

**ANNEXURE TO THE DIRECTORS' REPORT****CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31.03.2013****(As required under Clause 49 of the Listing Agreements entered into with the Stock Exchanges)****1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Corporate Governance is embedded in the very culture of the company which propels it to act ahead of regulatory compulsions. Corporate Governance is synonymous with efficient conduct of the business operations, maintaining utmost transparency in its activities, proper and timely disclosures to all the regulatory authorities, cementing the bond of confidence with all those who are an integral and inseparable part of the business activities – shareholders, employees, end-users, bankers, financiers and the society at large and thereby ensuring a perpetual relationship of trust and confidence. The company is not only a firm believer of highest quality and ethical standards but practices these too.

2. BOARD OF DIRECTORS**a) Composition**

The Board has a total strength of 10 directors –
3 of them are Non-executive and Non-independent,
2 are Executive and
5 are Non-executive and Independent directors.

Hence, 50% of the Board of Directors comprises of non-executive independent directors.

The Board believes that the current composition of the Board commensurates with the size of the company. The Board, however, keeps evaluating the composition periodically to ascertain its appropriateness.

b) Attendance at the board meetings/last AGM, Directorship and Chairmanship/Membership in other Board/Board Committees.

The composition of the Board, the attendance of the directors in the board meetings held during the financial year ended 31st March, 2013 and in the last annual general meeting, number of directorships, chairmanship / membership of Committees held by them in other public limited companies are as under:

Name of Directors	Category	Board Meetings		Directorship in other Public Limited Companies	Membership / Chairmanship of Committees		Attendance at A.G.M. held on 13th September 2012
		Held during the year	Attended		Chairman	Member	
Mr Raghu Mody - Chairman	Promoter Non-Executive Non-Independent	5	4	4	-	2	Yes
Smt Shashi Mody - Vice-Chairperson	Promoter Non-Executive Non-Independent	5	1	3	-	-	Yes
Mr Kapil Kaul * - Whole-time Director	Whole Time Executive Non-Independent	5	3	1	-	-	-
Mr M K Pandita - Whole-time Director	Whole Time Executive Non-Independent	5	2	2	-	-	Yes



Name of Directors	Category	Board Meetings		Directorship in other Public Limited Companies	Membership / Chairmanship of Committees		Attendance at A.G.M. held on 13th September 2012
		Held during the year	Attended		Chairman	Member	
Mr N G Khaitan	Non-Executive & Non-Independent	5	-	8	1	7	No
Mr A C Chakrabortti	Non-Executive & Independent	5	1	6	3	2	Yes
Mr R S Vaidyanathan	Non-Executive & Independent	5	4	1	-	-	Yes
Mr Harish Parekh	Non-Executive & Independent	5	5	8	3	4	Yes
Mr Vijai Singh	Non-Executive & Independent	5	5	-	-	-	Yes
Mr Jitendra Kumar Patel**	Non-Executive & Independent	5	-	-	-	-	-
Mr Brij Gopal Roy***	Non-Executive & Independent	5	3	-	-	-	Yes

* Resigned from the Board w.e.f 14.06.2012

* Appointed as an Additional Director w.e.f 10.11.2012

* Appointed as a Whole-Time Director w.e.f 01.01.2013

** Resigned from the Board w.e.f 21.05.2012

*** Appointed as an Additional Director w.e.f 21.05.2012

*** Appointed as a Director in the AGM on 13.09.2012

None of the directors on the Board is a member of more than 10 Committees and Chairman in more than 5 Committees, across all companies in which they are director.

Other directorship excludes from its purview the directorships in private limited companies, foreign companies and companies incorporated under section 25 of the Companies Act, 1956.

Chairmanships / memberships of Board Committees relate only to Audit and Shareholders' / Investors' Grievance Committee.

Mr Harish Parekh, Mr Vijai Singh and Mr A C Chakrabortti are liable to retire by rotation at this AGM and being eligible, offered themselves for reappointment.

Information as required under clause 49(VI) of the Listing Agreement are annexed to the Notice.

- c) During the year under review, the Board met 5 (five) times viz. 21st May 2012, 14th August 2012, 10th November 2012, 25th January, 2013 and 14th February 2013.

3. AUDIT COMMITTEE

- a) The Audit Committee of the Company is constituted in line with the provisions of clause 49 of Listing Agreement with the Stock Exchanges.

The Committee comprises of four members, of which three being Non-Executive & Independent Directors. During the financial year four meetings of the Committee were held on 21.05.2012, 14.08.2012, 10.11.2012 & 14.02.2013.

- b) The terms of reference include:

- i) Overseeing the Company's financial reporting process and disclosure of its Financial Information to ensure that the financial statements are correct.



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- ii) Recommending the appointment and removal of statutory auditors and fixation of their Audit fees.
- iii) Review with management the annual financial statements before submission to the Board focusing on:
 - Any change in accounting policies and practices
 - Major accounting entries involving the estimates based on the exercise of judgement by management
 - Qualification in draft audit report
 - Reviewing compliance with accounting standards, stock exchanges and legal requirement concerning financial statements.
- iv) Reviewing the quarterly financial statements before submission to the Board for approval.
- v) The scope/role of the Audit Committee is inclusive of the matters as specified in Clause 49II(D) of the Listing Agreements with the Stock Exchange and additional functions as decided by the Board of Directors from time to time.

Attendance of the Members at the meetings during the financial year 2012-2013 was as under:

Name of Members	Status	Category	Meetings	
			Held during the year	Attended
Mr Harish Parekh	Chairman	Non-Executive & Independent	4	4
Mr Raghu Mody	Member	Non-Executive & Non-Independent	4	3
Mr R S Vaidyanathan	Member	Non-Executive & Independent	4	4
Mr Vijai Singh	Member	Non-Executive & Independent	4	4

Mr Harish Parekh is the Chairman of the Audit Committee and the Company Secretary of the Company acts as the Secretary of the Committee. At the invitation of the Committee, Statutory Auditors also attend the Audit Committee meetings to answer and clarify the queries raised at the meetings.

The Chairman of the Audit Committee Mr. Harish Parekh attended the last Annual General Meeting held on 13th September, 2012.

4. REMUNERATION COMMITTEE

The Remuneration Committee consists of three Non-Executive Independent Directors.

The broad terms of reference of the remuneration committee are to recommend the Company's policy on remuneration packages for the Managing Director / Executive Directors, reviewing the structures, design and implementation of remuneration policy in respect of Key Management Personnel. The Remuneration is fixed based on experience, designation and financial position of the company. The Non-Executive Directors do not draw any remuneration from the company except the sitting fees.

The composition of Committee is as under:

Name of Members	Status	Category
Mr Vijai Singh	Chairman	Non-Executive & Independent
Mr R S Vaidyanathan	Member	Non-Executive & Independent
Mr Harish Parekh	Member	Non-Executive & Independent

The Remuneration Committee met on 25th January, 2013 and was attended by all the Members of the Committee.



Details of remuneration paid/payable to Directors for the year ended 31st March 2013 are as follows:

Directors	Sitting Fees excluding Service Tax	Salary & perquisites	Total
Mr Raghu Mody (Chairman)	77,000	–	77,000
Smt Shashi Mody (Vice- Chairperson)	11,000	–	11,000
Mr Kapil Kaul (Whole-Time Director)	–	4,90,272	4,90,272
Mr M K Pandita (Whole-Time Director)	–	6,34,140	6,34,140
Mr A C Chakrabortti	11,000	–	11,000
Mr R S Vaidyanathan	1,43,000	–	1,43,000
Mr Harish Parekh	1,54,000	–	1,54,000
Mr Vijai Singh	1,54,000	–	1,54,000
Mr Brij Gopal Roy	33,000	–	33,000
Mr N G Khaitan	–	–	–
Mr Jitendra Kumar Patel	–	–	–

5. SHAREHOLDERS / INVESTORS' GRIEVANCE COMMITTEE

The Shareholders' / Investors' Grievance Committee comprises of three members being Non-Executive & Independent Directors. During the financial year four meetings were held on 21.05.2012, 14.08.2012, 10.11.2012 & 14.02.2013.

The composition of Committee and details of attendance are as under:

Name of Members	Status	Category	Meetings	
			Held during the year	Attended
Mr Vijai Singh	Chairman	Non-Executive & Independent	4	4
Mr R S Vaidyanathan	Member	Non-Executive & Independent	4	4
Mr Harish Parekh	Member	Non-Executive & Independent	4	4

Mr Partha Chakraverti, Company Secretary & Vice President – Corporate Affairs and Mr J Goswami, are the Compliance Officers of the Company.

Email Id earmarked for redressing investors queries/grievances in terms of Clause 47(f) of the Listing Agreement: secdept@rasoigroup.in

The Committee looks into redressal of shareholders/ investors complaints relating to transfer/transmission of shares, non-receipts of balance sheet, non receipts of declared dividend etc.



SHARE TRANSFER COMMITTEE

The committee deals with the matters relating to issue of fresh / duplicate certificates, transfer, transmission of shares, debenture certificates, including but not limited to sub-division, consolidation, renewal or replacement of certificates against those which are lost, defaced, torn or old decrepit, destroyed, worn-out etc. and such other functions as may deem fit and proper. The committee works in close coordination with the Registrars and Share Transfer agents.

Smt Shashi Mody, Mr R S Vaidyanathan, Mr Kapil Kaul and Mr M K Pandita – all directors in the Board of the company – are members of the share transfer committee as on 31.03.2013.

The committee meets as and when required.

The status of complaints received from shareholders and disposed of during the year under review are as under:

No. of complaints pending as on 01.04.2012	Nil
No. of complaints received during the year ended 31.03.2013	Nil
No. of complaints disposed of during the year ended 31.03.2013	Nil
No. of complaints pending as on 31.03.2013	Nil
No. of pending Share Transfer as on 31.03.2013 (Lodged in last 2 weeks)	Nil

6. INSIDER TRADING:

The Company has adopted the Code of Internal Procedures and Conduct framed under SEBI (Prohibition of Insider Trading) Regulation 1992 as amended, to, inter alia, prevent insider trading in the Shares of the company.

7. CODE OF CONDUCT & ETHICS:

The Company has adopted a Code of Conduct and Ethics (Code) for members of Board of Directors and Senior Management Personnel of the Company . The essence of the code is to conduct the business of the company in an honest and ethical manner, in compliance with applicable laws and in a way that excludes consideration of personal advantage. All the Directors and Senior Management Personnel have affirmed compliance with the code. The declaration to this effect, signed by the Whole Time-Director is attached, to this report. The copy of the code has been put on company’s website www.rasoigroup.in

8. GENERAL BODY MEETINGS

a) The details of the last three Annual General Meetings of the company are:

Financial Year	Day & Date of AGM	Time	Location of the meeting
2009 – 2010	09.09.2010 (Thursday)	4.00 P.M	Kalakunj, 48, Shakespeare Sarani, Kolkata - 700 017
2010 – 2011	05.08.2011 (Friday)	5.00 P.M	Kalakunj, 48, Shakespeare Sarani, Kolkata - 700 017
2011 – 2012	13.09.2012 (Thursday)	2.30 P.M	Kalakunj, 48, Shakespeare Sarani, Kolkata - 700 017

b) No Extra-Ordinary General Meeting of the shareholders was held during the year.

c) No special resolution was passed through Postal Ballot during last year.

None of the resolutions proposed for the ensuing Annual General Meeting need to be passed by the Postal Ballot.

d) Special Resolutions passed in the previous annual general meetings:

At the Annual General Meeting held on 09.09.2010: No Special Resolution was passed.

At the Annual General Meeting held on 05.08.2011: A Special Resolution was passed for payment of commission to Non-Executive Directors of the Company for a sum not exceeding 1% per annum of the net profits of the Company for a period of five years commencing from 1st April, 2011.

At the Annual General Meeting held on 13.09.2012: No Special Resolution was passed.



9. DISCLOSURES

- a) Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large: -

There were no transactions of material nature with related parties during the year that had potential conflict with the interest of the Company at large. However the major related party transactions are with its associate companies, directors, relatives, etc. The related party transactions are based on the considerations of various business exigencies and Company's long term strategy. All the transactions entered during the financial year 2012-2013 with related parties were on arm's length basis and the same are reported in Note no. 2.40 of Annual Accounts & Reports 2012-13.

- b) The Company does not have a formal Whistle blower policy. However, no person has been denied access to the Audit Committee.
- c) The Company is complying with all mandatory requirements of Clause 49 of the Listing Agreement. The non-mandatory requirements relating to Remuneration Committee have been adopted by the company.

10. MEANS OF COMMUNICATION

The Company regularly interacts with the shareholders through various channels like publication of results, annual report and company's website.

- a) The quarterly, half yearly and annual results of the company are sent to the Stock Exchanges immediately after they are approved by Committee/Board and posted on company's website and also published in Financial Express, Aajkal (in Kolkata).
- b) The results are uploaded on the website www.rasoigroup.in
- c) The Company is providing the abovementioned information to the Stock Exchanges as required under the Listing Agreement entered into with them.
- d) At present the company does not make presentation to institutional investors and analysts.
- e) The Management Discussion and Analysis Report is a part of the Annual Report.

11. GENERAL SHAREHOLDERS INFORMATION

- a) **109th Annual General Meeting**

Date: 24th September, 2013

Day: Tuesday

Time: 3.30 p.m.

Venue: Kalakunj (Kalamandir Basement) 48, Shakespeare Sarani, Kolkata - 700017

- b) **Financial Calendar for the Financial Year 2013 – 2014 (tentative)**

Un-audited 1st Quarter results: On or before 14.08.2013

Un-audited 2nd Quarter results: On or before 14.11.2013

Un-audited 3rd Quarter results: On or before 14.02.2014

Audited 4th Quarter results and annual results: On or before 30.05.2014

- c) **Date of Book Closure:** 18th September, 2013 to 24th September, 2013 (both days inclusive)
- d) **Dividend payment date:** 1st October, 2013.



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- e) **Listing on Stock Exchanges:**
1. Bombay Stock Exchange Limited
P.J. Towers, Dalal Street, Fort, Mumbai - 400 001
Maharashtra, India
 2. The Calcutta Stock Exchange Limited
7, Lyons Range, Kolkata - 700 001
West Bengal, India
- f) **Stock Code:**
- | | |
|-------------------------------------|--------|
| The Calcutta Stock Exchange Limited | 28121 |
| Bombay Stock Exchange Limited | 507649 |
| ISIN: INE349E01015 | |

Annual Listing fees are paid by the company to all the above Stock Exchanges and are upto date.

Annual Custody / Issuer fees are paid by the Company to NSDL and CDSL and are upto date.

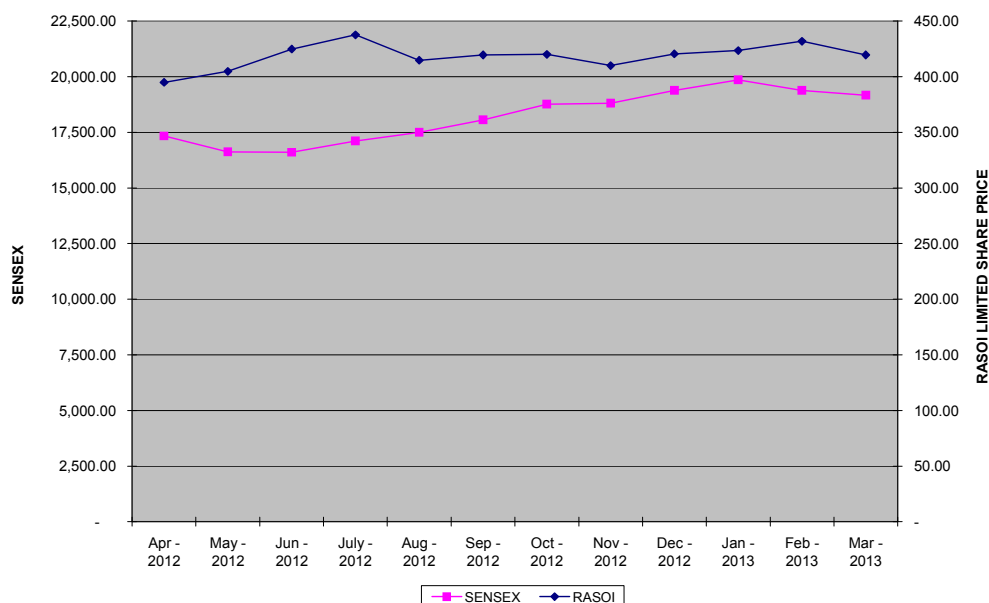
- g) **Market Price Date:** The monthly high and low of market price of shares traded on the Bombay Stock Exchange Limited, Mumbai during each month in last financial year was as follows:

Month	Price of Share of the Company at Bombay Stock Exchange (₹)	
	High	Low
April – 12	426.00	364.00
May – 12	429.80	380.00
June – 12	456.80	392.70
July – 12	470.00	405.00
August – 12	438.40	391.00
September – 12	438.95	400.05
October – 12	430.00	410.00
November – 12	425.00	395.00
December – 12	440.80	400.00
January – 13	442.00	405.00
February – 13	458.00	405.50
March – 13	453.00	362.00

Performance in comparison to BSE Sensex for the financial year ended 31st March, 2013



Performance of Rasoi Share Price in Comparison to BSE Sensex



h) The Registrar and Share Transfer Agent of the Company

C B Management Services (Pvt.) Ltd.
P-22 Bondel Road, Kolkata – 700 019.
Phone : (033) 40116700/22806692/22823643
Fax : (033) 40116739
Email : rta@cbmsl.com

i) Share Transfer System

Shares lodged for transfer at the Registrar’s address are normally processed within 15 days from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of shares are processed and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) within 15 days.

The Company obtains from a Company Secretary in Practice half-yearly Certificate of Compliance as required under Clause 47(c) of the Listing Agreement and files a copy of the said certificate with the Stock Exchanges.

j) Distribution of Shareholding as on 31st March, 2013

Range	Shareholders		Shares	
	Numbers	%	Numbers	%
1-500	3397	98.35	230582	11.93
501-1000	26	0.75	17637	0.91
1001-2000	7	0.20	8677	0.45
2001-3000	1	0.03	2250	0.12
3001-4000	-	-	-	-
4001-5000	-	-	-	-
5001-10000	6	0.18	41924	2.17
10001 & above	17	0.49	1630930	84.42
TOTAL	3454	100.00	1932000	100.00



k) **Categories of Shareholders as on 31st March, 2013**

Category	No. of shares	% of shareholding
Promoters (Including PAIC's)	1447633	74.93
Financial Institutions/ Banks	77	0.00
Insurance Companies	12	0.00
Bodies Corporate	210760	10.91
Resident Individuals	259587	13.44
NRI	13906	0.72
Clearing Member	25	0.00
TOTAL	1932000	100.00

l) **Dematerialization of Equity Shares and Liquidity**

As on 31.03.2013, of the total Company's Equity Shares, 93.71% representing 18,10,500 shares were in dematerialized form and the balance 6.29% representing 1,21,500 shares in physical form.

The equity shares of the company are listed on The Calcutta Stock Exchange and Bombay Stock Exchange.

m) **Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:** Not Applicable

n) **Plant Location**

Manufacturing Unit:

Post: Banganagar

PS: Falta

Dist: 24 Parganas (S)

Pin: 743 513

West Bengal

o) **Address for Correspondence**

Rasoi Limited

'Rasoi Court'

20, Sir R N Mukherjee Road

Kolkata – 700 001

Phone: (033) 22480114/5

Fax: (033) 22481200

Email: secdept@rasoigroup.in

On behalf of the Board of Directors

Place: Kolkata
Date: 29th May, 2013

RAGHU MODY
CHAIRMAN



ANNEXURE TO CORPORATE GOVERNANCE REPORT

DECLARATION BY CEO ON CODE OF CONDUCT

To
The Members
Rasoi Limited

Pursuant to Clause 49 of the Listing Agreement with stock exchanges, I, Kapil Kaul, Whole-time Director of the Company declare that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as laid down by the company in terms of Clause 49 of the Listing Agreement.

Place: Kolkata
Date: 29th May, 2013

KAPIL KAUL
DIRECTOR

CERTIFICATE

To the Members
Rasoi Limited

1. We have examined the compliance of conditions of Corporate Governance by Rasoi Limited, for the year ended 31.03.2013, as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchange(s).
2. The compliance of conditions of Corporate Governance is the responsibility of the company's management. Our examination has been limited to procedure 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.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the directors and the management, we certify that the company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For MR & Associates
Company Secretaries

Place: Kolkata
Date: 29th May, 2013

Mohan Ram Goenka
Partner
C P No.: 2551