



# SHRI BAJRANG ALLOYS LTD.

- Initiatives taken to increase exports during the year.
- Development of new export markets for products of the Company.
- The Company has not availed or provided any foreign services.

(b) Information in respect of Foreign Exchange Earnings and Outgo are :

(Rs. in Lacs)

Particulars	F.Y. 2012-13	F.Y. 2011-12
Earnings	Nil	86.71
Outgo	-	-
Net Amount	Nil	86.71

## CORPORATE GOVERNANCE REPORT

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is not something which can be governed by a statute, but it is environment of good self moral and ethical conduct. Good Corporate Governance is characterized by a firm commitment and adoption of ethical practices by an organization across its entire value chain and in all of its dealings with a wide group of stakeholders encompassing employees, customers, vendors, regulators and shareholders in both good and bad times. The basic objective of Corporate Governance is to build up an environment of trust and confidence amongst those having competing and conflicting interest to enhance shareholders value and to protect the interest of other stakeholders. Corporate Governance is a key element in improving efficiency and growth as well as enhancing investor confidence.

The Company has laid a strong foundation for making Corporate Governance a way of life by constituting a Board with balanced mix of experts of eminence and integrity holding position as Executive and Non Executive Directors. It is about openness, integrity, accountability and transparency, these substances are inexorably linked to the mindset of Company's management

which leads to ethical behavior. The Company prominences the concept of Corporate Governance by embracing and demonstrating the ethical conduct. Your Company had some values to which it stuck through thick and thin, it is these values which had helped to develop a corporate culture and the requisite focus over the super ordinate goals and to overcome the challenges which an enterprise has to constantly meet. Our corporate structure, business and disclosure practices have been aligned to our corporate governance philosophy.

In line with this, we are pleased to inform you that, as on 31<sup>st</sup> March 2013, the Company is in compliance with all the requirements of Clause 49 of the Listing Agreement. The necessary disclosures as required under Clause 49 of the Listing Agreement have been covered in this Annual Report.

### 2. BOARD OF DIRECTORS

#### COMPOSITION

The Company's policy is to maintain an optimum combination of executive and non-executive directors. The Composition of the Board and the category of directors are as follows:

Name of Directors	Category of Directors	No. of other Directorship held*	No. of Board Meetings Attended	Last AGM Attended	No. of other Board Committees (Member/ Chairman)
Mr. Suresh Goel	Executive and Non-Independent	02	09	Present	02 (Chairman)
Mr. Anand Goel	Executive and Non-Independent	02	09	Present	None
Mr. Narendra Goel	Executive and Non-Independent	04	07	Present	None
Mr. Vikash Kumar Khedia	Non-Executive and Independent	02	04	Present	None
Mr. Dinesh Kumar Aggarwal	Non-Executive and Independent	03	04	Present	01 (Member)
Mr. Raj Kumar Yadava	Non-Executive and Independent	01	04	Present	01 (Member)
<b>Total No. of Directors 06 (Six)</b>					

\* Excluding Directorship in Private Limited Companies, Foreign Companies and Companies registered u/s 25 of the Companies Act, 1956.

\*\*Only two Committees, namely, Audit Committee and Shareholders Grievance Committee have been considered.

All the Independent Directors of the Company furnished a declaration at the time of their appointment and annually that they qualify the conditions of their being independent. All such declarations were placed before the Board.

None of the directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (as per clause 49(I)(C)(ii)) across all companies in which he is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies.

**Meetings Held**

Nine Board meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows:

April 20, 2012, May 30, 2012, July 13, 2012, August 13, 2012, September 30, 2012, November 09, 2012, January 21, 2013, February 11, 2013 and March 18, 2013.

**3. AUDIT COMMITTEE**

**Meetings Held**

The Audit Committee met four times during the year under review on the following dates:-

1. May 30, 2012
2. August 13, 2012
3. November 09, 2012
4. February 11, 2013

**Composition and Attendance**

The Audit Committee is constituted of three Independent Directors. The detailed composition, meetings of the members of the Audit Committee held during the year is given below :

Name of Director	Composition as on 31 <sup>st</sup> March 2013	No. of meetings attended
Mr. Dinesh Kumar Aggarwal	Chairman (Non Executive Independent Director)	4
Mr. Vikash Kumar Khedia	Member (Non Executive Independent Director)	4
Mr. Raj Kumar Yadava	Member (Non Executive Independent Director)	4

**Terms of Reference**

The Broad terms of reference of Audit Committee are to discuss the annual work programme and the depth and detailing of the audit plan to be undertaken by the auditor, examine and review the documentation and to recommend to the board either the appointment / reappointment / removal of the statutory auditor, along with the annual audit remuneration. It also reviews the financial statements before submission to the Board, to review reports of the Internal Audit and review weaknesses in internal control system reported by management and review the functioning of the Whistle Blower mechanism, in case the same exists. The Audit Committee also have regard to the entire profile of the audit firm, its responsible audit partners, experience of handling audit for similar sized companies etc.

The functioning and the terms of reference of the Audit Committee, the role, powers and duties, quorum for meeting and frequency of meetings have been devised keeping in view the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the stock exchanges as are in force/ applicable from time to time.

The Audit Committee meetings were attended by executives of Accounts Department, Finance Department and Representatives of Statutory and Internal Auditors. The Cost Auditors appointed by the Company u/s 233B of Companies Act, 1956 attended the Audit Committee meeting, where the Cost Audit Report was discussed. All the members of the Audit Committee are financially literate as required by Clause 49 of the Listing Agreement.

**4. REMUNERATION COMMITTEE**

**Meetings Held**

The Remuneration Committee met two times during the year under review on the following dates:-

1. May 30, 2012
2. January 03, 2013



## SHRI BAJRANG ALLOYS LTD.

### Composition and Attendance

The Remuneration Committee is constituted of three Independent Directors. The detailed composition, meetings of the members of the Remuneration Committee held during the year is given below:

Name of Director	Composition as on 31 <sup>st</sup> March 2013	No. of meetings held
Mr. Raj Kumar Yadava	Chairman (Non Executive and Independent Director)	2
Mr. Vikash Kumar Khedia	Member (Non Executive Independent Director)	2
Mr. Dinesh Kumar Aggarwal	Member (Non Executive Independent Director)	2

### Terms of Reference

- To determine on behalf of Board of Directors and on behalf of the Shareholders, the Company's policy on specific remuneration packages for executive directors.
- To approve the payment of remuneration to managerial personnel as per policy laid down by the Committee.

### Details of remuneration paid to the Directors of the Company :-

Name of Director	Category of Director	Remuneration Paid
Mr. Suresh Goel	Executive and Non-Independent	900000/-
Mr. Anand Goel	Executive and Non-Independent	950000/-

### Remuneration Policy

The Remuneration Committee recommends the remuneration packages of the Executive Directors of the Board. In framing the remuneration policy, it takes into consideration the remuneration practices of the Company of similar size, stature and Industry Standards. It also recommends and

monitors the level and structure of pay for senior management.

The Directors Compensation is based on their individual goals which are linked to the organizational goals. Executive Directors (ED) are paid subject to the approval of the Board and the Company in the General Meeting, on such terms and conditions as per agreements entered into by them and the Company.

### **5. SHARE HOLDERS GRIEVANCE COMMITTEE**

#### Meetings Held

The Shareholders Grievance Committee met four times during the year under review on the following dates:-

1. May 30, 2012
2. August 13, 2012
3. November 09, 2012
4. February 11, 2013

#### Composition and Attendance

The Shareholders Grievance Committee is constituted of two Independent Directors and one Executive Director. The detailed composition, meetings of the members of the Committee held during the year is given below:

Name of Director	Composition as on 31 <sup>st</sup> March 2013	No. of meetings held
Mr. Anand Goel	Chairman (Executive Director)	04
Mr. Dinesh Aggarwal	Member (Non-Executive, Independent Director)	04
Mr. Raj Kumar Yadava	Member (Non-Executive, Independent Director)	04

#### Term of Reference

- Review the reports submitted by the Registrar and Transfer Agents of the Company at quarterly and half yearly intervals.

- Periodically interaction with the Registrar and Transfer Agents of the Company to ascertain and look into the quality of Company's Shareholder's/ Investor's Grievances redressal system and to review the report on the functioning of the said investor grievances redressal system.
- Follow up on the implementation of the suggestions for improvement.
- Periodical review to the Board of any major concerns, if any.

Although there were no outstanding complaints as on March 31, 2013.

**6. GENERAL BODY MEETINGS**

**I. Annual General Meeting**

Details of last three Annual General Meetings held:-

Meeting for the year ended	Date and Time	Venue	Whether any Special resolution passed	Special Resolution through Postal Ballot
2009-10	28 <sup>th</sup> September 2010, 10.00 am	521/C, Urla Industrial Complex, Urla , Raipur (C.G.) 493221	-NO-	-NO-
2010-11	27 <sup>th</sup> September 2011, 10.00 am	521/C, Urla Industrial Complex, Urla , Raipur (C.G.) 493221	-NO-	-NO-
2011-12	28 <sup>th</sup> September 2012, 9.00 am	521/C, Urla Industrial Complex, Urla , Raipur (C.G.) 493221	-NO-	-NO-

**II. Extraordinary General Meeting:**

No Extraordinary General Meeting of the Members was held during the year 2012-13.

**III. Postal Ballot:**

No Postal Ballot was conducted during the year 2012-13.

**7. CODE OF ETHICS**

The Company adheres to highest standards of business ethics, compliance with statutory and legal requirements and commitment to transparency in all its business dealings. A code of conduct for the Board Members and

senior management and a code of conduct for prevention of Insider Trading as detailed below have been adopted pursuant to Clause 49 of the Listing Agreement and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. The Code is applicable to all the directors and specified senior management executives. The Code impresses upon Directors and Senior Management executives to uphold the interest of the Company and its stakeholders and to endeavor to fulfill all fiduciary obligations towards them. Another important principle on which code is based is that the Directors and the Senior Management Executives shall act in accordance with highest standards of honesty, integrity, fairness and ethical conduct and shall exercise utmost good faith, due care and integrity in performing their duties.

**DECLARATION AFFIRMING COMPLIANCE OF CODE OF CONDUCT**

I Anand Goel, Managing Director of Shri Bajrang Alloys Limited, hereby declares that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Clause 49(1)(D)(ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March 31, 2013.

***For, Shri Bajrang Alloys Limited***

Sd/-  
**Anand Goel**  
(Managing Director)



## 8. DISCLOSURES

1. A Statement in summary form, of all the transactions entered into with the related parties in the ordinary course of business, details of material individual transactions with the related parties that are in normal course of business were placed before the audit committee. There are no material transactions with the related parties, which require separate disclosures or have potential conflicts with the interests of the Company. A comprehensive list of transactions entered into with the related parties as required by Accounting Standard (AS)-18 issued by the Institute of Chartered Accountants of India is disclosed in the Note No. 33 in the Annual report.
2. The risk management issues are discussed in detail in the report of Management Discussion and Analysis. Since the risk control framework is new to the Indian Corporate culture, it is being strengthened on a continuous basis. The Board, its Audit Committee and its executive management is collectively striving to identify the risks impacting the company's business and is in the process of documenting their procedure of risk identification, risk minimization, risk optimization as a part of their risk management policy/strategy.
3. There were no public issues, right issues, preferential issues etc. during the Financial Year 2012-13 under review.
4. The amount of Rs. 18,50,000/- (Rupees Eighteen Lacs Fifty Thousand only) (inclusive of all) per annum was paid as managerial remuneration to the executive directors of the Company.
5. Comprehensive insider trading disclosure guidelines in line with SEBI Regulations have been adopted by the Board in which the procedure to be followed by all the key managerial personnel, staffs and other relevant business associates for disclosure of all security transactions of the shares of the Company on a continuing basis of any

unpublished price sensitive information relating to the Company is formulated.

6. NIL equity shares were held by non-executive directors of the Company.
7. There have been no penalties/strictures/ imposed on the company, by SE/SEBI or any other statutory authority relating to capital markets for any non compliances made by the company.
8. The Directors of the Company affirms that no personnel of the Company have been denied access to the Audit Committee.
9. The Board's Report complies with and discloses all the mandatory requirements as per Clause 49 of the Listing Agreement entered into with Stock Exchange and is moving towards adoption of certain non mandatory requirements as well.

## 9. WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower policy to provide a formal mechanism to the employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of Conduct or Ethics policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Audit Committee. The policy also specifies the procedure and reporting authority for reporting unethical behavior, actual or suspected fraud or violation of the code or any other unethical or improper activity misuse or improper use of accounting policies and procedures resulting in misrepresentation of accounts and financial statements. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

## 10. MEANS OF COMMUNICATION

The quarterly, half yearly and annual financial results and reports are send to the stock

exchanges immediately after they are approved by the Board. These are also published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board of Directors in which they are considered, in one English newspaper circulating in the whole or substantially the whole of India and in one vernacular newspaper in the state of Chhattisgarh.

The Company's designated email id for investor services is investors.sbal@sify.com and the website address of the Company is www.goelmt.com, where the stakeholders can find general information regarding business of the Company and other information.

**11. GENERAL SHAREHOLDER'S INFORMATION**

Annual General Meeting for the year ended 31<sup>st</sup> March 2013

Date	27 <sup>th</sup> September 2013
Time	09.00 A.M.
Venue	521/C, Urla Industrial Complex, Urla, Raipur (C.G.) 493221.
Dates of Book Closure	21 <sup>st</sup> September 2013 to 27 <sup>th</sup> September 2013
Dividend Payment Dates	No dividend has been recommended for the F.Y. 2012-13.

*Financial Calendar (Tentative)*

**Publication with respect to Financial Results and Annual General Meetings**

First Quarter Results	On or before August 15
Second Quarter Results	On or before November 15
Third Quarter Results	On or before February 15
Annual Audited Results for the year ending 31 <sup>st</sup> March, 2014	On or before May 30
Annual General Meeting for the year ended 31 <sup>st</sup> March 2014	On or before September 30

**Details of Exchange where the Company is listed and RTA of the Company**

Listed on	Bombay Stock Exchange (BSE)
Stock Code	Scrip Code-526981
	ISIN No.-INE 402H01015
Registrar and Share Transfer Agent for Physical shares and Electronic Connectivity	LINK INTIME INDIA PVT. LTD. C-33, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W) Mumbai, Maharashtra-78. Ph- (022)-25963838 Fax-(022)25946969

**12. SHARE TRANSFER SYSTEM**

96.68% of the equity shares of the Company are in electronic form. Transfer of these shares is done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with Link Intime India Private Limited at the above mentioned address.

Transfer of shares in physical form is normally processed within twelve to fifteen days from the date of receipt of application, if the documents are complete in all respects. The Compliance Officer, under the authority of the Board, approves transfers, which are noted at subsequent board meetings.

The Company has obtained from a Company Secretary in Practice a Half yearly Certificate of Compliance regarding share transfer as per the requirement of Clause 47(c) of the Listing Agreement and a copy of this certificate has been submitted to the stock exchange.

**Distribution of Shareholding as on 31<sup>st</sup> March 2013**

S.No.	Category	No. of Shares held	Percentage
1.	Promoters (including person acting in concert)	5410969	60.12
2.	Body Corporate	1372607	15.25
3.	General Public	2210666	24.56
4.	NRI	1693	0.02
5.	Clearing Members	4065	0.05
	<b>TOTAL</b>	<b>9000000</b>	<b>100.00</b>



# SHRI BAJRANG ALLOYS LTD.

## Distribution of Shareholding (Size Wise) as on 31<sup>st</sup> March 2013

Shareholding of No. of Shares	No. of Shareholders	Percentage of Total Shareholders	No. of Shares held	Percentage of Total Shares
1-500	1207	68.58	278613	3.10
501-1000	265	15.06	190585	2.12
1001-2000	119	6.76	173543	1.93
2001-3000	47	2.67	122531	1.36
3001-4000	16	0.91	59544	0.66
4001-5000	21	1.19	98862	1.10
5001-10000	35	1.99	246468	2.74
10001-****	50	2.84	7829854	86.99

## Market Price Data

High, Low and Closing prices of Company's Equity Shares in Bombay Stock Exchange Limited; Mumbai during each month from April 2012 to March 2013 are as under (as available on the BSE Website):

(Amount in Rs.)

Month	High	Low	Closing
April 2012	27.40	18.50	26.25
May 2012	28.85	18.50	24.20
June 2012	26.00	17.55	22.80
July 2012	23.00	18.90	19.10
Aug 2012	22.90	16.15	22.90
Sept 2012	25.90	21.60	23.50
Oct 2012	24.50	17.65	20.85
Nov 2012	26.10	19.85	21.80
Dec 2012	24.00	20.75	24.00
Jan 2013	22.85	20.70	21.70
Feb 2013	21.00	19.05	21.00
Mar 2013	20.00	12.50	13.80

## DEMATERIALISATION OF SHARES AND LIQUIDITY

The Company's Shares are available for dematerialization with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). As on 31<sup>st</sup> March, 2013 the status of dematerialization are :

Held in Dematerialized form in CDSL	938138
Held in Dematerialized form in NSDL	7762947
Held in Physical form	298915

## Outstanding ADRs / GDRs/ Warrants or Any Convertible Instrument, Conversion Dates likely to impact Equity

The Company has never issued any ADR, GDR or Share Warrants which can impact the price of Equity of the Company.

## Plant Location:

521/C, Urla Industrial Complex, Urla, Raipur (C.G.) – 493221

## Address for Correspondence

### SHRI BAJRANG ALLOYS LIMITED

521/C, Urla Industrial Complex,  
Urla, Raipur - 493221 (C.G.)

Ph. No.: (0771) 4288000, Fax- (0771) 4288001.

## Share Transfer Agents

### LINK INTIME INDIA PRIVATE LIMITED

C-33, Pannalal Silk Mills Compound, LBS Marg,  
Bhandup (W) Mumbai, Maharashtra-78.

Ph- (022)-25963838

Fax-(022)25946969



## SHRI BAJRANG ALLOYS LTD.

### AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

**TO THE MEMBERS OF  
SHRI BAJRANG ALLOYS LIMITED**

We have examined the compliance of conditions of Corporate Governance by Shri Bajrang Alloys Limited, for the year ended 31<sup>st</sup> March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges of India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. 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 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 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 the Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievances were pending for a period of one month against the company as per the records maintained by the Shareholders / Investor's Grievance Committee.

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

**FOR R.K. SINGHANIA AND ASSOCIATES  
CHARTERED ACCOUNTANTS**

**PLACE : RAIPUR  
DATE : 29.05.2013**

**Sd/-  
RAMESH KUMAR SINGHANIA  
(PARTNER)  
MEMBERSHIP NO. 041880**

**CERTIFICATE FROM CHIEF EXECUTIVE OFFICER/  
CHIEF FINANCIAL OFFICER**

**To  
The Board of Directors  
SHRI BAJRANG ALLOYS LIMITED  
Raipur (C.G.)**

I have reviewed the financial statements and the cash flow statement for the financial year 2012-13 and hereby certify to the best of my knowledge and belief:-

1. These Statements do not contain any material untrue statement or omit any material facts or contain any statements that might be misleading.
2. These Statements together presents a true and fair view of Company's affairs and are in compliance with existing accounting standards and applicable laws and regulations.
3. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the financial year 2012-13 which are fraudulent or illegal or violative of the Company's Code of conduct.
4. I accept the responsibility for establishing and maintaining internal controls and financial reporting and that I have evaluated the effectiveness of internal control systems of the Company for the purpose of financial reporting and I have disclosed to the Auditors and the Audit Committee those deficiencies, of which I am aware, in the design or operation of the internal control systems for the purpose of financial reporting and that I have taken the required steps to rectify these deficiencies.
5. I further certify that:
  - a. There have been no significant changes in the internal control system during the year.
  - b. There have been no significant changes in the accounting policies during the year.
  - c. There have been no instances of significant fraud of which I have become aware and the involvement therein, of management or an employee having significant role in Company's internal Control System.

**(Sd/-)  
ANAND GOEL  
(MANAGING DIRECTOR)**

**DATE: 29.05.2013**