

# CORPORATE GOVERNANCE REPORT

## Corporate Governance Philosophy

We believe that good Corporate Governance is a key driver of sustainable corporate growth and long term value creation of our stakeholders. Corporate Governance involves being responsive to aspirations of our stakeholders besides ensuring compliance with regulatory requirements. The Company has always been taking the spirit of various legislations as guiding principles and proposes to go well beyond statutory compliance by establishing such systems and procedures as are required to make the management completely transparent and institutionally sound. We are committed to conduct the business upholding the core values like transparency, integrity, honesty, accountability and compliance of all statutes. We recognise that this is a conscious and continuous process across the Organisation, which enables the Company to adopt best practices as we incorporate improvements based on the past experience.

## Board of Directors

As on 31st March, 2012 the Board consisted of 8 (Eight) Directors headed by Mr. Suresh Kumar Patni, Non-Executive Chairman with 3 (Three) Executive Directors and 5 (Five) Non-Executive Directors, of which, 4 (Four) were Independent. The composition of the Board during the year was in conformity with Clause 49 of the Listing Agreement executed with the Stock Exchanges.

Post 31st March, 2012 the following changes took place in the composition of the Board of the Company :

- Mr. Ankit Patni has resigned from the position of Joint Managing Director as well as from the Directorship of the Company w.e.f. 24th August, 2012.

After the aforesaid changes as on the date of this report the Board comprises of 7 (Seven) Directors, out of which the Chairman is a Non-Executive-Promoter-Director, 4 (Four) are Independent/Non-Executive Directors and 2 (Two) are Executive Directors. The composition of the Board is in compliance with Clause 49 of the Listing Agreement as on the date of the report.

None of the Directors on the Board are member of more than ten Committees and they do not act as Chairman of more than five Committees across all the companies of which they are the Directors. The Directors regularly inform the Company about the changes in their positions as and when changes take place, apart from the annual disclosures.

The composition and category of the Board of Directors of the Company as on 31st March, 2012 along with the number of Board meetings attended by the Directors during the year 2011-12 are given below :

Name of the Director	Category	No. of Board Meetings Attended	No. of Directorship in other Public Limited Companies incorporated in India	No. of Committee positions held in other Public Limited Companies\$		Whether attended the Last AGM
				As Member	As Chairman	
Mr. Suresh Kumar Patni	Promoter/ Non-Executive Chairman	15	8	2	-	No
Mr. Rohit Patni	Promoter/ Executive	14	6	1	-	Yes
Mr. Ankit Patni*	Promoter/ Executive	11	6	2	-	Yes
Mr. Binit Jain	Executive	11	1	-	-	No
Mr. Kailash Chand Jain	Independent/ Non-Executive	12	2	-	2	Yes
Mr. Jatindra Nath Rudra	Independent/ Non-Executive	12	1	1	1	Yes
Mr. Jayanta Kumar Chatterjee	Independent/ Non-Executive	13	-	-	-	No
Mr. Asoke Kumar Basu	Independent/ Non-Executive	12	-	-	-	No

\$ Only the two committees viz. Audit Committee and Shareholder's Grievance Committee are considered for this purpose.

\* Mr. Ankit Patni has resigned from the position of Joint Managing Director as well as from the Directorship of the Company w.e.f. 24th August, 2012.

Notes :

1. None of the Non-Executive Directors have any pecuniary relationship or transactions with the Company except for holding Directorship & receiving sitting fee, save and except Mr. Suresh Kumar Patni who is also the promoter of the Companies, which has a business relation with this Company.

# Corporate Governance Report

- Sixteen (16) Board Meetings were held during the year 2011-12 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:  
29th April, 2011; 16th May, 2011; 20th May, 2011; 2nd June, 2011; 28th June, 2011; 3rd August, 2011; 12th August, 2011; 12th October, 2011; 20th October, 2011; 14th November, 2011; 20th December, 2011; 14th February, 2012; 20th February, 2012; 16th March, 2012; 20th March, 2012 and 26th March, 2012.
- Board meeting are held at the Corporate Office of the Company. The Agenda along with explanatory notes are sent in advance to the Directors to get their input in the discussion. The information as specified in Annexure-IA to Clause 49 of the Listing Agreement entered into with the Stock Exchange is regularly made available to the Board whenever applicable.
- The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.
- Mr. Rohit Patni, Managing Director and Mr. Ankit Patni, Joint Managing Director are the sons of Mr. Suresh Kumar Patni. No other Directors in the Board are related to each other.

## Code of Conduct

The Code of Conduct for the Board of Directors and Senior Management Personnel as adopted is available on the Company's website [www.rohitferrotech.com](http://www.rohitferrotech.com). All the Members of the Board and Senior Management Personnel have affirmed the compliances of the Code of Conduct.

### Declaration

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and Senior Management Personnel of the Company have affirmed compliances with the Code of Conduct of the Company for the year ended 31st March, 2012.

For **Rohit Ferro-Tech Limited**

**Rohit Patni**

Kolkata, 24th August, 2012

*Managing Director*

## Committees of Directors

### 1. Audit Committee

The Company has an Audit Committee within the scope as set out in Clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956.

The terms of reference of the Audit Committee includes the powers as laid down in Clause 49 (II) (C) and the role as stipulated in Clause 49 (II) (D) of the Listing Agreement and review of information as laid down in Clause 49 (II) (E).

The composition of the Audit Committee and the details of meetings attended by the Committee members are given below :

Name of the Member	Designation	Category	No. of Meetings Attended
Mr. Kailash Chand Jain	Chairman	Independent/ Non-Executive	4
Mr. Jatindra Nath Rudra	Member	Independent/ Non-Executive	4
Mr. Jayanta Kumar Chatterjee	Member	Independent/ Non-Executive	4

The Managing Director, Joint Managing Director and VP-Finance & Accounts are permanent invitees to the Committee. The Company Secretary acts as Secretary of the Audit Committee. The representative of internal auditors also attends the meeting. The Audit Committee invites, as and when considers appropriate, the representatives from the Statutory Auditors to be present at the meeting of the Committee.

The Audit Committee comprises of three Directors all of whom are financially literate. All the members of the Committee are Independent/Non-Executive. Mr. Kailash Chand Jain, Independent Director having expertise in finance, is the Chairman of the Audit Committee. He was present at the last Annual General Meeting of the Company held on 15th September, 2011 to answer the queries raised by the Shareholders.

During the financial year ended 31st March, 2012 four Audit Committee Meetings were held on 20th May, 2011; 12th August, 2011; 14th November, 2011 and 14th February, 2012.

The Annual Accounts for the year ended 31st March, 2012 were duly reviewed by the Audit Committee at its meeting held on 30th May, 2012 prior to adoption by the Board. The financial statement of the Company's Wholly Owned Subsidiary M/s. SKP Overseas Pte. Ltd. has been placed before the Audit Committee for review.

### 2. Remuneration Committee

The Company has a Remuneration Committee consisting of three Non-Executive/Independent Directors. The Committee met once during the year, i.e, on 12th August, 2011. The composition of the Remuneration Committee and details of the meeting attended by the members are given below :

Name of the Member	Designation	Category	No. of Meeting Attended
Mr. Jatindra Nath Rudra	Chairman	Independent/ Non-Executive	1
Mr. Jayanta Kumar Chatterjee	Member	Independent/ Non-Executive	1
Mr. Kailash Chand Jain	Member	Independent/ Non-Executive	1

The terms of reference of the Remuneration Committee are as follows:

- To determine on behalf of the Board and on behalf of the shareholders, the Company's policy on specific remuneration packages for Executive Directors.
- Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

# Corporate Governance Report

The Chairman of the Committee has attended the last Annual General Meeting for giving replies to shareholder's queries; if any.

## Remuneration Policy

### A. For Executive Directors :

The Board of Directors on the recommendation made by the Remuneration Committee decides the remuneration of the Executive Directors subject to the approval of members. The remuneration structure comprises only of the salary. No severance fees is payable to the Directors on termination of the employment. The Company does not have any scheme for Stock-option either for the Directors or for the employees.

### B. For Non-Executive Directors :

The Non-Executive Directors are paid sitting fees for attending each meeting of the Board and/or Committee thereof and the same is within the limits prescribed by the Companies Act, 1956.

## Remuneration of Executive Directors

The Company has paid remuneration only by way of salary to its executive Directors and the same is within the limits specified under Schedule XIII of the Companies Act, 1956 and duly approved by the Board as well as by the shareholders of the Company. Details of remuneration paid during 2011-12 are as follows :

Name of the Director and Designation	Salary paid (₹)	Period of Contract		Notice Period
		From	To	
Mr. Rohit Patni (Managing Director)	36,00,000/-	27.08.2007	26.08.2012	2 months
Mr. Ankit Patni* (Jt. Managing Director)	24,00,000/-	27.08.2007	26.08.2012	2 months
Mr. Binit Jain (Executive Director)	6,00,000/-	01.09.2011	31.08.2012	2 months

\*resigned from the position of Joint Managing Director as well as from the Directorship of the Company w.e.f. 24th August, 2012.

The Board of Directors, on the recommendation of the remuneration committee, in their meeting held on 24th August, 2012 has re-appointed Mr. Rohit Patni as Managing Director of the Company, for a further period of 5 years w.e.f. 27th August, 2012, subject to the approval of members in the ensuing Annual General Meeting.

The Board of Directors, on the recommendation of the remuneration committee, in their meeting held on 24th August, 2012 has re-appointed Mr. Binit Jain as an Executive Director of the Company, for a further period of 1 year w.e.f. 1st September, 2012, subject to the approval of members in the ensuing Annual General Meeting.

## Remuneration of Non-Executive Directors

The remuneration of Non-Executive Directors consists of only sitting fees @ ₹ 2,500/- for attending each meeting of the Board of Directors or a Committee thereof. The details of fees paid during the year and the Equity Shares held by them as on 31st March, 2012 are as follows:

Name of the Director	Sitting Fee paid (₹)	No. of Shares held as on 31st March, 2012
Mr. Asoke Kumar Basu	30,000	Nil
Mr. Jatindra Nath Rudra	45,000	Nil
Mr. Jayant Kumar Chatterjee	47,500	Nil
Mr. Kailash Chand Jain	42,500	Nil
Mr. Suresh Kumar Patni	40,000	15,36,403

## 3. Investor Grievance cum Share Transfer Committee

The Investor Grievance cum Share Transfer Committee was constituted to specifically look into the redressal of investors' complaints like transfer of shares, non-receipt of Balance Sheet and non-receipt of declared dividends, etc.

The Investor Grievance cum Share Transfer Committee consist of three Non-Executive Directors, out of which two are Independent Directors. The Chairman of the Committee is an Independent Director.

The broad terms of reference includes the following :

- Redressal of shareholder and investors' complaints including but not limited to transfer of shares and issue of duplicate share certificates, non-receipt of Balance Sheet and non-receipt of declared dividends, etc.
- Monitoring transfers, transmissions, dematerialisation, rematerialisation, splitting and consolidation of shares issued by the Company.

During the year under review, the Committee has met once on 30th March, 2012.

The composition of the committee and the attendance of the members in the meeting are given hereunder :

Name of the Member	Designation	Category	No. of Meeting Attended
Mr. Jayanta Kumar Chatterjee	Chairman	Independent/ Non-Executive	1
Mr. Jatindra Nath Rudra	Member	Independent/ Non-Executive	1
Mr. Suresh Kumar Patni	Member	Non-Executive/ Promoter	1

Mr. Pradip Kumar Agarwal, Company Secretary has been designated as Secretary to the Committee and as Compliance Officer of the Company. The Committee has delegated the authority to approve the requests for transfers/transmission, split and remat/demat of shares to the Company Secretary. The Committee reviews the transfer/demat/remat approved by the Company Secretary and take note thereof in their subsequent meeting.

The Company has received 7 Investor's grievances/complaints during the year ended 31st March, 2012 all of which were replied/resolved to the satisfaction of the shareholders. No complaints were pending at the end of the year.

# Corporate Governance Report

## Subsidiary Companies

The Audit Committee reviews the consolidated financial statement of the Company and the investment made by the unlisted subsidiary Company. The minutes of the subsidiary Company as well as the statement of the significant transactions and arrangement entered into by the unlisted subsidiary Company are placed before the board for their review.

## General Body Meetings

The last three Annual General Meetings were held as under :

Financial Year	Date	Place	Time
2010-2011	15th September, 2011	'ROTARY SADAN' 94/2, Chowringhee Road Kolkata - 700 020	10.30 A.M.
2009-2010	27th September, 2010	'ROTARY SADAN' 94/2, Chowringhee Road Kolkata - 700 020	3.00 P.M.
2008-2009	22nd September, 2009	'ROTARY SADAN' 94/2, Chowringhee Road Kolkata - 700 020	1.30 P.M.

## Special Resolutions Passed at the last three AGMs :

Financial Year	Items
2010-2011	None
2009-2010	Re-appointment of Executive Director (Mr. Binit Jain)
2008-2009	Re-appointment of Executive Director (Mr. Binit Jain)

No special resolution requiring postal ballot is being proposed at the ensuing Annual General Meeting. However, four (4) resolutions were passed through Postal Ballot during the year 2011-12 in accordance with the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001. The results of the Postal Ballot are given hereunder :

Particulars of Resolutions	Type of Resolution	Resolution passed on	Applicable Section of the Companies Act, 1956	No. and % of votes in favour	No. and % of votes in against
Increase of Authorised Share Capital and consequent amendment to Memorandum of Association of the Company	Ordinary Resolution	8th June, 2011	Section 16, 94 and other applicable provisions, if any of the Companies Act, 1956.	3,68,87,368 99.984%	5,925 0.016%
Alteration in Articles of Association	Special Resolution	8th June, 2011	Section 31 of the Companies Act, 1956	3,68,86,613 99.987%	4,770 0.013%
Issuance of Equity Shares through ADR/GDR/FCCB/QIP/OC	Special Resolution	8th June, 2011	Section 81(1A) of the Companies Act, 1956	3,69,05,588 99.984%	6,075 0.016%
Increase the FII Investment Limit in the Company.	Special Resolution	8th June, 2011	For increase in the FII Investment limits in the Company	3,68,83,573 99.985%	5,330 0.018%

The Postal Ballot result was declared on 8th June, 2011 at the Corporate Office of the Company and was also placed on the Company's website.

CS Abhijeet Jain, Practicing Company Secretary was appointed as Scrutiniser for conducting the Postal Ballot process which was conducted in terms of the procedures laid down in the Companies (Passing of Resolution by Postal Ballot) Rules 2001, read with relevant provisions of the Companies Act, 1956.

## Disclosures

- There are no materially significant related party transactions, i.e. transactions of the Company of material nature with its promoters, Directors or the management or relatives etc. that may have potential conflict with the interests of the Company at large. A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee. The pricing of all the transactions with the related parties were on an arms length basis. A disclosure of related party relationship and transactions as per AS-18 is given in Note No: 36 to the Annual Accounts of the Company.
- The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of financial statements, the Company has not adopted a treatment different from that prescribed in an Accounting Standard.
- The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No strictures or penalty were imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years.
- The risk assessment and minimisation procedures are in place and the Board is regularly informed by the Senior Executives about the business risks, if any occurs, and the steps taken to mitigate the same.
- Though the Company does not have a whistle blower policy, the Company promotes ethical behavior in all its business activities. All employees are free to approach the Audit Committee to raise their concerns relating to fraud, malpractice or any other activity or event which is against the Company's interest.
- In terms of clause 49(IV)(F)(ii) of the Listing Agreement, the senior management has disclosed to the Board that they have no personal interest in the material, financial and commercial transactions of the Company that may have potential conflict with the interest of the Company at large.
- **Proceeds from the Preferential Issue :**  
During the year under review, the Company has raised ₹ 150 Crores by issuing 25,000,000 Equity Shares of ₹ 10/- each at a premium of ₹ 50/- on preferential basis to the entities belonging to Promoter and Strategic Investors belonging to Non-promoter group. The entire proceeds received from the preferential issue were fully utilised towards the object of the issue. Besides this, the Company did not raise any amount through public or right or preferential issues.

# Corporate Governance Report

- All mandatory requirements have been appropriately complied with and the non-mandatory requirements are dealt with at the end of the report.

## CEO/CFO Certification

The requisite certificate from the Managing Director and the VP (Finance) of the Company for the financial year ended 31st March, 2012 required to be given under Clause 49 (V) of the Listing Agreement has been placed before the Board meeting held on 30th May, 2012.

## Means of Communication

### 1. Financial Results

In compliance with the requirements of the Listing Agreements, the Company has intimated Audited Financial Results as well as the Unaudited Quarterly Results to the Stock Exchanges immediately after they are taken on record by the Board. Further coverage has been given for the information of the shareholders and investors by publication of the financial results in English National daily - "The Economic Times/Financial Express" and in a local vernacular newspaper - "Dainik Statesman/Ek Din" widely circulated in the state of West Bengal. The results were also placed on the company's website at www.rohitferrotech.com.

### 2. Other Information

The Company has its own website www.rohitferrotech.com wherein other related information is available. The Company has a dedicated help desk e-mail id : grievance@rohitferrotech.com in the secretarial department for providing necessary information to the investors as well as for registering any complaints/grievances. The Company posts on its website all its official news releases, important announcements and presentations made before the press meets, analysts and institutional investors from time to time for the benefit of its investors and public at large.

### Profile of Directors Seeking Appointment/Re-appointment

Resume and other information of the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting as required under Clause 49 of the listing agreement are given in the notice of ensuing Annual General Meeting as an Additional Information.

## Management Discussion & Analysis Report

A Management Discussion and Analysis Report is given separately, and forms part of Annual Report.

## GENERAL SHAREHOLDER INFORMATION

### 1. Annual General Meeting (AGM)

Day, Date & Time : Tuesday, 25th September, 2012 at 10.00 A.M.  
Venue : 'Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700020

### 2. Date of Book Closure

20th September, 2012 to 25th September, 2012 (both days inclusive)

### 3. Dividend payment date

On or after 25th September, 2012

### 4. Financial Calendar

Indicative calendar of events for the financial year 2012-2013 is as under :

Financial Year	1st April to 31st March
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### Financial Reporting for the Quarters :

First Quarter	Disclosed on 14th August, 2012
Second Quarter and Half Yearly	Within 45 days from the end of the quarter
Third Quarter and Nine Months	Within 45 days from the end of the quarter
Fourth Quarter and Annual (Audited)	Within 60 days from the end of the quarter/Financial year.
Annual General Meeting	On or before 30th September, 2013

### 5. Listing of the Equity Shares on Stock Exchange

Name of the Stock Exchange	Address	Stock Code
Bombay Stock Exchange Ltd.(BSE)	"Phiroze Jeejeebhoy Tower" Dalal Street, Mumbai - 400 001	532731
The National Stock Exchange of India Ltd. (NSE)	"Exchange Plaza" Bandra-Kurla Complex Bandra (E), Mumbai - 400 051	ROHITFERRO

The Company has paid the Listing fee for the year 2012-13 to both the Stock Exchanges where the shares of the Company are listed as well as Custodial Fees to the depository.

### 6. The International Security Identification Number (ISIN) for NSDL & CDSL : INE248H01012.

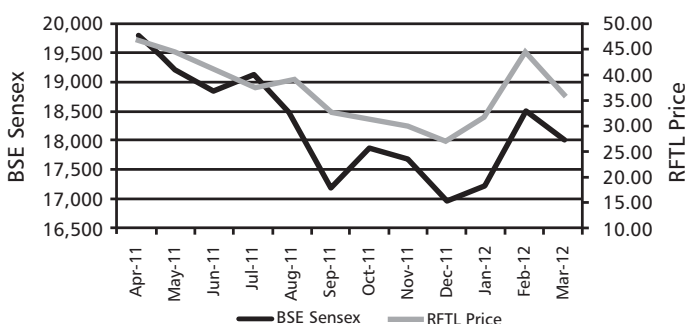
### 7. Market Price Data

The Stock Market data on BSE & NSE for the last twelve months are provided herein :

Month	National Stock Exchange of India Limited		Bombay Stock Exchange Limited	
	High	Low	High	Low
April, 2011	46.25	41.00	46.35	41.70
May, 2011	43.30	36.90	43.90	36.90
June, 2011	40.50	34.00	40.40	34.00
July, 2011	37.00	33.00	37.05	32.90
August, 2011	38.85	27.25	38.75	27.65
September, 2011	32.50	26.95	32.65	27.05
October, 2011	29.20	26.50	30.70	26.05
November, 2011	29.60	22.05	29.65	22.10
December, 2011	26.70	21.75	26.50	21.45
January, 2012	31.25	22.55	31.15	23.10
February, 2012	44.00	29.30	44.00	29.40
March, 2012	35.50	29.00	35.60	29.20

# Corporate Governance Report

## 8. Performance of the Company in comparison with BSE Sensex



## 9. Shareholding Pattern as on 31st March, 2012

Category	No. of Shares	% of holding
Promoter & Promoter Group	5,70,07,842	71.01
Bodies Corporate	85,96,153	10.71
Individuals	1,41,95,746	17.69
Non-Resident Individuals	4,22,812	0.53
Clearing Member	53,570	0.07
<b>Total</b>	<b>8,02,76,123</b>	<b>100.00</b>

## 10. Distribution of Shareholding as on 31st March, 2012

Range	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total
Upto 500	15,472	78.47	25,85,948	3.22
501 to 1,000	2,016	10.22	17,02,398	2.12
1,001 to 2,000	1,011	5.13	15,75,314	1.96
2,001 to 3,000	380	1.93	9,83,371	1.23
3,001 to 4,000	170	0.86	6,23,721	0.78
4,001 to 5,000	163	0.83	7,80,811	0.97
5,001 to 10,000	269	1.36	20,49,008	2.55
10,001 and above	237	1.20	6,99,75,552	87.17
<b>Total</b>	<b>19,718</b>	<b>100.00</b>	<b>8,02,76,123</b>	<b>100.00</b>

## 11. Dematerialisation of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialised form which is available for trading on both NSDL and CDSL. As on 31st March, 2012; 80,261,422 Equity Shares representing 99.98% of the share capital are held in dematerialised form viz., CDSL - 25,750,907 Equity Shares and NSDL - 54,510,515 Equity Shares.

## 12. Registrar and Share Transfer Agent

M/s. Maheshwari Datamatics Pvt. Ltd. of 6, Mangoe Lane (Surendra Mohan Ghosh Sarani), 2nd Floor, Kolkata - 700 001 are the Registrar and Share Transfer Agent of the Company, both for Physical and Demat Segments. Accordingly, all communications on matters relating to Share Transfers, Dividend etc. may be sent directly to them. Complaints, if any, on these matters may also be sent to the Compliance Officer of the Company.

## 13. Share Transfer System

The share transfer requests are processed on behalf of the Company by Registrar & Transfer Agent, M/s. Maheshwari Datamatics Pvt. Ltd. and are placed before the Company Secretary who has been delegated the authority by Investor Grievance cum Share Transfer Committee to approve transfers. The Company Secretary addresses all the requests fortnightly.

## 14. Outstanding ADR's & GDR's, Warrants or any other convertible instruments, conversion date and likely impact on Equity Shares

During the year under review, the Company has not issued any ADR's & GDR's, Warrants or any other convertible instruments. The Company has at present no outstanding ADR's/GDR's/Warrants to be converted that has an impact on the equity.

## 15. Name, Designation & Address of Compliance Officer for Complaints & Correspondence

**Mr. Pradip Kumar Agarwal**

Company Secretary & Compliance Officer

(Appointed w.e.f. 14th February, 2012)

Rohit Ferro-Tech Limited

SKP House

132A, S.P. Mukherjee Road, Kolkata - 700 026

Ph : +91 33 4016 8000/8100, Fax : +91 33 4016 8189/8107

Email Id : cs@rohitferrotech.com

## Address for Correspondence

Registered Office Rohit Ferro-Tech Limited  
35, C. R. Avenue, Kolkata - 700 012  
Phone : +91 33 2211 0225/0226, 4064 0021/22  
Email Id : grievance@rohitferrotech.com

Corporate Office Rohit Ferro-Tech Limited  
SKP House,  
132A, S. P. Mukherjee Road, Kolkata - 700 026  
Phone : +91 33 4016 8000/8100  
Fax : +91 33 4016 8189

## 16. Plant Locations

**BISHNUPUR** WBIIIDC Road, P.O. Dwarika, Bishnupur - 722 122,  
Dist : Bankura (West Bengal)

**JAJPUR** Kalinganagar Industrial Complex  
Duburi - 755 026, Dist : Jajpur (Odisha)

**HALDIA** Jaynagar, P.O. : Buniaraichak, PS : Durgachak  
Dist : Purba Medinipur (West Bengal)

# Corporate Governance Report

## Non-Mandatory Requirements

### 1. The Board :

The Non-Executive Chairman has an office at the Company's premises. None of the independent Directors of the Company has tenures exceeding a period of 9 (nine) years on the Board.

### 2. Remuneration Committee :

The Company has a Remuneration Committee comprising of 3 (three) Independent Non-Executive Directors as stated under 'Committees of Directors' in this report.

### 3. Audit Qualifications :

There are no qualifications in the financial statements of the Company for the year 2011-12.

### 4. Other Items :

The rest of the non-mandatory requirements such as Shareholder's Rights, training of Board members and Mechanism for evaluation of Non-Executive Board members will be implemented by the Company as and when required.

For Rohit Ferro-Tech Limited

Suresh Kumar Patni  
*Chairman*

Kolkata, 24th August, 2012

## Certificate of Compliance with the Corporate Governance requirements under Clause 49 of the Listing Agreement

To  
The members of  
**Rohit Ferro-Tech Limited**

We have examined the compliance of conditions of Corporate Governance by Rohit Ferro-Tech Limited, for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of 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 information and according to the explanations given to us, and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned 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 A J & Associates  
*Company Secretaries*

Abhijeet Jain  
*Proprietor*  
C.P. No. 3426

Date : 24th August, 2012  
Place : Kolkata