

Annexure 'C' Report On Corporate Governance

The Board of directors presents the Company's Report on Corporate Governance.

1. Company's Philosophy on Corporate Governance:

The Company believes in setting the highest standard of good and ethical corporate governance practices to enhance the long-term shareholder value and protect the interest of shareholders, customers and others.

The main objectives of Corporate Governance are:

1. Maximizing long-term shareholder value in a legal and ethical manner.
2. Ensuring fairness, courtesy and dignity in all transactions within and outside the Bank with customers, investors, employees, competitors, government and the general public.
3. Open, transparent and merit-based management.

The Company is committed to following high standards of transparency, accountability. The Company has formed required committees of the Board of Directors to monitor various aspects of the business.

2. Board of Directors:

A. Composition of the Board:-

The Company's Board of Directors comprises of six Directors. There are three Executive Directors on the Board of the Company, namely, Mr. R. N. Doshi (Chairman & Managing Director), Mr. Sunil B Jain and Ms. Khushboo Chandrakant Doshi. There are Three Non-Executive Independent Directors namely Mr. Ramesh A. Shah, Mr. Kishor R. Doshi and Mr. Rajendra G. Vaja. However, Mr. Amit Shah (Executive Director) resigned as Director with effect from 02.04.2014, Mrs. Prabhaven Vaja (Independent Director) resigned as Director with effect from 01.05.2014 and Mr. Mahasukhlal Mehta (Independent Director) resigned as Director with effect from 30.05.2014.

B. Meetings:-

During the year under report, there were total Twelve Board Meetings were held.

Board Attendance For The Financial Year 2013 - 14

Name of Director	Number of Board Meetings Attended
Mr. Rajesh N. Doshi	12
Ms. Khushboo Chandrakant Doshi	12
Mr. Sunil B. Jain	8
Mr. Amit Shah	1
Mr. Kishor Doshi	1
Mr. Ramesh Shah	1
Mr. Rajendra Vaja	1
Mr. Mahasukhlal Mehta	1
Mrs. Prabhaven Vaja	1

Details of Shareholding /committee membership of Directors of the Company as on 31st March, 2014:

Name of Director	Designation	Number of Shares held in Company	Directorship in all Public Limited Companies #	Membership in Committee in all public limited Companies #	Chairmanship of Committee in all Public limited Companies #
Mr. R. N. Doshi	Chairman & Managing Director	2940200	02	Nil	Nil
Mr. Sunil B. Jain	Executive Director	17000	01	Nil	Nil
Mr. Amit R. Shah	Executive Director	570804	01	Nil	Nil
Ms. Khushboo C. Doshi	Executive Director	4581640	01	Nil	Nil
Mr. Ramesh A. Shah	Non-executive & Independent	Nil	01	03	01
Mr. Kishor R. Doshi	Non-executive & Independent	22000	01	03	01
Mr. Mahasukh S. Mehta	Non-executive & Independent	5000	01	03	01
Mrs. Prabhaben Vaja	Non-executive & Independent	46000	01	01	Nil
Mr. Rajendra G. Vaja	Non-executive & Independent	Nil	01	01	Nil

includes Directorship/Membership or Chairmanship of Committee in Rajoo Engineers Limited but excludes Directorship in or Membership or Chairmanship of any Committee in any Private Limited Companies/Foreign Companies.

3. Remuneration to Directors:

The Company has paid remuneration to executive directors as per table given herein under.

Name of Director	Category	Designation	Salary (Rs. per annum) (Incl. PF)	Perquisites (Rs. per annum)	Options under the Employee Stock Option Scheme*
Mr. R. N. Doshi	Executive Non-independent	Chairman & Managing Director	34,75,590	18,845	Nil
Mr. Sunil B. Jain	Executive & Non-independent	Executive Director	33,32,085	Nil	Nil
Mr. Amit R. Shah	Executive & Non-independent	Executive Director	10,01,200	Nil	Nil
Ms. Khushboo C. Doshi	Executive & Non-independent	Executive Director	17,22,798	Nil	Nil
Total			95,31,673	18,845	Nil

- The Company does not have any Employee Stock Option Scheme at present. Further, the Company has not paid any salary or perquisites to its non-executive Directors. However, the Company has paid total sitting fees of Rs. 12000/- to its non-executive independent Directors.

Information placed before the Board of Directors:

The Company circulates along with Notice of the Board Meeting, a detailed Agenda which, interalia, contain following items, as and when applicable:

- a) Review of annual business plans of the business, capital budgets, and updates,
- b) Quarterly (including periodic) results of the Company,
- c) Minutes of meeting of audit committee, remuneration committee, share holders' grievances committee etc.
- d) Information on recruitment and remuneration of senior officers just below the Board level,
- e) Materially important show cause, demand, prosecution and penalty notices, if any.
- f) Fatal or serious accidents or dangerous occurrences,
- g) Any material significant effluent or pollution problems,
- h) Any issue which involves possible public or product liability claims of a substantial nature.
- i) Details of any joint venture or collaboration.
- j) Transaction that involves the substantial payment of goodwill, brand equity or intellectual property,
- k) Significant labour problem and their proposed solutions,
- l) Significant development in the human resources and industrial relations fronts,
- m) Sale of material nature, of investments, subsidiaries, assets, which is not in the normal course of business,
- n) Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement.
- o) Status of compliance with all regulatory, statutory and material contractual requirements.

The Board of Rajoo is routinely presented with all information under the above heads whenever applicable and materially significant. These are submitted either as part of the agenda papers well in advance of the Board meetings or are tabled in the course of the Board Meetings.

2. Materially significant related party transactions:

There have been no materially significant related party transaction, pecuniary transaction or relationships between Rajoo Engineers Limited and its directors for the year ended on 31st March, 2014 that may have a potential conflict with the interests of the Company at large.

3. Composition of Various Committees:-**Audit Committee:**

- a) Composition:-
Audit Committee consisted of five members namely Mr. Ramesh A. Shah, Mr. Kishor R. Doshi, Mr. Mahasukh S. Mehta, Mrs. Prabha R. Vaja and Mr. Rajendra G. Vaja. All being Non Executive and Independent Director. Mr. Kishor R. Doshi being professionally qualified as Chartered Accountant, acted as the Chairman of the Audit Committee.
- b) Terms of Reference:

The Terms of reference as stipulated by the Board to the Audit Committee are, as contained in the Clause 49 of the Listing Agreement are as follows:

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information
- 2) Review of Company's financial and risk management policies,
- 3) Review of accounting and financial policies and practices,
- 4) Review of internal control and internal audit systems,
- 5) Discussion with Internal Auditor and Statutory Auditors on any significant findings and follow - up thereon.
- 6) Reviewing the Company's financial statements and risk management policies.

c) Meetings of the Committee:-

Total five meetings of the Committee were held during the year 2013-14.

Name of Member	Designation	No. of Committee Meetings attended
Mr. Kishor R. Doshi	Chairman	05
Mr. Ramesh A. Shah	Member	05
Mr. Mahasukh S. Mehta	Member	05
Mrs. Prabha R. Vaja	Member	05
Mr. Rajendra G. Vaja	Member	05

Shareholders' Grievance Committee:

a) Terms of Reference:-

The Committee has been given responsibility to look after complaints, if any, of investors to redress the same expeditiously. The Committee also approves requests for issue of duplicate share certificates, splitting/consolidation of share certificates, transfer and transmission of shares etc.

b) Composition:-

The committee comprises of all Non-Executive Independent Directors, Mr. Ramesh A. Shah, Mr. Kishor R. Doshi, and Mr. Mahasukh S. Mehta. Mr. Mahasukh S. Mehta is the Chairman of the Committee.

c) Meetings of Committee:-

Total Four meetings of the Committee were held during the year 2013-14

Name of Member	Designation	No. of Committee Meetings attended
Mr. Mahasukh S. Mehta	Chairman	04
Mr. Ramesh A. Shah	Member	04
Mr. Kishor Doshi	Member	04

d) The Committee has resolved almost all complaints received during the year.

Remuneration Committee:

a. Composition:-

The committee comprises of three Non-Executive Independent Directors, Mr. Ramesh A. Shah, Mr. Kishor R. Doshi, and Mr. Mahasukh S. Mehta. Mr. Ramesh A. Shah is the Chairman of the Committee.

b. Terms of Reference:-

The Committee determines and approves the quantum of remuneration whether by way of salary, commission, special allowances, any other perquisites to the Managing, Whole time and non-executive Directors. Generally, the Remuneration Committee considers and approves remuneration payable to executive directors subject to final confirmation by Members in the General Meeting. The Company is not paying any remuneration to any non-executive Director as on date.

c. Meetings of Committee:-

The Committee has held Two Meetings during the year 2013-14

Name of Member	Designation	No. of Committee Meetings attended
Mr. Ramesh A. Shah	Chairman	02
Mr. Mahasukh S. Mehta	Member	02
Mr. Kishor R. Doshi	Member	02

Communication to Shareholders:

The quarterly results of the Company are published in any two of leading newspapers of English Language and Gujarati Language.

General Body Meetings:

Details of the last three annual general meetings are given below:

Financial Year	Date	Time	Venue
2012-2013	10th September, 2013	11:00 a.m.	Junagadh Road, Manavadar, District Junagadh.
2011-2012	17th August, 2012	11:00 a.m.	Junagadh Road, Manavadar, District Junagadh.
2010-2011	28th July, 2011	11:00 a.m.	Junagadh Road, Manavadar, District Junagadh.

Registered Office:

Junagadh Road, Manavadar, District Junagadh.

Plant Location:

Rajoo Avenue, Survey No 210, Plot No 1, Industrial Area, Shapar-Veraval, Dist. Rajkot-360 002

Annual General Meeting:

The 27th Annual General Meeting (AGM) of the Company will be held on Friday, 5th September, 2014, at 11-00 a.m. at registered office of the Company, Junagadh Road, Manavadar (Dist. Junagadh)

Financial Calender (Tentative):

1. Annual General Meeting	:	5th September, 2014
2. Results for Quarter ending 30th June, 2014	:	First week of August, 2014
3. Results for Quarter ending 30th September, 2014	:	First week of November, 2014
4. Results for Quarter ending 31st December, 2014	:	First week of February, 2015
5. Results for Quarter ending 31st March, 2015	:	Last week of May, 2015

Dates of Book Closure:

The Company's transfer books will be closed from 28th August, 2014 to 4th September, 2014 (both days inclusive) for purpose of Annual General Meeting and for the purpose of entitlement of Final dividend.

Stock Exchange Listing:

The Company's shares are presently listed on the Bombay Stock Exchange Ltd, Mumbai,

Stock Code:

Stock Exchange	Stock Code
The Bombay Stock Exchange Ltd	522257
NSDL/CDSL Code	
ISIN	INE535F01024

Stock Market Data:

Monthly high and low prices of shares of the Company traded at the Stock Exchange, Mumbai are as under:

Month	2013-14		Month	2012-13	
	High (Rs.)	Low (Rs.)		High (Rs.)	Low (Rs.)
Apr 13	9.24	7.16	Apr 12	11.90	8.06
May 13	8.92	6.70	May 12	11.04	8.10
Jun 13	8.28	6.50	Jun 12	9.13	8.00
Jul 13	8.20	6.11	Jul 12	10.33	7.80
Aug 13	7.89	5.57	Aug 12	9.20	8.00
Sep 13	6.75	5.50	Sep 12	8.70	7.90
Oct 13	6.20	5.12	Oct 12	8.48	7.50
Nov 13	7.40	5.79	Nov 12	11.20	7.30
Dec 13	6.65	5.70	Dec 12	12.50	8.41
Jan 14	7.20	5.81	Jan 13	11.10	8.46
Feb 14	6.95	5.50	Feb 13	12.90	9.55
Mar 14	6.74	5.30	Mar 13	11.69	7.11

Registrar and Transfer Agents:

Company has appointed Registrar and Transfer Agent. The name and address is as follow:

Link Intime India Private Limited
(formerly Intime Spectrum Registry Limited)

1. C-13, Pannalal Silk Mill compound,
L.B.S. Marg Bhandup (W)
Mumbai- 400 078
2. 303, 3rd Floor, Shoppers Plaza V,
Opp. Municipal Market
B/h Shoppers Plaza II, Off C G Road,
Ahmedabad - 380009
Phone : 079 - 2646 5179
Email : ahmedabad@linkintime.co.in

Share Transfer System:

The processing activities with respect to requests received for share transfer are normally completed within 15 working days from the date of request.

Distribution Schedule as on 31st March, 2014:

No. of Equity Share Held (Range)	No. of Share holders	Percentage to Total Shareholders	No. of shares held	Percentage to Total Shares held
0001 - 0500	1875	34.63	427340	0.74
0501 - 1000	2128	39.31	2073694	3.57
1001 - 2000	640	11.82	1186885	2.05
2001 - 3000	176	3.25	486688	0.84
3001 - 4000	100	1.85	384008	0.66
4001 - 5000	82	1.51	398493	0.69
5001 - 10000	160	2.96	1265055	2.18
Above 10000	253	4.67	51808587	89.27
Total	5414	100.00	58030750	100.00

Dematerialization of shares:

The Company had signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to offer depository services to its shareholders. As on 31st March, 2014, total 5,51,07,580 equity shares have been dematerialized. Out of these shares dematerialized, 4,87,59,937 equity shares and 63,47,643 equity shares have been dematerialized with NSDL and CDSL respectively, representing approx. 94.96% of total issued share capital of the Company. Members are requested to dematerialize their shares as early as possible, if not yet dematerialized, so as to get benefits of electronic & paperless trading of equity shares.

Shareholders seeking any information/solution of any problem of query related to shares, share transfer; dematerialization of shares etc. may kindly contact the Registrar and Transfer Agent of the Company.

Website of the Company

In terms of Clause 54 of the Listing agreement, the Company is maintaining a fully functional website www.rajoo.com. Investors can visit the website and can easily access the information such as Quarterly Financial Results, Annual Reports, Corporate Governance Reports, details of the business of the Company, Investors relations mechanism, details about the management of the Company, etc.

Address for Correspondence:

Mr. Pravin K. Joshi
Compliance Officer
Rajoo Avenue, Survey No. 210, Plot No. 1,
Industrial Area, Veraval (Shapar) Rajkot
Ph. No.: +91 97129 52701/97129 62704/97129 32706

Declaration Regarding Compliance With Code of Conduct {Clause 49(l)(d)}

The Company has laid down and adopted a "Code of Conduct" for all Board Members and core management team of the Company. The Company believes that such Code of Conduct is necessary for best Corporate Governance practices, and expects that all Board Members and Core management team adhere to this Code of Conduct.

It is hereby affirmed that all the Directors and Senior Management personnel have complied with the Code of Conduct and have given a confirmation in this regard.

For and on behalf of the Board of Directors

Date:- 30/05/2014
Place:- **Veraval (Shapar)**, Rajkot

(R. N. DOSHI)
Chairman & Managing Director