

# ROHIT FERRO-TECH LIMITED

## Corporate Governance Report 2016-17

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance is to achieve the highest levels of transparency, accountability in all its interactions with its stakeholders including shareholders, employees, lenders and the Government. 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 recognize 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.

### 2. BOARD OF DIRECTORS

#### A. Board composition and category of Directors

The composition of the Board and category of Directors as on 31st March, 2017 are as follows:

Category	Name of Directors
Non-Executive Non- Independent Directors	1. Mr. S.K. Patni (Chairman)
Executive Director	1. Mr. Ankit Patni 2. Mr. R.K. Burnwal
Independent Directors	1. Mr. Jatindra Nath Rudra 2. Mr. Ankit Rungta 3. Mrs. Sujata Agarwal 4. Mr. Ankit Jain
Nominee Director (Nominated by the State Bank of India)	1. Mr. P.B. Lahiri

None of the Directors on the Board are member of more than 10 (ten) Committees and they do not act as Chairman of more than 5 (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.

Except Mr. S.K. Patni who is relative of Mr. Ankit Patni, no other Director is, *inter-se*, related to any other Director on the Board nor is related to the other Key Managerial Personnel of the Company. Mr. Ankit Patni, Managing Director of the Company, currently not in receipt of any remuneration from the Company.

#### B. Meeting attended, Agenda & other Directorship:

The composition and category of the Board of Directors of the Company as on 31st March, 2017 along with the number of Board meetings attended by the Directors during the year 2016-17 are given below:

Name of the Director	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 \$1		No. of Shares held	Whether attended the Last AGM
			As Member	As Chairman		
Mr. Suresh Kumar Patni	4	5	1	–	21,86,403	No.
Mr. Ankit Patni	5	5	2	–	11,28,589	Yes.
Mr. Jatindra Nath Rudra	5	1	1	1	–	Yes
Mr. Ankit Rungta	1	1	–	1	–	Yes
Mrs. Sujata Agarwal	1	3	–	1	–	Yes
Mr. Rohit Jain #	3	1	1	1	–	Yes
Mr. R. K. Burnwal	1	–	–	–	–	No.
Mr. P. B. Lahiri	5	–	–	–	–	Yes
Mr. Ankit Jain *	1	1	1	1	–	N.A

#### Notes:

\$ Only the two committees viz. Audit Committee and Stakeholder Relationship Committee are considered for this purpose.

# Resigned from the post of Director w.e.f. 14th December, 2016.

# Corporate Governance Report

\*Appointed as an Additional Director w.e.f. 14th December, 2016.

5 (Five) Board Meetings were held during the year 2016-17 and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the Board Meetings were held are as follows:

30th May, 2016, 29th August, 2016, 20th September, 2016, 14th December, 2016 and 14th February, 2017 .

During the year under review one meeting was held by Resolution by Circulation on 24th November, 2016.

The Agenda papers along with the explanatory notes for Board Meetings are circulated well in advance to the Directors. In some instances, documents are tabled at the meetings and presentations are also made by the respective executives on the matters related to them at the Board Meetings. Every Board Member is free to suggest items for inclusion in the Agenda.

## INFORMATION PLACED BEFORE BOARD OF DIRECTORS

The Company has complied with Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with regulation 17(7) of the said regulations with regard to information being placed before the Board of Directors.

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.

## INDEPENDENT DIRECTORS MEETING

In Compliance with the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors Meeting of the Company was held on 31st March, 2017 without the presence of the Chairman & Executive Director, the Non-Executive Non-Independent Directors and the Management Team. Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board. Mr. Ankit Jain was the Chairman of the Independent Directors Meeting.

## ATTENDANCE OF DIRECTORS IN INDEPENDENT DIRECTORS MEETING.

Name of Directors	Meeting held during the year	Meeting Attended
Mr. Ankit Jain	1	1
Mr. Ankit Rungta	1	1
Mr. Jatindra Nath Rudra	1	1
Mrs. Sujata Agarwal	1	1

## CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all Board Members and all employees in management grade of the Company. The Code of Conduct is posted on the website of the Company at [www.rohitferrotech.com](http://www.rohitferrotech.com).

All Board Members and Senior Managerial Personnel have confirmed compliance with the code.

A declaration signed by the Executive Director is attached and forms part of the Annual Report of the Company.

## CODE OF CONDUCT OF INDEPENDENT DIRECTORS

As per the provisions of Section 149(8) of the Companies Act, 2013, the Independent Directors shall abide by the provisions specified in Schedule, which lays down a code for Independent Directors of the Company. Pursuant to the said provisions of the Companies Act, 2013, the Company has drafted a Code for Independent Directors of the Company.

## PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10), 19(4) and Part D of Schedule II of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 a Board Evaluation Policy has been formed and approved by the Nomination and Remuneration Committee and by the Board. The Chairman and Managing Director is evaluated on key aspects of the role which includes inter-alia effective leadership to the Board and adequate guidance to the each level of Management. Based on prescribed criteria as laid down, the performance of the Board, various Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee, and Individual were evaluated at satisfaction level. During the year under review, the Independent Directors of the Company reviewed the performance of Non- Independent Directors and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors. The Board as a whole is a balanced unit where diverse views are expressed and dialogued when required. All the directors are participative, interactive and communicative. The Chairman has abundant knowledge experience, skills and understanding of the Board's

# Corporate Governance Report

functioning, processes. The information flow between your Company's Management and the Board is timely & sufficient.

## COMMITTEES OF DIRECTORS:

### 1. AUDIT COMMITTEE

The Company has an Audit Committee within the scope & role as set out in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, read with Section 177 of the Companies Act, 2013.

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. Ankit Jain*	Chairman	Independent/Non-Executive	1
Mr. Rohit Jain #	Chairman	Independent/Non-Executive	3
Mr. Ankit Rungta	Member	Independent/Non-Executive	5
Mrs. Sujata Agarwal	Member	Independent/Non-Executive	5

\*appointed as Independent Additional Director w.e.f. 14th December, 2016

# resigned w.e.f. 14th December, 2016

The Executive Director and Chief Financial Officer 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 considered appropriate, the representatives from the Statutory Auditors and Cost Auditors to be present at the meeting of the Committee.

The Audit Committee comprises of 3 (three) Directors all of whom are financially literate. All the members of the Committee are Independent/Non-Executive. Mr. Ankit Jain, Independent Director having expertise in Finance, is the Chairman of the Audit Committee. Mr. Rohit Jain, previous Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 29th September, 2016.

During the Financial Year ended 31st March, 2017, 5 (five) Audit Committee Meetings were held on 30th May, 2016, 29th August, 2016, 20th September, 2016, 14th December, 2016 and 14th February, 2017.

The role of the Audit Committee shall include the following:

1. To oversee the Company's Financial Reporting Process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible.
2. To recommend to the Board, the appointment, re-appointment, terms of appointment, replacement or removal and remuneration of the auditors.
3. To examine the Financial Statements and Auditors' Report thereon.
4. To review, with the management, the quarterly Financial Statements before submission to the Board for approval.
5. To approve the payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
6. To review, with the management, the Annual Financial Statements 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 in terms of sub-section 3 of Section 134 of the Companies Act, 2013.
  - 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.
7. To approve or subsequently modify the transactions of the Company with related parties.
8. To 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 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.

# Corporate Governance Report

9. To review, with the management and monitor the auditor's independence and performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems and effectiveness of audit process including Internal Financial Control and Physical Stock Verification Process.
10. To scrutinize inter-corporate loans and investments, if any.
11. To evaluate of undertakings or assets of the Company, wherever it is necessary.
12. To evaluate the Internal Financial Controls and Risk Management Systems.
13. To monitor the end use of funds raised through public offers and related matters, if any.
14. To review 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.
15. To discuss with Internal Auditors any significant findings and follow up there on.
16. To review 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.
17. To call for comments of the auditors about Internal Control Systems, scope of audit, including the observations of the Auditors and review of Financial Statement before their submission to the Board and discuss any related issues with the Internal and Statutory Auditors and the management of the Company.
18. To give an option to the Auditors and the Key Managerial Person of the Company to be heard at the Audit Committee Meeting while considering the Auditors' Report.
19. To discuss with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
20. 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.
21. To approve the 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 & background, etc. of the candidate.
22. To establish a Vigil Mechanism for the directors and employees of the Company to report genuine concerns in certain matters. The Mechanism shall provide adequate safeguard against victimization of persons who use the mechanism. The Chairman of the Audit Committee shall be easily available for the same.
23. To carry out any other function as is mentioned in the terms of reference of the Audit Committee from time to time.

## 2. NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted Nomination & Remuneration having terms of reference & constitution in accordance with the provisions of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The Committee consists of 3 (three) Non-Executive/Independent Directors. The Committee met 4 (four) times during the year on 25th April, 2016, 29th August, 2016, 21st September, 2016 and 14th February, 2017.

The present composition of the Nomination and Remuneration Committee and details of the meeting attended by the member are given below:

Name of the Member	Designation	Category	No. of Meetings Attended
Mr. Jatindra Nath Rudra	Chairman	Independent/Non-Executive	4
Mr. Rohit Jain*	Member	Independent/Non-Executive	2
Mr. Ankit Rungta	Member	Independent/Non-Executive	3
Mr. Ankit Jain#	Member	Independent/Non-Executive	1

\* resigned w.e.f. 14th December, 2016.

#appointed as Independent Additional Director w.e.f. 14th December, 2016.

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

1. To identify person who are qualified to become Directors and who may be appointed in Senior Management as per their criteria
2. To recommend to the Board the appointment and removal of the Directors and Senior Management
3. To carry out evaluation of every director's performance

# Corporate Governance Report

4. To formulate criteria for determining qualification, positive attributes and independence of a Director
5. Devise a policy on Board diversity;
6. To recommend to the Board a policy relating to remuneration for the Directors, Key Managerial Personnel and other employees
7. 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
8. To perform such other functions as may be necessary or appropriate for performance of its duties.

The Chairman of Nomination and Remuneration Committee was present at the 16th Annual General Meeting of the Company held on 29th September, 2016.

## REMUNERATION POLICY:

### A. Remuneration to Managing Director/Executive Director/ KMP and Senior Management Personnel:

#### i) Fixed pay:

The Managing Director/Executive Directors/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration and perquisites as may be approved by the Board on the recommendation of the Committee. The statutory and retrial benefits shall be paid as per the applicable laws.

The remuneration to be paid to the Managing Director/Executive Directors shall be paid on recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

#### ii) Minimum Remuneration:

If, in any Financial Year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director/Executive Director in accordance with the provisions of Part-II of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

#### iii) Provisions for excess remuneration:

If any Managing Director/Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

### B. REMUNERATION TO NON- EXECUTIVE / INDEPENDENT DIRECTOR:

#### Sitting fees

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹1,00,000/- (Rupees One Lac only) per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

#### Commission:

No Commission shall be paid.

#### Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

The Remuneration Policy is also posted on the Company's Website, [www.rohitferrotech.com](http://www.rohitferrotech.com)

## 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 V of the Companies Act, 2013 and duly approved by the Board as well as by the shareholders of the Company. Details of remuneration paid during 2016-17 are as follows:

Name of the Director and Designation	Salary paid (₹)	Period of Contract		Notice Period
		From	To	
Mr. Ankit Patni (Managing Director)*	N.A.	29.08.2016	28.08.2019	2 months
Mr. R.K. Burnwal (Executive Director)	21,18,000	24.03.2016	23.03.2019	1 months

\* Currently not in receipt of any remuneration from the Company.

# Corporate Governance Report

## 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, 2017 are as follows:

Name of the Member	Sitting Fee paid (₹)	No. of Shares held as on 31st March, 2016
Mr. Suresh Kumar Patni	20,000	21,86,403
Mr. Ankit Rungta	22,500	Nil
Mrs. Sujata Agarwal	25,000	Nil
Mr. Jatindra Nath Rudra	30,000	Nil
Mr. Rohit Jain*	20,000	Nil
Mr. P.B. Lahiri	12,500	Nil
Mr. Ankit Jain**	7,500	Nil
Mr. Ankit Patni #	2,500	11,28,589

\*Resigned from directorship w.e.f. 14th December, 2016.

\*\* Appointed as Non Executive Independent Director w.e.f. 14th December, 2016.

# Setting fees was paid only for attending 1 (one) meeting in the capacity of Non-Executive Director.

### 3. STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance of provision of Section 178(5) of the Companies Act, 2013 read with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Stakeholders Relationship Committee has been constituted to specifically look into the transfer of Equity Shares/transmission of Equity Shares/issuance of duplicate Equity Share certificates, complaints received from the shareholders of the Company and other allied connected matters.

The Stakeholders Relationship Committee consists of 3 (three) Non-Executive Directors, out of which 2 (two) are Independent Directors. The Chairman of the Committee is an Independent Director.

The broad terms of reference includes the following:

- To review and ensure compliance of statutory provisions of the Companies Act, 2013, the guidelines of SEBI and the Stock Exchanges and other statutory requirements relating to transfer and transmission of shares/debentures of the Company.
- To review and ensure that the Registrar/Company's Transfer House implements all statutory provisions as above.
- Approve transfers/transmission of shares/debenture and demat/remat of the shares/debenture.
- Approve issue of duplicate shares certificates/debenture certificates, issue of certificates on consolidation/sub-division/rematerialisation.
- To consider and resolve all shareholders queries, grievance and complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. are attended and redressed in an expeditious manner.
- Monitor implementation of Company's Code of Conduct for Prohibition of Insider Trading
- Any other matter referred by the Board relating to equity shareholders of the Company.

During the year under review, the Committee has met 3 (three) times on 27th April, 2016, 19th September, 2016 and 10th October, 2016 .

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 Meetings Attended
Mrs. Sujata Agarwal	Chairman	Independent/Non-Executive	3
Mr. Jatindra Nath Rudra	Member	Independent/Non-Executive	3
Mr. Suresh Kumar Patni	Member	Promoter /Non-Executive	3

The 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, to deal with complaints, 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. During the Financial Year ended 31st March, 2017, the Company has received 3 (three) complaints from the shareholders and none of the complaints received were pending as on that date.

# Corporate Governance Report

## 4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee of the Board of Directors was constituted on 7th May, 2014 in terms of the provision of Section 135 of the Companies Act, 2013 read with Corporate Social Responsibility (CSR) Rules 2014. The objective, composition & terms of reference of the Committee are as under:

### a. Policy Objective:

Corporate Social Responsibility is a form of corporate self-regulation integrated into a business model. The main objective of this Policy is to set a guiding principle for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.

### b. Role:

The Committee, referred above, shall

- Formulate and recommend to the Board the CSR Policy and any amendments thereof which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on the activities, as per CSR Policy;
- Be responsible for implementation and monitoring of CSR projects or programmes or activities of 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.

### c. Activities/Projects

The Company shall undertake any of the activities which forms part of CSR as per Schedule VII of the Act, 2013 (the "Act") as amended from time to time or such other activities/projects as may be notified by the Ministry of Corporate Affairs from time to time as a part of the Corporate Social Responsibility ("CSR"):

The composition of the Committee is as under:

Name of the Member	Designation	Category	No. of Meetings Attended
Mrs. Sujata Agarwal	Chairman	Independent/Non-Executive	1
Mr. Suresh Kumar Patni	Member	Promoter/Non-Executive	1
Mr. R.K. Burnwal	Member	Executive	0

During the year under review there was 1 (one) committee meeting held on 30th March, 2017

Due to the losses incurred by the Company during year under review, the obligations of making expenditure on account of CSR does not arise. However, as a matter of routine, the Company has undertaken certain CSR initiative like donations & help for students, social activities for villagers, expenses for child education, motor pump set repairs to poor class of people in village.

## 5. EXECUTIVE COMMITTEE:

An **Executive Committee** was constituted on 14th February, 2015 and the present composition of the Executive Committee are given below as under :

Name of the Member	Designation	Category
Mr. Suresh Kumar Patni	Chairman	Non-Executive
Mr. Ankit Patni	Member	Non- Executive
Mr. R. K. Burnwal	Member	Executive

The Company Secretary acts as Secretary to the Committee.

The brief description of terms of reference:

The Committee is constituted with powers and responsibilities including but not limited to

- To review and follow up on the action taken on the Board decisions;
- To review the operations of the Company in general;
- To review the systems followed by the Company;
- To review, propose and monitor annual budget including additional budget, if any, subject to the ratification of the Board;

# Corporate Governance Report

- To review capital expenditure against the budget;
- To authorise opening and closing of bank accounts;
- To authorise additions/deletions to the signatories pertaining to banking transactions;
- To approve transactions relating to foreign exchange exposure including but not limited to forward cover and derivative products;
- To delegate and authorise the Company officials to represent and appear before the various courts, government authorities on behalf of the Company;
- To attend to any other responsibility as may be entrusted by the Board to investigate any activity within terms of reference;
- To execute Power of Attorney in favour of Company officials to represent and appear before the various courts, government authorities on behalf of the Company;

Further, the Executive Committee is empowered to do the following:

- To seek information from any employee as considered necessary
- To obtain outside legal professional advice as considered necessary;
- To secure attendance of outsiders with relevant expertise; and
- To investigate any activity within terms of reference.

## Prohibition of Insider Trading:

The Company has adopted a Code of Conduct for Prohibition of Insider Trading under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, with a view to regulate trading in the equity shares of the Company by the directors and designated employees.

## Compliance Officer:

Shri Anil Prasad Shaw, Company Secretary is the Compliance Officer for complying with requirements of Securities Laws, Listing Regulations and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

## Details of compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all mandatory requirements of the Listing Regulations. The Company has adopted the following non-mandatory requirements of Regulation 27 read with Part E of Schedule II of the Listing Regulations:

### (a) The Board

The Non-Executive Chairman has an office at the Company's premises.

### (b) Separate posts of Chairperson and Chief Executive Officer

The Chairman is not the Chief Executive Officer of the Company.

## Subsidiary Companies

The Company does not have any material unlisted Indian Subsidiary Company and hence, it is not required to have an Independent Director of the Company on the Board of such Subsidiary Company. Significant issues pertaining to Subsidiary Companies are discussed at Audit Committee meetings of the Company.

The minutes of the Subsidiary Companies are placed before the Board of Directors of the Company and the attention of the Directors is drawn to significant transactions and arrangements entered into by the Subsidiary Companies.

## GENERAL BODY MEETINGS

### The Last Three Annual General Meetings Were Held As Under:

Financial Year	Date	Place	Time
2015-2016	29th September, 2016	Aikatan, Eastern Zonal Cultural Conference (EZCC), IA-290, Sector-III, Salt Lake City, Kolkata- 700 097	10.00 AM
2014-2015	30th September, 2015	'PURBASHREE' Bharatiyam Cultrual Multiplex, IB-201, Sector-III, Salt Lake City, Kolkata- 700 106	10.00 AM
2013-2014	25th September, 2014	'PURBASHREE' Bharatiyam Cultrual Multiplex, IB-201, Sector-III, Salt Lake City, Kolkata- 700 106	10.00 AM



# Corporate Governance Report

## Special Resolutions Passed At The Last Three AGM:

Financial Year	Items
2015-2016	Appointment of Mr. Ankit Patni as Managing Director of the Company.
2014-2015	Re-appointment of Mr. Dinesh Biyanee as Executive Directors (Works) for a further period of 3 Years.
2013-2014	i) Re-appointment of Mr. Dinesh Biyanee as Executive Directors (Works) and ii) Amendment in Articles of Association of the Company

No Special Resolution was passed through Postal Ballot in the last year AGM. No Special Resolution requiring Postal Ballot is being proposed at the ensuing Annual General Meeting.

However, the following Special Resolution has been passed by means of Postal Ballot during year under review:

## Special Resolution Passed By Postal Ballot During The Financial Year 2016-17:

Particulars of Resolution	Type of Resolution	Resolution passed on	Applicable Section of the Companies Act, 2013	No. & % of vote in favour	No. & % of votes against
Increase in Authorised Share Capital and alteration of Capital clause in the Memorandum of Association of the Company	Ordinary Resolution	13.05.2016	Section 13, 61, 64 & other applicable provisions of Companies Act, 2013	8,24,48,496 (99.987%)	10,609 (0.006%)
Create, Offer and issue new Equity Shares to the Lenders of the Company pursuant to invocation of SDR (Strategic Debt Restructuring) Scheme	Special Resolution	13.05.2016	Section 42, 62 & other applicable provisions of Companies Act, 2013	8,24,33,403 (99.98%)	14,709 (0.02%)
Issue of equity shares on preferential basis to Promoter group.	Special Resolution	13.05.2016	Section 62 & other applicable provisions of Companies Act, 2013	8,24,30,668 (99.99%)	17,454 (0.01%)
Appointment of Mr. Ranjeet Kumar Burnwal as a Director.	Ordinary Resolution	13.05.2016	Section 149 & other applicable provisions of Companies Act, 2013	8,24,27,417 (99.97%)	20,613 (0.03%)
Appointment and Approval of Remuneration of Mr. Ranjeet Kumar Burnwal as an Executive Director.	Special Resolution	13.05.2016	Section 196, 197, 198 read with Schedule V of the Companies Act, 2013	8,23,99,322 (99.98%)	18,723 (0.02%)

The Postal Ballot was conducted in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013. The Company had offered e-voting facility, through Central Depository Services Limited as an alternate, to enable the shareholder to cast their votes electronically.

The Board had appointed Mr. Abhijeet Jain, Proprietor of M/s. A J & Associates, a Practising Company Secretary as the Scrutinizer to conduct the Postal Ballot & E-voting process in a fair and transparent manner.

## 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 arm's length basis. A disclosure of related party relationship and transactions as per AS-18 is given in the notes to the Financial Statement in the Annual Accounts of the Company.
- The Management confirms that the Financial Statement have been prepared in accordance with the Accounting Standard 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.

# Corporate Governance Report

- The Company has complied with all the requirements of the Uniform Listing Agreement/Listing Regulations 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.
- A Risk Management Policy has been formed by the Company on 30th May, 2014. 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.
- **Vigil Mechanism/Whistle Blower Policy:**

In order to strengthen the process of conducting the business in a fair, transparent and ethical manner, the Company has set up a Vigil Mechanism. The policy is intended to establish a mechanism for employees to report to the management genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics, for which a dedicated e-mail id vigil.mechanism@rohiferrotech.com has been established. Mr. Ankit Jain, Chairman of the Audit Committee of the Company has been nominated by the Board as Ombudsperson for this purpose. The mechanism provides adequate safeguard against victimization of the persons using this mechanism. No employee was denied access to the Audit Committee. There has been no incidence reported to the Chairman of the Audit Committee during the period under review.
- The Company does not have any material subsidiary.
- In terms of Uniform Listing Agreement, all Board members and Senior Management Personnel have confirmed compliance with the code.

A declaration signed by the Executive Director is attached and forms part of the Annual Report of the Company.

- 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.
- The Company has complied with all the mandatory requirements as mandated under Uniform Listing Agreement/Listing Regulations with Stock Exchanges. A certificate from the practicing Company Secretary to this effect has been included in this report. Besides mandatory requirements, the Company has constituted a Nomination and Remuneration Committee to consider and recommend the remuneration of the Directors.
- **Management Discussion & Analysis Report**

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

## CEO/CFO Certification

The requisite certificate from the Managing/Executive Director and the Chief Financial Officer of the Company for the Financial Year ended 31st March, 2017 required to be given pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the Board meeting held on 30th May, 2017 and 11th August, 2017.

## MEANS OF COMMUNICATION

### 1. Financial Results

In compliance with the requirements of the Uniform Listing Agreements/Listing Regulations with Stock Exchanges, 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—"Financial Express" and in a local vernacular newspaper—"Dainik Statesman" widely circulated in the state of West Bengal. The results were also placed on the Company's website at [www.rohiferrotech.com](http://www.rohiferrotech.com).

### 2. Other Information

The Company has its own website [www.rohiferrotech.com](http://www.rohiferrotech.com) wherein other related information is available. The Company has a dedicated help desk e-mail id: [grievance@rohiferrotech.com](mailto:grievance@rohiferrotech.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, if any, 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 SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 are given in the notice of ensuing Annual General Meeting as an Additional Information.

# Corporate Governance Report

## GENERAL SHAREHOLDER INFORMATION

### 1. Annual General Meeting (AGM)

<b>Day, Date &amp; Time</b>	: Thursday 21st September, 2017 at 11.00 A.M.
<b>Venue</b>	: Paschimbanga Bangla Academy, Rabindra-Okakura Bhawan, BD-27A/1, Salt Lake, Sector-I, Kolkata – 700 064

**2. Date of Book Closure** : 14th September, 2017 to 21st September, 2017  
(both days inclusive)

**3. Dividend payment date** : N.A.

### 4. Financial Calendar

Indicative calendar of events for the Financial Year 2017-2018 is as under:

Financial Year : 1st April to 31st March

## FINANCIAL REPORTING FOR THE QUARTERS

First Quarter	Held on 11th August, 2017
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, 2018

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

Name of the Stock Exchange	Address	Stock Code
BSE Limited(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 2017-18 to the Stock Exchanges where the shares of the Company are listed.

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

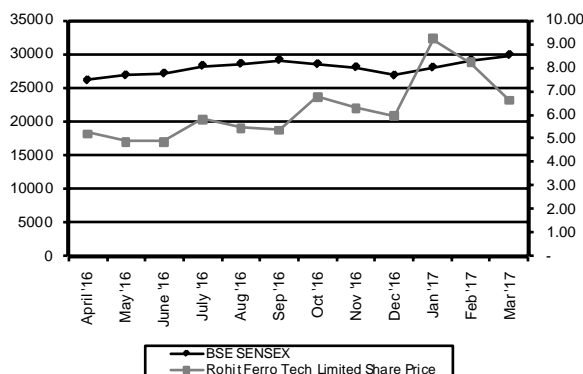
### 7. Market Price Data

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

Month	National Stock Exchange of India Limited (₹)		BSE Limited (₹)	
	HIGH	LOW	HIGH	LOW
April,2016	5.10	4.30	5.19	4.45
May, 2016	4.85	3.80	4.86	3.90
June, 2016	4.80	3.40	4.84	3.45
July, 2016	5.70	4.20	5.80	4.52
August, 2016	5.00	4.10	5.44	3.81
September, 2016	5.30	4.25	5.34	4.21
October, 2016	6.75	4.25	6.75	4.26
November, 2016	6.20	4.15	6.25	4.17
December, 2016	5.90	4.45	5.93	4.37
January,2017	8.95	5.25	9.20	5.24
February,2017	8.15	5.75	8.20	5.70
March, 2017	6.60	4.95	6.60	4.95

# Corporate Governance Report

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



## 9. Category & Shareholding Pattern as on 31st March, 2017

Category	No. of Shares	% of holding
Promoter & Promoter Group	8,19,17,842	72.00
Individuals	2,78,97,833	24.52
NBFC registered with RBI	6,800	0.01
Bodies Corporate	18,34,957	1.61
Non-Resident Individuals	10,55,427	0.93
Clearing Member	10,63,264	0.93
<b>Total</b>	<b>11,37,76,123</b>	<b>100.00</b>

## 10. Distribution of Shareholding as on 31st March, 2017

Range	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total
Upto 500	12671	65.80	23,45,254	2.06
501 to 1000	2,639	13.71	23,13,880	2.03
1001 to 2000	1,600	8.31	25,67,522	2.26
2001 to 3000	617	3.20	16,11,104	1.42
3001 to 4000	328	1.70	11,88,973	1.05
4001 to 5000	357	1.85	17,13,492	1.50
5001 to 10000	550	2.86	42,01,201	3.69
10001 and above	494	2.57	9,78,34,697	85.99
<b>Total</b>	<b>19,256</b>	<b>100.00</b>	<b>11,37,76,123</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 National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March, 2017, 11,37,61,521 Equity Shares representing 99.99% of the share capital are held in dematerialised form viz., CDSL- 9,41,43,777 Equity Shares and NSDL – 1,96,17,744 Equity Shares.

## 12. Reconciliation of Share Capital Audit :

As stipulated by Securities and Exchange Board of India (SEBI), a practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges, and is also placed before the Board of Directors.

# Corporate Governance Report

## 13. Registrar and Share Transfer Agent

M/s. Maheshwari Datamatics Pvt. Ltd. of 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001 is 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.

## 14. Share Transfer System

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

## 15. 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 Shares of the Company.

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

### Mr. Anil Prasad Shaw

Company Secretary & Compliance Officer  
SKP House,  
132A, S.P. Mukherjee Road,  
Kolkata – 700 026  
Ph: +91 33 4016 8000/8100  
Fax: +91 33 4016 8191  
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 0225/26  
Email Id: grievance@rohitferrotech.com  
CIN: L27104WB2000PLC091629

#### 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 8191/8107

## 17. Plant Locations

Bishnupur	WBIIDC 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

## DISCLOSURE OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF REGULATION 46(2) OF SEBI LISTING REGULATIONS, 2015

Pursuant to Schedule V of SEBI Listing Regulations, 2015, the Company hereby confirms that it has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) inter-alia covering the following subject matter/heads:

- a. Board of Directors
- b. Audit Committee
- c. Nomination and Remuneration Committee
- d. Stakeholder Relationship Committee
- e. Risk Management Committee : Not Applicable
- f. Vigil Mechanism
- g. Related Party Transactions
- h. Corporate Governance requirements with respect to Subsidiary of Company: The Company has no material Subsidiary, all other requirement is complied.
- i. Obligations with respect to Independent Directors
- j. Obligations with respect to Directors and Senior Management
- k. Other Corporate Governance requirements as stipulated under the Regulations
- l. Dissemination of various information on the website of the Company w.r.t clauses (b) to (i) of Regulation 46(2).

### 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 ON CODE OF CONDUCT	
In accordance with Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and Senior Management Personnel of the Company have affirmed compliance with code of conduct of the Company for the Financial Year ended on 31st March, 2017.	
	For and On Behalf of the Board For <b>Rohit Ferro-Tech Limited</b>
Place: Kolkata, Dated: 30th May, 2017	<b>R. K. Burnwal</b> (Executive Director)

For and on behalf of the Board  
**Rohit Ferro-Tech Limited**

Place: Kolkata  
Date: 11th August, 2017

**Suresh Kumar Patni**  
*Chairman*

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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

We have examined the compliance of conditions of Corporate Governance by Rohit Ferro-Tech Limited ('the Company'), for the year ended on 31st March, 2017, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

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.

Place: Kolkata  
Date: 11th August, 2017

**For K. C. Dhanuka & Co**  
Company Secretaries  
**CS K. C Dhanuka**  
Proprietor  
FCS – 2204  
C.P. No. – 1247