

Report on corporate governance

Company's philosophy on Corporate Governance

Your Company believes that Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success and we remain committed to maximising stakeholder value, be it shareholders, employees, suppliers, customers, investors, communities or policy-makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. The Company's Corporate Governance Philosophy is based on the values of integrity, excellence and responsibility. It emphasises wealth creation for society, protection and interest enhancement for all stakeholders, without compromising the environment and health of society at large. The Corporate Governance process and system have gradually been strengthened over the years.

The Company believes in achieving business excellence and optimising long-term value for its shareholders on a sustained basis through ethical business conduct. It envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations and all its interactions with shareholders, employees, lenders, government and the society at large.

1. Board of Directors

Composition

The Company has a very balanced and diverse Board of Directors, which primarily takes care of the business needs and the interests of the stakeholders. The composition of the

Board complies with the provisions of the Companies Act, 2013 and the Listing Agreement. The Board of Directors ("the Board") of the Company is composed of eminent individuals from diverse fields. The Company believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. The Board acts with autonomy and independence in exercising its strategic supervision, discharging its fiduciary responsibilities and ensuring that the management observes the highest standards of ethics, transparency and disclosure. Every member of the Board, including the Non-Executive Directors, has full access to all the information related to the Company. The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory as well as business requirements.

As on 31st March, 2015, the Board consisted of twelve Directors, including and headed by an Executive Chairman. The Board of the Company has an optimum combination of Promoter, Independent, Executive and Non-executive Directors. For effective operations of the Company there are six Executive Directors including four Managing Directors. There are six Non-executive Independent Directors. The Board members are expert in different disciplines of corporate working i.e. finance, banking, technical, marketing, administration, etc. The Independent Directors are expert professionals with high credentials and actively contribute to the deliberations of the Board.

As on 31st March, 2015, the Board consisted of the following members:

SI	Name	Designation	Category
1	Sri Sajjan Bhajanka	Chairman and Managing Director	Promoter – Executive
2	Sri Hari Prasad Agarwal	Vice Chairman and Executive Director	Promoter – Executive
3	Sri Sanjay Agarwal	Managing Director	Promoter – Executive
4	Sri Prem Kumar Bhajanka	Managing Director	Promoter – Executive
5	Sri Vishnu Khemani	Managing Director	Promoter – Executive
6	Sri Ajay Baldawa	Executive Director	Executive – Non-Independent
7	Sri Manindra Nath Banerjee	Director	Independent
8	Sri Mangi Lal Jain	Director	Independent
9	Sri Santanu Ray	Director	Independent
10	Sri Samarendra Mitra	Director	Independent
11	Sri Asit Pal	Director	Independent
12	Smt. Mamta Binani*	Director	Independent

Sri Sajan Kumar Bansal resigned from the Directorship of the Company with effect from 6th May, 2014.

** Smt. Mamta Binani was appointed as Director w.e.f. 24th July, 2014 in the Independent category.*

None of the Directors have any inter-se relation among themselves.

Directorship, Committee Membership and Chairmanship

The details about positions held by the Board of Directors as Directors of Public Limited Companies, Committee Membership and Committee Chairmanship as on 31st March, 2015 are as under:

SI	Name	Number of	
		Directorship of Public Limited Companies*	Membership(s) [including Chairmanship(s)] of Board Committees**
1	Sri Sajjan Bhajanka	10	5 (including 1 as Chairman)
2	Sri Hari Prasad Agarwal	10	5
3	Sri Sanjay Agarwal	8	-
4	Sri Prem Kumar Bhajanka	6	-
5	Sri Vishnu Khemani	2	-
6	Sri Ajay Baldawa	7	-
7	Sri Manindra Nath Banerjee	5	6 (including 3 as Chairman)
8	Sri Mangi Lal Jain	9	9 (including 4 as Chairman)
9	Sri Santanu Ray	4	6 (including 3 as Chairman)
10	Sri Samarendra Mitra	1	-
11	Sri Asit Pal	10	6
12	Smt. Mamta Binani	7	6 (including 2 as Chairman)

** Includes Private Companies which are subsidiaries of Public Limited Companies, Unlimited Liability Companies, Companies registered under Section 8 of the Companies Act, 2013, Membership of Managing Committees of Chambers of Commerce/*

Professional Bodies but excludes Foreign Companies.

*** Indicates membership/chairmanship of Audit Committee and Stakeholders' Relationship Committee of all Public Limited companies, Unlimited Liability Companies whether listed or not but excludes Private Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.*

None of the Directors hold office of a director in more than 20 companies, including 10 public companies and private companies that are either holding or subsidiary of a public company in terms of Section 165 of the Companies Act, 2013. None of the Directors is a Member of more than 10 Committees or Chairman of more than 5 committees, across all the companies in which he/she is a Director.

2. Board meetings and procedure

The Board meets at regular intervals to discuss and decide on Company/ business policy and strategy apart from other normal Board business. The Board meets at least once in every quarter to review the quarterly results and other items on the agenda with a maximum time gap of four months between any two meetings. Additional meetings are held when necessary. The Board Meetings are usually held at the registered office of the Company at 6, Lyons Range, Kolkata 700 001. The draft minutes of the proceedings of the Board of Directors are circulated in advance and the comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairman. The meetings of the Board of Directors are generally held at the Company's Registered Office at Kolkata and are scheduled well in advance to facilitate the Directors to plan their schedules and to ensure meaningful participation in the meetings. The agenda and notes on agenda are circulated to Directors in advance, and in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting and taking informed decisions. In addition to the information required under Clause 49 of the Listing Agreement, the Board is also kept informed of major events/ items and approvals taken wherever necessary. The Chairman and Managing Director at the Board Meetings keep the Board apprised of the overall performance of the Company. Senior executives are invited to provide additional inputs at the Board meeting for the items being

discussed by the Board of Directors, as and when necessary. The Company Secretary while preparing the agenda, minutes, etc. of the meeting is responsible for and is required to ensure adherence to all applicable laws, rules and regulations.

Number and dates of board meetings held during the year

Four Board Meetings were held during the financial year ended 31st March, 2015. These were held on 6th May, 2014, 24th July, 2014, 30th October, 2014 and 21st January, 2015. Meeting held on 6th May, 2014 was adjourned to 10th May, 2014.

Attendance at the Board Meetings during the financial year 2014-15 and at the previous Annual General Meeting is as under:

Sl	Name	No. of Board Meeting attended	Last AGM attended
1	Sri Sajjan Bhajanka	4	Yes
2	Sri Hari Prasad Agarwal	4	Yes
3	Sri Sanjay Agarwal	3	Yes
4	Sri Prem Kumar Bhajanka	1	No
5	Sri Vishnu Khemani	1	No
6	Sri Ajay Baldawa	4	No
7	Sri Manindra Nath Banerjee	4	Yes
8	Sri Mangi Lal Jain	4	Yes
9	Sri Santanu Ray	4	Yes
10	Sri Samarendra Mitra	4	Yes
11	Sri Asit Pal	4	No
12	Smt. Mamta Binani*	3	Yes

* Smt. Mamta Binani was appointed as Director w.e.f. 24th July, 2014 in the Independent category.

Separate Meeting of Independent Directors

As stipulated by the Code for Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate

meeting of the Independent Directors of the Company was held on 21st January, 2015 to review the performance of Non-independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and Committees, which is necessary to effectively and reasonably perform and discharge their duties.

Training of Independent Directors and Board members

All the members of the Board of Directors are well-experienced professionals who are well acquainted with business knowledge of the industry. The Board members are provided necessary documents, reports and other presentations. Such information enables the Independent Directors to get familiarised with the Company's operations and the industry at large. Further, with respect to Executive Directors, the Company arranges for training in the field of risk management of the Company's business. Such training enables better decision-making and helps the Executive Directors in discharging their responsibilities. The relevant statutory changes/ updates are circulated to them from time to time so that it helps the Directors to make better and informed decisions. A note on the familiarisation programme undertaken for Independent Directors is included elsewhere in this Report.

Resume of Directors proposed to be re-appointed

A brief resume of Directors retiring by rotation and seeking re-appointment is being appended in the notice calling the Annual General Meeting.

Changes in Directorships during the financial year 2014-15 and thereafter

Sri Sajan Kumar Bansal resigned from the Directorship of the Company with effect from 6th May, 2014. Smt. Mamta Binani was appointed as Additional Director w.e.f. 24th July, 2014 in the Independent category and her appointment was confirmed by the shareholders at the previous Annual General Meeting held on 11th September, 2014. Sri Sajjan Bhajanka was re-designated as Chairman and Managing Director (CMD) with effect from 1st October, 2014.

3. Directors' Responsibilities

The Board of Directors has the principal responsibility to oversee the management of the Company and, in doing so, serve the best interests of the Company and its stakeholders. They are responsible to exercise business judgments while discharging their fiduciary duties and to act in what they reasonably believe to be in the best interests of the Company and its stakeholders. The Directors have an obligation to remain informed about the Company and its business, including principal operational and financial objectives, strategies and plans. The Directors have to ensure that effective systems are in place for periodic and timely reporting to the Board on matters concerning the Company. It would be prudent for the Directors to comply with all duties required for the effective functioning of the Company.

4. Role of Company Secretary in overall Governance Process

The Company Secretary plays a vital role in ensuring that Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and the senior management for effective decision-making at the meeting.

5. Compliance

The Company Secretary is responsible for and required to ensure adherence to all the applicable laws and regulations primarily the Companies Act, 2013 read with the rules thereunder, besides preparing the agenda, the notes on the agenda and minutes of the meeting, among others. The Company Secretary establishes and regularly monitors the compliance mechanism in place to carry out effective and timely compliance of relevant laws, rules and regulations. Based on the reports and certificates, a certificate of statutory compliances duly signed by the Managing Director and CFO is also placed before the Board at its meetings held during the year under review.

The Board of Directors reviews the compliance reports of the laws applicable to the Company as well as instances of non-compliances, if any, together with their possible impact on the business, if any.

The Audit Committee also reviews the statutory compliances of the Company at each of its meetings. A strict Internal Audit system is also in place to monitor and certify the compliance system.

6. Information placed before the Board of Directors

The Company has complied with Revised Clause 49 of the Listing Agreement with regard to information being placed before the Board of Directors. The following items are generally tabled for information and review of the Board:

- Quarterly and yearly financial results
- Minutes of meetings of all committees
- Minutes of meetings of subsidiary companies
- General Notices of interest to the Directors
- Dividend data
- Information of recruitment and resignation of employees one level below the Board level
- Annual operating plans and budgets and any updates
- Capital budgets and any updates
- Materially important litigations, show causes, demands, prosecutions and penalty notices
- Fatal or serious accidents, dangerous occurrences and material effluent discharge or pollution related problems
- Any materially relevant default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company
- Any issue that involves possible public or product liability claims of a substantial nature
- Details of joint ventures, acquisitions of companies or collaboration agreements
- Transactions that involve substantial payment towards enhancing goodwill, brand equity or involving intellectual property
- Any significant development on the Human Resource/ Industrial Relations front
- Sale of material nature, of investment, subsidiaries and assets, which are not in the normal course of business
- Grant of loans and making investments of surplus funds

- Transactions with related parties
- Non-compliance of any regulatory, statutory or listing requirements
- Review of the Risk Management Policy
- Quarterly detail of foreign exchange exposures and the steps taken by the management to limit the risk of adverse exchange rate movement, if material
- Any other important or critical matters

7. Committees of the Board

Currently, the Board has four committees: Audit Committee, Nomination and Remuneration Committee, Share Transfer cum Stakeholders Relationship Committee and Corporate Social Responsibility Committee.

Audit Committee

The Audit Committee is responsible for the effective supervision of the financial reporting processes to ensure accurate, timely and proper disclosures and the transparency, integrity and quality of financial reporting.

Powers of the Audit Committee

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain external legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise, if it considers it necessary

Terms of reference

Terms of reference of the Audit Committee includes the following:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report
- b. Changes, if any, in accounting policies and practices and reasons for the same
- c. Major accounting entries involving estimates based on the exercise of judgment by management
- d. Significant adjustments made in the financial statements arising out of audit findings
- e. Compliance with listing and other legal requirements relating to financial statements
- f. Disclosure of any related party transactions
- g. Qualifications in the draft audit report
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vi. Reviewing, with the management, the statement of use/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the Company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the Company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, 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;

- xiv. Discussion with internal auditors of any significant findings and follow-up thereon;
- xv. 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;
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit, audit observations as well as post-audit discussion to ascertain any area of concern;
- xvii. To 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;
- xviii. To review the functioning of the Whistle Blower mechanism;
- xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

Composition

The Audit Committee comprises of the following four members:

Name	Category	Designation
Sri Mangi Lal Jain	Non-executive independent	Chairman
Sri Santanu Ray	Non-executive independent	Member
Smt. Mamta Binani (w.e.f 1st January, 2015)	Non-executive independent	Member
Sri Hari Prasad Agarwal	Executive non-independent	Member
Sri Manindra Nath Banerjee (till 31st December, 2014)	Non-executive independent	Member

The composition of Audit Committee meets the requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Members of the Audit Committee possess financial/ accounting expertise/ exposure. The Committee is chaired by Sri Mangi Lal Jain.

Sri Mangi Lal Jain and Sri Santanu Ray are both fellow members of the Institute of Chartered Accountants of India and have vast and diverse experience in financial management, corporate affairs, accounting and audit matters. Smt. Mamta Binani is a Practising Company Secretary with over 14 years of experience in corporate consultation and advisory, covering due diligence, secretarial and legal functions. Sri Hari Prasad Agarwal is a Commerce Graduate with over 42 years of experience in finance and accounts.

The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

Four meetings of the Audit Committee were held during the financial year ended 31st March, 2015. These were held on 6th May, 2014, 24th July, 2014, 30th October, 2014 and 21st January, 2015. The meeting held on 6th May, 2014 was adjourned to 10th May, 2014. Attendance at the Audit Committee Meetings during the financial year 2014-15 was as follows:

Sl. No.	Name	No. of Audit Committee meetings attended
1	Sri Mangi Lal Jain	4
2	Sri Santanu Ray	4
3	Smt. Mamta Binani (appointed w.e.f 1st January, 2015)	1
4	Sri Hari Prasad Agarwal	4
5	Sri Manindra Nath Banerjee (member till 31st December, 2014)	3

The meetings of the Audit Committee were also occasionally attended by the CEO, President Finance, Manager-Accounts and representatives of the Statutory Auditors and Internal Auditors, as invitees for the relevant meetings.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee determines on behalf of the Board and shareholders as per agreed term of reference, the Company's policy on specific remuneration packages for Executive Directors, key managerial personnel and other employees.

Terms of Reference

Terms of reference of the Nomination and Remuneration Committee includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of Directors and also carrying out of such evaluation.
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. Recommending/ reviewing remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria

Composition

The Nomination and Remuneration Committee comprises the following three members:

Name	Category	Designation
Sri Mangi Lal Jain	Non-executive independent	Chairman
Sri Santanu Ray	Non-executive independent	Member
Sri Manindra Nath Banerjee (member till 31st December, 2014)	Non-executive independent	Member
Smt. Mamta Binani (member w.e.f 1st January, 2015)	Non-executive independent	Member

The Nomination and Remuneration Committee's composition meets the requirements of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

The Nomination and Remuneration Committee met twice during the financial year ended 31st March, 2015 on 24th July, 2014 and 30th October, 2014, attendance wherein are as under:

Sl. No.	Name	No. of Nomination and Remuneration Committee Meetings attended
1	Sri Mangi Lal Jain	2
2	Sri Santanu Ray	2
3	Sri Manindra Nath Banerjee (member till 31st December, 2014)	2
4	Smt. Mamta Binani (member w.e.f. 1st January, 2015)	-

Remuneration policy

Nomination and Remuneration Committee recommends the remuneration for the Executive Directors, key managerial personnel and other employees. The recommendation is then approved by the Board and Shareholders. The remuneration paid to Executive Directors is determined keeping in view the industry benchmark, the relative performance of the Company to the industry performance. Independent Non-Executive Directors are appointed for their professional expertise in their individual capacity as individual Professionals/ Business Executives. Independent Non-Executive Directors receive sitting fees for attending Board and Committee Meetings. They are also paid a commission at the rate of one percent of the net profits of the Company for each financial year subject to a maximum of H 1 lakh per annum. The Company's remuneration strategy is directed towards rewarding performance, based on a review of achievements. The Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 has been published elsewhere in this Report as an Annexure to the Directors' Report.

Criteria of making payments to Non-Executive Directors in terms of Clause 49 VIII.C.3 of the amended Listing Agreement

The Non-Executive Directors of the Company have a crucial role to play in the independent functioning of the Board. They

bring in an external and wider perspective to the deliberations and decision-making by the Board. The Independent Directors devote their valuable time to discussions in the course of the Board and Committee meetings of the Company. They also help ensure good corporate governance norms. The responsibilities and obligations imposed on the Non-Executive Directors have recently increased manifold owing to new legislative initiatives. Contribution of the Non-Executive Directors in Board and Committee Meetings, time devoted by them, participation in strategic decision making, performance of the Company and industry practices and benchmarks forms the main criteria for determining payments to Non-Executive Directors.

Non-Executive Directors of the Company are paid the following:-

- **Sitting fees**

Non-Executive Directors are paid a sitting fee of H 20,000 for each Board and H10,000 for each Committee meeting attended by them. These fees have been decided taking into consideration the extent of business transacted in various meetings.

- **Commission**

Commission not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013, subject to a maximum of H 1,00,000 per Director, is paid to all Non-Executive Directors on pro-rata basis (i.e. the period during which they were on the Board). This is based on the premise that Non-Executive Directors, drawn from various fields, have necessary expertise and they all contribute in some way or the other in making Board/ Committee procedures effective and fruitful, essential for the growth of the Company.

Apart from sitting fees and commission referred to above and reimbursement of their travelling expenses for attending the Board and Committee Meetings, no payment by way of bonus, pension, incentives, etc. is made to any of the Non-Executive Directors.

The Company has no stock option plans and hence, such instruments do not form part of remuneration package payable to Non-Executive Directors.

Details of remuneration paid to Directors

Sl. No.	Name of the Director	Designation	Salary (H)	Sitting Fee (H)	Commission (H)	No. of shares held as on date
Executive Directors:						
1.	Sri Sajjan Bhajanka	Chairman and Managing Director	60,00,000	Nil	Nil	26357954
2.	Sri Hari Prasad Agarwal	Vice-chairman & Executive Director	30,00,000	Nil	Nil	2435760
3.	Sri Sanjay Agarwal	Managing Director	60,00,000	Nil	Nil	25325124
4.	Sri Prem Kumar Bhajanka	Managing Director	36,00,000	Nil	Nil	5126170
5.	Sri Vishnu Khemani	Managing Director	60,00,000	Nil	Nil	12607857
6.	Sri Ajay Baldawa	Executive Director	42,50,400	Nil	Nil	75000
Non-Executive Directors:						
1.	Sri Manindra Nath Banerjee	Independent Director	Nil	2,35,000	1,00,000	Nil
2.	Sri Mangi Lal Jain	Independent Director	Nil	1,60,000	1,00,000	3700
3.	Sri Santanu Ray	Independent Director	Nil	1,50,000	1,00,000	Nil
4.	Sri Samarendra Mitra	Independent Director	Nil	95,000	1,00,000	Nil
5.	Sri Asit Pal	Independent Director	Nil	95,000	1,00,000	Nil
6.	Smt. Mamta Binani	Independent Director	Nil	1,50,000	66,667	Nil

Service Contracts, Severance Fee, Notice Period and Stock Options

The appointment of the Executive Directors is governed by resolutions passed by the Board and the Shareholders of the Company, which cover the terms and conditions of such appointment, read with the service rules of the Company. Service Contracts are also executed with each Executive Director. There is no separate provision for payment of severance fee under the resolutions governing the appointment of Executive Directors. A notice of three months is required to be given by a Director seeking to vacate office and the resignation takes effect upon the expiration of the notice or its earlier acceptance by the Board. The Company has no stock option plans and hence such instruments do not form a part of the remuneration package payable to any Executive and/or Non-Executive Director. During the year under review, none of the Directors was paid any performance-linked incentive.

Share Transfer cum Stakeholders Relationship Committee

The Share Transfer cum Stakeholders Grievance Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders'/ investors' complaints.

Terms of Reference:

Terms of reference of the Share Transfer cum Stakeholders Grievance Committee includes the following:

1. Oversee, review and approve all matters connected with transfer of shares, issue of duplicate share certificates, split of share certificates, etc.
2. Investor relations and redressal of shareholders' grievances in general and relating to non-receipt of declared dividends, non-receipt of Annual Report, etc.
3. Evaluate performance and service standards of the Registrar and Share Transfer Agent of the Company.

4. Provide continuous guidance to improve the service levels for investors.

Composition

The Share Transfer cum Stakeholders' Relationship Committee comprises the following members:

Name	Category	Designation
Sri Manindra Nath Banerjee (till 31st December, 2014)	Non-executive independent	Chairman
Smt. Mamta Binani (w.e.f 1st January, 2015)	Non-executive independent	Chairman
Sri Hari Prasad Agarwal	Executive non-independent	Member

The Share Transfer cum Stakeholders' Relationship Committee's composition meets the requirements of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

During the year the Share Transfer cum Investor Grievance Committee met sixteen times on 10th April, 2014, 17th July, 2014, 24th July, 2014, 14th August, 2014, 30th August, 2014, 18th September, 2014, 9th October, 2014, 6th November, 2014, 27th November, 2014, 11th December, 2014, 1st January, 2015, 15th January, 2015, 5th February, 2015, 4th March, 2015, 12th March, 2015 and 30th March, 2015. Both members respectively attended all the meetings.

Status of pending Complaints

Sri Sundeep Jhunjunwala, Company Secretary is Compliance Officer of the Company for attending to Complaints/ Grievances of the members. During the year under review, nineteen complaints were received from investors and the same was resolved to their satisfaction. There were no complaints pending at the beginning and at the close of the financial year. No complaint was posted on SCORES, the web-based complaint redressal system of SEBI.

Corporate Social Responsibility Committee

The prime responsibility of the Corporate Social Responsibility Committee 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'.

Terms of Reference

Terms of reference of the Corporate Social Responsibility Committee includes the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy and any amendments thereof, indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under;
- To recommend the amount of expenditure to be incurred on the CSR activities as per CSR Policy;
- To monitor the CSR Policy of the Company from time to time;
- To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;
- Any other matter/ thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

Composition

The Corporate Social Responsibility Committee comprises the following three members:

Name	Category	Designation
Sri Sajjan Bhajanka	Executive non-independent	Chairman
Sri Hari Prasad Agarwal	Executive non-independent	Member
Sri Mangi Lal Jain	Non-executive independent	Member

The Corporate Social Responsibility Committee's composition meets the requirements of Section 135 of the Companies Act, 2013.

The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

The Corporate Social Responsibility Committee met once during the financial year ended 31st March, 2015 on 24th July, 2014 wherein all its members were present.

8. General Body Meetings

Particulars of last three Annual General Meetings:

AGM	Year ended	Venue	Date	Time
31st	31.03.2012	Indian Chamber of Commerce auditorium, 10th Floor, 4, India Exchange Place, Kolkata- 700 001	27.09.2012	11-00 AM
32nd	31.03.2013	Indian Chamber of Commerce auditorium, 10th Floor, 4, India Exchange Place, Kolkata- 700 001	25.09.2013	11-00 AM
33rd	31.03.2014	Indian Chamber of Commerce auditorium, 10th Floor, 4, India Exchange Place, Kolkata- 700 001	11.09.2014	11-00 AM

Details of Special Resolutions passed in last three Annual General Meetings:

AGM	Date	Subject Matter
31st	27.09.2012	Appointment of Ms. Nikita Agarwal (now Smt. Nikita Bansal), daughter of Sri Sanjay Agarwal as an Executive and payment of remuneration to her
32nd	25.09.2013	None
33rd	11.09.2014	1. Appointment of Statutory Auditors in place of existing Auditors. 2. Payment of remuneration by way of commission to non-executive Directors. 3. Adoption of revised Articles of Association of the Company. 4. Authorisation to the Board to mortgage, hypothecate or create charge on Company's assets. 5. Authorisation to the Board to borrow up to an amount not exceeding H 2,000 crores. 6. Appointment of Sri Rajesh Kumar Agarwal, relative of a Director, as an employee in the Company. 7. Appointment of Sri Abhishek Rathi, relative of a Director, as an employee in the Company. 8. Appointment of Sri Surender Kumar Gupta, relative of a Director, as an employee in the Company.

No extraordinary general meeting of the shareholders was held during the year.

During the financial year 2014-15, one Special Resolution was passed through postal ballot for increasing the maximum number of Directors that can be appointed on the Board of the Company.

Procedure followed for Postal Ballot:

- The Company had appointed Shri Manoj Kumar Banthia of MKB & Associates, Practising Company Secretary, to act as Scrutiniser for conducting the postal ballot process.
- The Notice of Postal Ballot was sent to all Members whose names appeared in the Register of Members/ Record of Depositories as on 7th November, 2014.

- The voting under the postal ballot was kept open from 17th November, 2014 to 16th December, 2014 (either physically or through electronic mode).
- Particulars of postal ballot forms received from the Members using the electronic platform of NSDL were entered in a register separately maintained for the purpose.
- The postal ballot forms were kept under the safe custody of the Scrutiniser in sealed and tamper-proof ballot boxes before commencing the scrutiny of such postal ballot forms.
- All postal ballot forms received up to the close of working hours on 16th December, 2014 (being the last date fixed by the Company for receipt of the forms) were considered for his scrutiny.
- On 19th December, 2014, Sri Sajjan Bhajanka, Chairman announced the following results of the postal ballot as per the Scrutiniser's Report.

Voting Pattern for Postal Ballot

	Number of Members who voted through e-voting	Number of e-votes cast	Number of Member who voted through Postal Ballot	Number of votes cast by Postal Ballot	Total No. of votes cast through e-voting and Postal Ballot	% of total number of valid votes cast
(1) Voted in favour of the resolution	146	186552771	151	83460	186636231	99.99%
(2) Voted against the resolution	18	4290	18	1130	5420	Negligible
Total	164	186557061	169	84590	186641651	99.99%
(3) Invalid votes:	Nil	Nil	1	100	100	Nil

None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing a resolution through postal ballot.

9. Disclosures

- There are no materially significant related party transactions i.e. transactions material in nature, with its Promoters, the Directors or the Management, subsidiaries or relatives, etc. having potential conflict with the interests of the Company at large. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, commitment of supply, quality standards, specialisation and the Company's long-term strategy for sectoral investments, liquidity and capital resources.

All related party transactions are negotiated on arms-length basis, and are intended to further the Company's interests. The Register of Contracts containing transactions, in which the Directors are interested, is placed before the Board regularly.

- There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three financial years and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India or any other statutory authority.
- The Company has complied with all mandatory requirements and some non-mandatory requirements of Corporate Governance as required by the Listing Agreement.
- The Directors of the Company are not related inter-se.
- The financial statements of the Company are prepared in accordance with the Accounting Standards referred to in Section 133 of the Companies Act, 2013.
- During the year under review, the Company has not raised any money through an issue (public, rights, preferential, etc.)

Whistle Blower Policy/ Vigil Mechanism

The Company has formed a Whistle Blower Policy/ Vigil

Mechanism as required under Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The same is discussed elsewhere in this Report.

Code of Conduct

The Company has adopted a Code of Business Conduct and Ethics ("the Code") which is applicable to the Board of Directors and Senior Management Team (one level below the Board of Directors) of the Company and the same has been posted on the Company's website www.centuryply.com. The Code covers, amongst other things, the Company's commitment to honest and ethical personal conduct, fair competition, corporate social responsibility, sustainable environment, health and safety, transparency and compliance of laws and regulations, etc. The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. All the Board members and Senior Management Personnel have affirmed compliance with the Code for the year ended 31st March, 2015. A declaration to this effect signed by the CEO of the Company is given hereunder:

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management Executives in respect of financial year 2014-15.

Sanjay Agarwal

Managing Director & CEO

Kolkata, 28th April, 2015

Policy for determining 'material' subsidiaries

As required under clause 49(V) of the amended listing Agreement, the Company has formulated a Policy for determining 'material' subsidiaries, details whereof have been included elsewhere in this Report.

Policy on Materiality of and Dealing with Related Party Transactions

As required under clause 49(VIII) of the amended Listing Agreement, the Company has formulated a 'Policy on Materiality of and Dealing with Related Party Transactions',

details whereof have been included elsewhere in this Report.

Appointment of Independent Directors

The Company has issued a formal letter of appointment to Independent Directors in the manner as provided in the Companies Act, 2013 and the revised clause 49 of the Listing Agreement. The terms and conditions of appointment have also been disclosed on the website of the Company at <http://www.centuryply.com/investors>

10. CEO and CFO Certification

Sri Sanjay Agarwal, Managing Director and CEO and Sri Arun Kumar Julasaria, CFO of the Company have submitted CEO and CFO certificate, which is separately annexed to this report.

11. Means of Communication

Quarterly, half-yearly and annual financial results of the Company are communicated to the Stock Exchanges immediately after they are considered by the Board and are published in prominent English and Bengali newspapers usually in The Economic Times, Business Standard, Business Line, Mint and Duronto Barta. The financial results and official news are also posted on the website of the Company: www.centuryply.com

The Company's website (www.centuryply.com) contains a separate dedicated section 'Investors' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NSE Electronic Application Processing System (NEAPS) and BSE's Listing Centre which are web-based applications designed by NSE and BSE respectively for corporates.

12. Management discussion and analysis

This information is set out in a separate section included in this Annual Report.

13. General shareholder information

Company Registration Details

The Company is registered in the State of West Bengal, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L20101WB1982PLC034435.

Annual General Meeting

Date	27th August, 2015 (Thursday)
Time	11.00 A.M.
Venue	Indian Chamber of Commerce Auditorium, 10th Floor, 4, India Exchange Place, Kolkata-700 001
Financial Year	2014 -15
Book Closure Date	21st August, 2015 to 27th August, 2015 (both days inclusive)
Dividend Payment Date	Within statutory period from date of passing of resolution at the Annual General Meeting.

Listing on Stock Exchanges:

The Company's shares are presently listed on following two stock exchanges:

- The National Stock Exchange of India Ltd.(NSE)
Exchange Plaza, Bandra- Kurla Complex, Bandra (E).
Mumbai – 400 051
Stock Symbol - CENTURYPLY
- BSE Ltd. (BSE)
P J Towers, Dalal Street, Fort, Mumbai 400 001
Stock Code - 532548

Payment of Listing Fees

The Company has paid listing fees to NSE and BSE for the year 2014-15 and 2015-16.

Payment of Depository Fees

Annual Custody/Issuer fee for the year 2014-15 has been paid by the Company to NSDL and CDSL. Bills for the year 2015-16 are yet to be received.

ISIN: INE348B01021

Market Price Data :

Monthly high and low quotations as well as the volume of shares traded at BSE and NSE, where the shares are regularly traded, for the financial year 2014-15 are as follows:

Month	BSE			NSE		
	High H	Low H	Volume No. of Shares	High H	Low H	Volume No. of Shares
2014						
April	42.35	26.35	2930942	42.35	26.15	6963870
May	62.60	37.75	11067815	62.40	37.75	28555421
June	82.85	61.50	8594958	82.50	61.50	23408843
July	96.90	75.10	8933683	95.90	75.10	20483637
August	92.90	78.40	1756650	92.90	78.50	6119795
September	136.15	89.90	4155669	136.40	90.00	14671616
October	140.15	109.50	2171802	140.25	109.50	6820285
November	176.65	130.50	3425245	176.60	130.60	12229288
December	173.20	140.05	2127793	172.95	140.10	8862232
2015						
January	198.95	152.20	3254054	199.00	152.55	18131837
February	235.00	179.15	6705853	235.80	180.00	18279507
March	261.75	215.10	1589196	262.00	215.50	7536841

Performance of Company's shares in comparison to BSE Sensex is as under:

Month	BSE Sensex		Company's Shares	
	Closing	% Change	Closing	% Change
2014				
April	22417.80	0.14	38.05	36.14
May	24217.34	8.03	61.05	60.45
June	25413.78	4.94	82.85	35.71
July	25894.97	1.89	86.45	4.35
August	26638.11	2.87	90.00	4.11
September	26630.51	(0.03)	116.00	28.89
October	27865.83	4.64	137.70	18.71
November	28693.99	2.97	170.40	23.75
December	27499.42	(4.16)	158.75	(6.84)
2015				
January	29182.95	6.12	183.50	15.59
February	29361.50	0.61	233.80	27.41
March	27957.49	(4.78)	234.30	0.21

Note: Figures within brackets indicate negative value.

Registrar and Share Transfer Agent:

M/s. Maheshwari Datamatics Private Ltd.,
6, Mangoe Lane (Surendra Mohan Ghosh Sarani),
2nd Floor, Kolkata 700 001
Phone No. 033- 22435029/5809
Fax: 033-22484787
Email: mdpldc@yahoo.com

Share Transfer System

Requests for transfer of shares in physical form received either at the office of the Company or at the office of the Registrar are generally approved by the Share Transfer cum Stakeholders Relationship Committee within a maximum period of 15 days from the date of receipt provided the documents are complete in all respects.

Transfer of shares in dematerialised form is duly processed by NSDL/CDSL in the electronic form through the respective

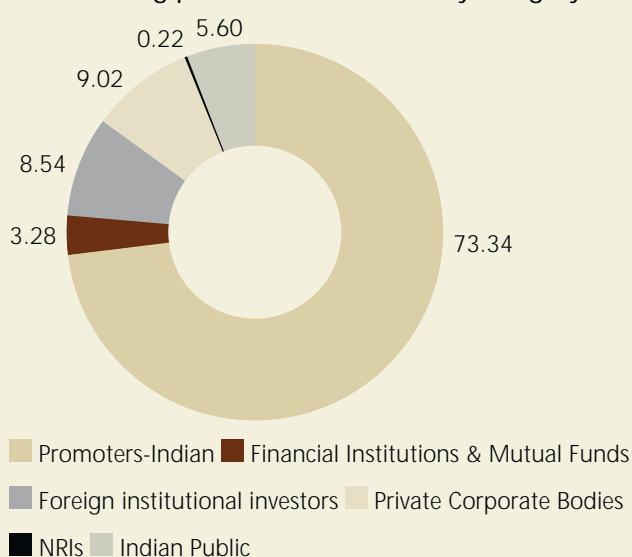
Depository Participants. Dematerialisation is done within 15 days of receipt of request along with the share certificates through the Depository Participant of the shareholder.

The Share Transfer cum Stakeholders Relationship Committee generally meets once in a fortnight for approving share transfers. A summary of the transfer, transmissions, dematerialisation and rematerialisation requests is placed before the Committee at every meeting. The Company obtains half-yearly certificate from a Company Secretary in Practice on compliance regarding share transfer formalities and submits a copy thereof to the Stock Exchanges in terms of Clause 47(c) of the Listing Agreement. The Company also obtains a quarterly Report on Reconciliation of Share Capital from a Company Secretary in Practice for reconciliation of the share capital of the Company and submits a copy thereof to the Stock Exchanges within the stipulated time.

Distribution of shareholding

Category	As on 31st March, 2015			
	No. of Shareholders		No. of Shares	
	Total	%	Total	%
1 - 500	15060	82.72	1459831	0.66
501 - 1000	1173	6.44	948238	0.43
1001 - 2000	830	4.56	1278705	0.58
2001 - 3000	336	1.84	901068	0.40
3001 - 4000	106	0.58	381747	0.17
4001 - 5000	123	0.68	578900	0.26
5001 - 10000	263	1.44	1953752	0.88
10001 - and above	316	1.74	214670749	96.62
TOTAL	18207	100.00	222172990	100.00

Shareholding pattern – Distribution by category



Category	As on 31st March, 2015	
	No. of Shares	% to Share Capital
Promoters- Indian	162934851	73.34
Financial Institutions & Mutual Funds	7289283	3.28
Foreign Institutional Investors	18977873	8.54
Private Bodies Corporate	20039081	9.02
NRIs	487357	0.22
Indian Public	12444545	5.60
TOTAL	222172990	100.00

Dematerialisation of shares and liquidity

The Company's shares have been mandated for compulsory trading in demat form. Valid demat requests received by the Company's Registrar are confirmed within the statutory period.

The International Securities Identification Number (ISIN) allotted to the Company's Equity shares of face value of H 1 is INE348B01021. In case a member wants his shares to be

dematerialised, he may send the shares along with the request through his Depository Participant (DP) to the Company's Registrars, M/s. Maheshwari Datamatics Private Limited.

The Company's Registrars promptly intimates the concerned Depository Participant in the event of any deficiency and the shareholder is also kept abreast. Pending demat requests in the records of the Depositories, if any, are continually reviewed and appropriate action initiated.

As on 31st March, 2015, 221254753 equity shares, which form 99.59% of the Share Capital of the Company, stood dematerialised.

Transfer of shares to 'Unclaimed Suspense Account'

As per Clause 5A of the Listing Agreement, the Company has sent reminders to Shareholders, who are holding shares in physical form and whose certificates have been returned undelivered and are currently lying with the Registrar and Transfer Agents of the Company. Members holding Company's

shares in physical form are requested to tally their holding with the certificates in their possession and revert in case of any discrepancy in holdings. In case there is no response after three reminders, the unclaimed shares shall be transferred to one folio in the name of "Unclaimed Suspense Account" and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. The share certificates will be released only after due diligence if the request to claim these share certificates is made by the Shareholder.

Plant Locations

A	Veneer and Plywood	Kolkata Unit Kanchowki, Bishnupur, District:24 Parganas (S), West Bengal
		Chennai Unit Chinnappolapuram, Gummidipoondi, Tamil Nadu
		Karnal Unit Rambha Road, Taraori, Haryana
		Cent Ply Unit Mirza Palasbari Road, Kamrup, Assam
		Kandla Unit Village Moti Chirai, Taluka Bhachau- Kachchh, Gujarat
		B
C	Logistics	Century Sonai CFS Block-B & C, Sonai, Khidderpore, Kolkata, West Bengal
		Century Jinjira Pole CFS Hide Road, Brace Bridge, Khidderpore, Kolkata, West Bengal

Address for correspondence

The Company Secretary and Compliance Officer
Century Plyboards (India) Limited
6, Lyons Range, Kolkata 700 001
Phone: 033-39403950, Fax: 033-2248 3539
Email: sundeejp@centuryply.com, Website: www.centuryply.com
E Mail ID for Investors Grievances: investors@centuryply.com

For and on behalf of the Board of Directors

Kolkata, 28th April, 2015

Sajjan Bhajanka
Chairman and Managing Director

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

To

The Board of Directors
Century Plyboards (India) Ltd.
6, Lyons Range
Kolkata – 700 001

We, Sanjay Agarwal, Managing Director and CEO, and Arun Kumar Julasaria, CFO, certify that:

- a. We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2015 and to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2015 are fraudulent, illegal or in violation of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated

the effectiveness of the internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

- d.
 - i) There has not been any significant change in internal control over financial reporting during the year under reference.
 - ii) There have not been any significant changes in accounting policies during the year requiring disclosure in the notes to financial statements, except those warranted by the Statute, and
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Sanjay Agarwal
Managing Director and CEO

Arun Kumar Julasaria
Chief Financial Officer

Kolkata, 28th April, 2015

CERTIFICATE ON CORPORATE GOVERNANCE REPORT OF CENTURY PLYBOARDS (INDIA) LTD.

To
The Members

We have examined the compliance of conditions of Corporate Governance by Century Plyboards (India) Limited ("the Company"), for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge, information and according to the explanations given to us and based

on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of Listing Agreement. During the period from May 6, 2014 to July 23, 2014 the Company's Board of Directors did not have adequate numbers of independent directors in view of the vacancy caused by the resignation of an Independent Director on May 6, 2014. This was however, complied with by appointment of another Independent Director on July 24, 2014, within the permitted time.

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

For MKB & Associates
Company Secretary

Manoj Kumar Banthia
Proprietor
Membership No.: 11470

Date: 28th April, 2015
Place: Kolkata