

BIHARIJI ISPAT UDYOG LIMITED

REPORT ON CORPORATE GOVERNANCE

1. The Company's Philosophy on Corporate Governance

The Board of Directors and Management believe in adopting and practicing principles of good Corporate Governance with a view to :-

- Safeguard shareholders' interest through sound business decisions, prudent financial management and high standard of business ethics; and
- Achieve transparency, accountability and integrity in the dealings and transactions of the Company

2. Board of Directors

(i) Composition :-

The Board of Directors comprised of Four Directors as under:-

Promoter Group		
Name of Director	Brief Particulars	Category
1. Shri N.K. Sureka	He is an Industrialist having 21 years' experience in the Steel Industry. He joined the Board as promoter director w.e.f. 1st October, 2003 and was appointed as an Honorary Managing Director w.e.f. 1 st October, 2003	Executive
2. Smt. Veena Agarwal	She is in business having 32 years' experience in the area of general finance and investment. She joined the Board as promoter director w.e.f. 13 th June, 2014.	Non-Executive
Independent		
3. Shri Dhiraj Arora	He is in Business having 17 years' experience in Construction Industry. He joined the Board as an independent director w.e.f. 13 th June, 2014.	Non-executive
4. Shri Archit Arora	He is in service having 10 years' experience of Pipe Industry. He joined the Board as an independent director w.e.f. 13 th June, 2014.	Non-executive

2 (ii) Board Meetings and attendance

Ten Board Meetings were held during the financial year ended on 31st March, 2014 and the gap between two Board Meetings did not exceed four months.

The dates on which Board meetings were held are as follows:-

Sr.No.	Date of Meeting	Board strength	No. of Directors Present
1.	06.04.2013	3	3
2.	30.05.2013	3	3
3.	04.07.2013	3	3
4.	11.07.2013	3	3
5.	25.07.2013	3	2
6.	12.08.2013	3	3
7.	07.10.2013	3	2
8.	14.11.2013	3	3
9.	08.01.2014	3	2
10.	12.02.2014	3	3

2. (ii) Attendance of each Director at the Board meetings and last Annual General Meeting (AGM) and the number of Companies and committees where he is Director/Member:

Name of Director	Category of Directorship	Number of Board Meetings Attended	Attendance at the Last AGM held on 09.08.13	Number of Directorships in other public Ltd. Companies	Number of committee positions Held in other Company's
Shri N.K. Sureka	Executive	08	Yes	2	-
Shri Deepak Kumar Garg	Non-Executive	10	Yes	3	3
Shri Yogesh Mathur	- do -	09	No	2	2

3. Audit Committee

The Audit Committee was Constituted in accordance with the code of Corporate Governance and consisted of three directors viz. Shri N. K. Sureka, Deepak Kumar Garg, and Shri Yogesh Mathur with Shri Deepak Kumar Garg as its Chairman.

(i) The terms of reference of the Audit Committee are as per the guide lines set out in clause no. 49 of the listing agreement with the Delhi Stock Exchange where the shares of the Company are listed.

(ii) The Audit Committee had five meetings during the financial year 2013-14 ended on 31st March, 2014 as per details thereof and the names of Directors who attended the said meetings, are as here-under:-

Details of the Audit Committee Meetings held during the financial year 2013-14 and attended by the Directors:-

Name of the Director	Date of Meeting				
	30-05-2013	11-07-2013	12-08-2013	14-11-2013	12-02-2014
Shri Deepak Kumar Garg	Yes	Yes	Yes	Yes	Yes
Shri Yogesh Mathur	Yes	Yes	Yes	Yes	Yes
Shri N. K. Sureka	Yes	Yes	Yes	Yes	Yes

4. Remuneration Committee

The Board did not constitute a Remuneration Committee upto the close of the financial year 2013-14 closed on 31st March, 2014 as the same was not mandatory.

5. Remuneration Policy

Sitting fees of Rs.200/- for attending Board Meeting is paid to each of the directors, who are not paid any remuneration..

Since Shri N. K. Sureka opted to be an honorary Managing Director of the company, no remuneration in the capacity as Managing Director was paid to him during the financial year 2012-13 ended on 31st March, 2013.

Sitting fees paid to Directors for meetings of the Board/Committee :-

	Rs.
Shri N.K. Sureka	1600/-
Shri Deepak Kumar Garg	2000/-
Shri Yogesh Mathur	1800/-
Total	5400/-

6. Code of Conduct for the Directors & Senior Managerial Personnel

In compliance to the provisions of Clause 49 of the Listing Agreement, the Board has laid down a code of conduct for all the Board Members and Senior Managerial Personnel and all Board Members and Senior Managerial Personnel have affirmed compliance of code of conduct as on 31st March, 2014 and a declaration to that effect duly signed by the Managing Director is attached and forms part of this report.

7. Investors'/ Shareholders' Grievance Committee

This Committee was constituted in accordance with the Clause No. 49 of the Listing Agreement, with a view to redress shareholders'/ investors' complaints etc. relating to delay in transfer of shares, demat, non-receipt of annual accounts, delays in balance sheet, split, duplicate, transmission, etc. of the shares issued by the

Company. This Committee consists of two Non-executive directors namely Shri Deepak Kumar Garg and Shri Yogesh Mathur with Shri Deepak Kumar Garg as its Chairman.

Shri N.K. Sureka has been nominated as the Compliance Officer.

Number of pending transfers	Nil
Number of Shareholders'	
Complaints received	Nil
Number of Complaints not solved	Nil

8. General Body Meetings

Details of Location and time of holding of last three AGMs

AGM for the financial Year ended	Venue	Date	Time
2010-2011 37th AGM	602, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019.	26.08.2011	10.30 A.M.
2011-2012 38th AGM	602, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019.	29.09.2012	10.30 A.M.
2012-2013 38th AGM	602, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019.	09.08.2013	10.30 A.M.

9. Details of Directors seeking Appointment/Reappointment in the ensuing Annual General Meeting to be held on 29th September, 2014.

Name of Directors	Shri N.K. Sureka	Smt. Vesna Agarwal	Shri Dhiraj Arora	Shri Archit Kataruka
DIN	00054929	00060415	06897134	06897147
Date of Birth	16/09/1973	21/10/1959	06/04/1978	30/10/1979
Date of Appointment	01/10/2003	13/06/2014	13/06/2014	13/06/2014
Qualification	Graduate	Higher Secondary	Higher Secondary	M.B.A
Expertise in specific functional area	He is an Industrialist having 21 years' experience in the steel industry.	She is in business having 32 years' experience in the area of general finance and investment.	He is in Business having 17 years' experience in Construction Industry.	He is in service having 10 years' experience of Pipe Industry
List of public companies in which directorship held (including foreign Companies)	1. Mauria Udyog Ltd. 2. Biharji Fancy Fibers & Fabrics Ltd.	Srinarayan Rajkumar Merchants Ltd.	Nil	1. Quality Synthetics Industries Ltd. 2. Srinarayan Rajkumar Merchants Ltd.
Chairman/ Member of the Committee of Board of Directors of public Companies	-Audit Committee- Biharji Ispat Udyog Ltd. as a Member	-Audit Committee- Srinarayan Rajkumar Merchants Ltd. as Chairman	-Audit Committee- Biharji Ispat Udyog Ltd., as Chairman,	-Audit Committee- Srinarayan Rajkumar Merchants

<p>Chairman/ Member of the Committee of Board of Directors of public Companies</p>	<p>-Risk Management Committee- Biharji Ispat Udyog Ltd.-as a Member -Corporate Social Responsibility- Mauria Udyog Ltd.as Chairman.</p>	<p>-Nomination & Remuneration Committee- Srinarayan Rajkumar Merchants Ltd, Biharji Ispat Udyog Ltd.-as Member -Stakeholders Relationship Committee- Srinarayan Rajkumar Merchants Ltd. & Biharji Ispat Udyog Ltd.as Member. -Risk Management Committee- Biharji Ispat Udyog Ltd.as Member</p>	<p>-Nomination & Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee- Biharji Ispat Udyog Ltd. as Member,</p>	<p>Ltd., Biharji Ispat Udyog Ltd. & Quality Synthetics Ind. Ltd. as Member -Nomination & Remuneration Committee -Srinarayan Rajkumar Merchants Ltd., Biharji Ispat Udyog Ltd. & Quality Synthetics Ind. Ltd. as Member -Stakeholders Relationship Committee - Srinarayan Rajkumar Merchants Ltd., Biharji Ispat Udyog Ltd. & Quality Synthetics Ind. Ltd. as Chairman. Risk Management Committee- Srinarayan Rajkumar Merchants Ltd., Quality Synthetics Industries Ltd.as Member</p>
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Shareholding in the Company	1,88,250 Equity shares of Rs. 10/ each (as on 31.03.2014)	NIL	NIL	NIL
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10 Disclosure

(a) Materially Significant related party transactions

During the period, no transaction of material nature, had been entered into by the Company with the management or their relatives that may have potential conflict with the interests of the Company.

(b) Details of non-compliance by the company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

There was no instance of penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority as well as non-compliance of any matter related to the capital markets during the last three years.

11. Means of Communication

The quarterly and yearly results are published in English in widely circulating "Money Makers" and in Hindi in "Maha Laxmi" from Delhi & Haryana.

12. General Shareholder information

AGM : Date, time and venue

40th AGM to be held on Monday, the 29th September, 2014 at 10.30 A.M. at 602, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019

Financial Calendar (Tentative)

Results for quarter ending June 30, 2014 declared on 12th August, 2014

Results for quarter ending September 30, 2014 14th November, 2014

Results for quarter ending December 31, 2014 14th February, 2015

Audited Results for the entire Financial Year ending March 31, 2015 30th May, 2015

Date of Book closure

Thursday, the 25th September, 2014 to Monday, the 29th August, 2014 (both days inclusive)

Stock Code - Physical
Demat ISIN Number for NSDL and CDSL.

3506 on Delhi Stock Exchange
INE073F01018

High/low of market price of the Company's shares traded on the Stock Exchange during the financial year ended 31st March, 2014

The shares have not been traded during the financial year 2013-14. The last quoted price was of Rs.24/- per share as per transactions on Delhi Stock Exchange held on 28-08-2001. Since the Delhi Stock Exchange was not conducting any trading of securities of its listed companies, the securities of the Company were traded the Gauhati Stock Exchange during the financial 2002-03 @ Rs.3.50 per share per the transactions on 10-02-2003.

Registrar & Transfer Agents

M/s. Bectal Financial & Computer Services (P) Ltd., BEETAL HOUSE, 99, Madanpur, Behind Local Shopping Centre, Near Dada Haraukh Dass Mandir, New Delhi - 110062
Phone No. 29961281 (6 Lines)
Fax No. 29961284

Share Transfer System

All the transfers received are processed by the Registrar and Share Transfer Agent. Share Transfers are registered and returned within maximum of 15 days from the date of lodgment if documents are complete in all respect. In case the shares are transferred through Demat mode, the procedure is adopted as stated in Depositories Act, 1996.

• Share holding pattern as on 31-03-2014

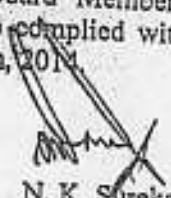
Category	No. of Shares	Percentage
Promoters	32,99,210	54.99
Persons acting in concert	-	-
Mutual Funds and UTI	-	-
Banks, Financial Institution & Insurance Companies.	-	-
FII's	-	-
Corporate Bodies	10,000	0.17
Indian Public	26,90,790	44.84
NRI's/ OCBs	-	-
Total	60,00,000	100.00

• Distribution of shareholding as on 31st March, 2014.

No. of Shares		Folios		Amount	
From	To	Number	% to Total	Rs.	% to Total
(1)	(2)	(3)	(4)	(5)	(6)
1	- 500	214	64.26	1,18,900	0.20
501	- 1000	08	2.41	80,000	0.13
1001	- 2000	01	0.30	15,000	0.03
2001	- 3000	02	0.60	48,000	0.08
3001	- 4000	-	-	-	-
4001	- 5000	03	0.90	1,43,000	0.24
5001	- 10000	12	3.61	12,00,000	2.00
10001	and above	92	27.64	5,83,95,100	97.24
Total		332	100.00	6,00,00,000	100.00

13. Declaration of Managing Director

The Code of Conduct for the Directors and the Senior Managerial Personnel was adopted by the Board of Directors. All the Board Members and Senior Managerial Personnel have affirmed that they have complied with the code of conduct during the financial year ended on 31st March, 2014.


N. K. Sureka
Managing Director

Place : New Delhi
Date : 28th August, 2014