating to capital markets during the last three years.

- **CEO/CFO Certification**

A CEO/CFO certification in terms of Clause 49(v) of the Listing Agreement, from Mr. Abhay Lodha, Chairman and Managing Director, heading finance function of the Company, in respect of financial year 2013-2014 was placed before the Board.

- **Details of Compliance with Mandatory Requirements and Adoption of the Non-Mandatory Requirements of this Clause.**

The Company has complied with all the mandatory requirements of this clause. As regards the non-mandatory requirements the extent has been stated in this report against each such item.

## 9. Means of Communication

The Company's quarterly / half yearly results are published in news papers viz. "Western Times" in both English and Gujarati. Half yearly reports are not being sent to each of the shareholders. These results are displayed on the Company's website [www.gujaratfoils.com](http://www.gujaratfoils.com) under Investor Section.

Management Discussion and Analysis is forming part of this Annual Report.

## 10. General Information for Shareholder

A	Annual General Meeting Date and Time: Venue:	29 <sup>th</sup> September, 2014 at 11.30A.M. At Plot no 3436-3439, Chhatral, G.I.D.C., Phase IV, Taluka-Kalol, Dist-Gandhinagar, Gujarat-382729
B	Financial Calendar Results for : First quarter Second quarter Third quarter Fourth quarter	1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015. On or before 14 <sup>th</sup> August 2014 On or before 14 <sup>th</sup> November 2014 On or before 14 <sup>th</sup> February 2015 Annual Audited Results –On or before 30 <sup>th</sup> May 2015.
C	Date of Book Closure	24 <sup>th</sup> September 2014 to 29 <sup>th</sup> September 2014 (both day inclusive)



## Corporate Governance Report

D	Listing on Stock Exchanges	BSE Limited, Mumbai (Listing fees, as applicable, has been paid)
E	Registered Office	Plot no 3436-3439, Chhatral, G.I.D.C., Phase IV, Taluka-Kalol, Dist-Gandhinagar, Gujarat-382729
F	Registrar and Transfer Agent	Link Intime India Private Limited 303 , 3rd floor, Shoppers Plaza-V, Opp. Municipal Market, Off. C. G. Road, Navrangpura, Ahmedabad- 380009
G	Stock Code	BSE Script Code 531410
H	ISIN for NSDL and CDSL	INE587F01017
I	Corporate Identification Number (CIN)	L28999GJ1992PLC018570

### J. Market Price data

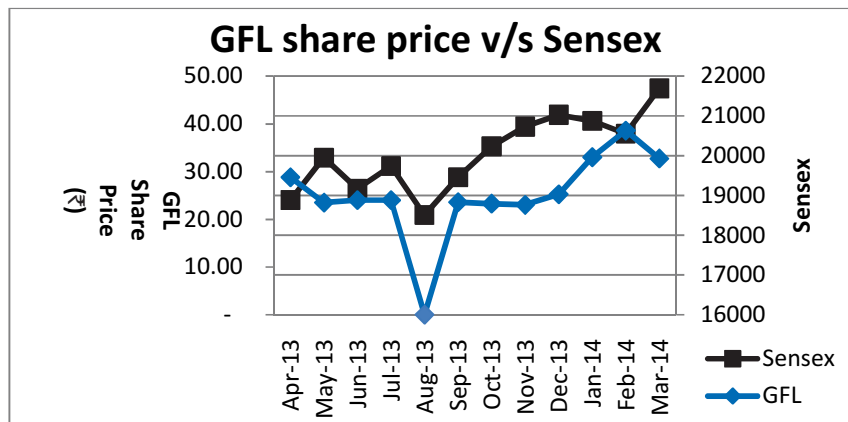
The table below gives the monthly high and low prices and volumes of the Company's shares traded at BSE Limited during the period from April 2013 to March 2014

Month	GFL		SENSEX	
	High Price	Low Price	High	Low
Apr-13	31.00	26.60	19622.68	18144.22
May-13	24.00	23.00	20443.62	19451.26
Jun-13	24.00	24.00	19860.19	18467.16
Jul-13	24.00	24.00	20351.06	19126.82
Aug-13	- #	- #	19569.20	17448.71
Sep-13	24.15	23.00	20739.69	18166.17
Oct-13	24.15	22.35	21205.44	19264.72
Nov-13	25.05	21.00	21321.53	20137.67
Dec-13	27.00	23.45	21483.74	20568.70
Jan-14	39.00	27.00	21409.66	20343.78
Feb-14	40.50	36.65	21140.51	19963.12
Mar-14	36.00	29.45	22467.21	20920.98

# Data not available on BSE website for the month of August, 2013

\*Source: www.bseindia.com

### K. The chart herein depicts the comparison of the Company's share price movement viv-a-vis the movement of the BSE Sensex



\*Source: www.bseindia.com



**L. Shareholding Pattern as on 31<sup>st</sup> March, 2014****a) Category of Equity Shareholders as on 31<sup>st</sup> March, 2014**

S. No.	Category	No. of Shareholders	No. of Shares	% of Total Holding
1.	Indian Promoter&PromoterGroup	7	48,34,077	58.94
2.	Bodies Corporate	25	8,84,127	10.78
3.	Individuals	726	24,81,463	30.25
4.	Others	8	2,143	0.03
	<b>Total</b>	<b>766</b>	<b>82,01,810</b>	<b>100.00</b>

**b) Distribution of Equity Shareholding as on 31<sup>st</sup> March, 2014.**

No of Equity shares Held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shares
01-500	579	75.49	106043	1.29
501-1000	101	13.17	85443	1.04
1001-2000	25	3.26	38391	0.47
2001-3000	15	1.96	36582	0.45
3001-4000	8	1.04	29311	0.36
4001-5000	3	0.39	15000	0.18
5001-10000	8	1.04	62628	0.76
10001 and above	27	3.65	7828412	95.45
<b>Total</b>	<b>766</b>	<b>100.00</b>	<b>8201810</b>	<b>100.00</b>

**M. Share Transfer System**

All matters pertaining to transfer of shares are being handled by Link Intime India Private Limited, the Registrar and Share Transfer Agents of the Company. The share transfer requests received are processed by them and a Memorandum of Transfer is sent to the Company for approval by the Committee. The average time taken for processing share transfer requests including dispatch of share certificates is 15 days, while it takes a minimum of 10-12 days for processing dematerialization requests. The Company regularly monitors and supervises the functioning of the systems so as to ensure that there are no delays or lapses in the systems.

**N. Dematerialization of shares and liquidity**

The Company's shares are compulsorily traded in dematerialized form and 96.97% shares are in dematerialized form as on 31<sup>st</sup> March, 2014.

**O. Investor Correspondence**

Share Transfer Agents	For General Queries
Link Intime India Private Limited 303 , 3rd floor, Shoppers Plaza-V, Opp. Municipal Market, Off. C. G. Road, Navrangpura Ahmedabad- 380009 Tel: +91-79-26465179 Fax: +91-79-26465179 Email: ahmedabad@linkintime.co.in	Company Secretary and Compliance Officer Gujarat Foils Limited Indiabulls Finance Centre, 1601, 16th Floor, Tower-3, Senapati Bapat Marg, Elphinstone (West), Mumbai-400 013 Tel:+91-22-71500 500 Fax: +91-22-71500 520 Email: secretarial@topworthgroup.com



## Auditors' Compliance Certificate on Corporate Governance

To  
The Members  
Gujarat Foils Limited

We have examined the Compliance of the conditions of Corporate Governance by **Gujarat Foils Limited** for the year ended on 31<sup>st</sup> March, 2014 as stipulated in clause 49 of the Listing Agreement of the said company with the BSE Limited.

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

In our opinion and based on the information and explanations given to us and the representations made by Directors and Management and to the best of our knowledge and belief, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of said Listing Agreement.

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

**FOR H.R. AGARWAL & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No.:- 323029E

**CA Hari Ram Agarwal**  
Partner  
M. No.: FCA 057625

Place: Kolkata  
Date: 12<sup>th</sup> August, 2014

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## Declaration Regarding Compliance of Code of Conduct

I, Abhay Lodha, Chairman of the Company, hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with Code of Conduct as adopted by the Company for the financial year ended 31<sup>st</sup> March, 2014.

Place: Mumbai  
Date : 12<sup>th</sup> August, 2014

**Abhay Lodha**  
Chairman  
DIN : 00052194