

Mauria 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 comprises of six Directors as under:-

Name of Director	Promoter Group Brief Particulars	Category
1. Shri V.K. Sureka	He is a graduate and an Industrialist having 39 years' experience in the Steel Industry. He joined the Board as promoter director w.e.f. 31 st December, 1992.	Executive
2. Shri N.K. Sureka	He is an Industrialist having 18 years' experience in the Steel Industry and joined the Board as Promoter director w.e.f. 29 th July, 1997.	Executive
3. Shri K.M.Pai	He is B.E.(Mech.) and having 22 years working experience in Gas Plant He joined the Board as an independent director w.e.f. 14 th May, 2011.	Executive
	Independent	
4. Shri Mohan Lal	He is in service having 28 years' working experience in Steel Industry and joined the Board as an independent director w.e.f. 1 st December, 2003.	Non-executive
5. Shri Vijay Kumar Gupta	He is in business having 23 years experience in Steel Industry. He joined the Board as an independent director w.e.f. 30 th July, 2008.	Non-executive
6. Shri Hemant Venkataramani Lalithraj	He is B.Com. & Masters in Management Studies and having 17 years working experience in the Financial Services Industry. He joined the Board as an independent director w.e.f. 14 th May, 2011.	Non-executive

(ii) Board Meetings and attendance

Twenty Board Meetings were held during the financial year ended on 31st March, 2011 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.	08.04.2010	8	3
2.	30.04.2010	8	3
3.	07.05.2010	8	3
4.	17.05.2010	8	3
5.	24.05.2010	8	3
6.	30.05.2010	8	3
7.	10.06.2010	7	3
8.	29.06.2010	7	3
9	09.07.2010	7	3
10	24.07.2010	7	3
11	11.08.2010	6	3
12	23.09.2010	6	2
13	07.10.2010	6	3
14.	30.10.2010	6	3
15	13.11.2010	6	3
16	29.11.2010	6	3
17	18.12.2010	6	3
18	05.01.2011	6	3
19	11.02.2011	6	3
20.	15.03.2011	6	2

(iii) 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 20.08.10	Number of Directorships in other public Ltd. Companies	Number of committee positions held in other Companies
Shri V.K. Sureka	Executive	08	Yes	2	-
Shri N. K. Sureka	Executive	13	No	2	-
Shri A. K. Sureka	Executive	07	No	2	-
Shri O.P. Bhardwaj	Non-executive	16	Yes	3	2
Shri Mohan Lal	--do--	12	No	3	5
Shri Vijay Kumar Gupta	-do-	02	No	1	0

3. Audit Committee

The Board constituted an Audit Committee in accordance with the code of Corporate Governance. This Committee consisted of three non-executive directors, Shri O.P. Bhardwaj, Shri Mohan Lal and Shri Puneet Saraf with Shri O.P. Bhardwaj as its Chairman upto 10th June, 2010 and thereafter Shri Vijay Kumar Gupta took over from Sh. Puneet Saraf who ceased to be a director by resignation on that date.

The terms of reference of the Audit Committee are as per the guidelines set out in clause no. 49 of the listing agreement with the Calcutta Stock Exchange where the shares of the Company are listed.

- (ii) The Audit Committee had six Meetings during the financial year 2010-11 ended on 31st March, 2011 as per details thereof and the names of Directors who attended the said meetings, are as under:-

Details of the Audit Committee Meetings held during the financial year 2010-11 and attended by the Directors:-

Name of Director	Date of Meeting					
	24.05.10	30.05.10	24.07.10	11.08.10	13.11.10	11.02.11
Shri O.P. Bhardwaj	Yes	Yes	Yes	Yes	Yes	Yes
Shri Mohan Lal	Yes	Yes	No	Yes	Yes	No
Shri Puneet Saraf	No	No	NA	NA	NA	NA
Shri Vijay Kumar Gupta	NA	NA	Yes	No	No	Yes

4. Remuneration Committee

The Remuneration Committee consisting of three non-executive directors namely S/Shri O. P. Bhardwaj, Mohan Lal and Vijay Kumar Gupta with Sh. O. P. Bhardwaj as its Chairman duly constituted by the Board of Directors is in existence but did not have any meeting during the year under report as there was no business to transact.

5. Remuneration Policy

No remuneration other than sitting fees of Rs. 250/- for attending Board Meeting is paid to each of non-executive directors.

As regards payment to executive directors Shri V.K. Sureka as Mananging Director and Shri N. K. Sureka as Director (Finance & Works) for the financial year 2010-11 ended on 31st March, 2011 was concerned, the same was made to them @ Rs 70,000/- and Rs. 60,000/- plus perquisites per month respectively whereas Shri Puneet Saraf as Director (Terry Towel) was paid Rs. 44,000/- per month w.e.f. 1st April, 2010 to 30th May, 2010 as Minimum Remuneration in accordance with Schedule XIII of the Companies Act, 1956. Details of remuneration paid/payable to the Directors during the financial year 2010-11 ended on 31st March, 2011 are as under:-

- (i) Sitting fees paid to Directors for meetings of the Board :-

Name of Director	Amount (Rs.).
Shri O.P. Bhardwaj	4000/-
Shri Mohan Lal	3000/-
Shri A.K. Sureka	1750/-
Shri Vijay Kumar Gupta	500/-

Total :	9250/-

(ii)	Remuneration paid to Managing Director, Shri V. K. Sureka :-	
	a) Salary for twelve months of 2010-11 (April,2010 to March,2011)	Rs. 8,40,000/-
	b) Provident Fund Contributions	Rs. 1,00,800/-
	c) Perquisites	Rs. 28,846/-

		Rs. 9,69,646/-

(iii)	Remuneration paid to Director (Finance & Works), Shri N.K. Sureka :-	
	a) Salary for twelve months of 2010-11 (April, 2010 to March,2011)	Rs. 7,20,000/-
	b) Provident Fund Contributions	Rs. 86,400/-
	c) Perquisites	Rs. 4,65,983/-

		Rs. 12,72,383/-

(iv)	Remuneration paid to Director (Terry Towel), Shri Puneet Saraf :	
	a) Salary for two months of 2010-11 (April, 2010 to May, 2010)	Rs. 88,000/-
	b) Perquisites	Rs. 17,538/-

		Rs.1,05,538/-

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, 2011 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 code of Corporate Governance, 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 Mohan Lal and Shri O.P. Bhardwaj with Shri Mohan Lal as Chairman.

Shri Mohan Lal 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
2007-2008 28 th AGM	Room No.107, 1 st Floor Anand Jyoti Building, 41, Netaji Subhas Road, Kolkatta	11.09.2008	2.00 P.M.
2008-2009 29 th AGM	Room No.107, 1 st Floor, Anand Jyoti Building, 41, Netaji Subhas Road, Kolkata-700001	12.09.2009	2.00 P.M.
2009-2010 30 th AGM	Room No.107, 1 st Floor, Anand Jyoti Building, 41, Netaji Subhas Road, Kolkata-700001	20.08.2010	2.00 P.M.

9. Brief Resume of Directors seeking re-appointment

(i). Shri Mohan Lal :-

Shri Mohan Lal is in service having 30 years experience in Pipe Industry. He was appointed as an independent director of the company on 1st December, 2003. He is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

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 “The Financial Express ” and in Bengali in “Kalantar ” from Kolkata.

12. General Shareholder information

AGM : Date, time and venue	31st AGM to be held on 29th July, 2011 at 2.00 P.M.at Anand Jyoti Building, Room No.107, 1 st Floor, 41, Netaji Subhas Road, Kolkata – 700 001
<ul style="list-style-type: none"> • Financial Calendar (Tentative) 	
Results for quarter ending June 30, 2011	14 th August, 2011
Results for quarter ending September 30,2011	14 th November, 2011
Results for quarter ending December 31, 2011	14 th February, 2012
Results for quarter ending March 31, 2012	15 th May, 2012
<ul style="list-style-type: none"> • Date of Book closure 	Monday, the 25 th July, 2011 to Friday, the 29 th July,2011 (both days inclusive)
<ul style="list-style-type: none"> • Stock Code – Physical 	10023114 on Calcutta Stock Exchange
Demat ISIN Number for NSDL and CDSL.	INE150D01019.
<ul style="list-style-type: none"> • High/low of market price of the Company’ shares traded on the Stock Exchange during the financial year ended 31st March, 2011 	The shares have not been traded during the financial 2010-11. The last quoted price was of Rs.3.50 per Share as per transactions on Calcutta Stock Exchange on 3rd March, 2000.
<ul style="list-style-type: none"> • Registrar & Transfer Agents 	M/s.Beetal Financial & Computer Services (P) Ltd.,BEETAL HOUSE, 99, Madangir, Behind Local Shopping Centre,Near Dada Harsukh 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 a maximum of 30 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 31-03-2011

Category	No. of Shares	Percentage
Promoters	32,99,840	74.32
Persons acting in concert	-	-
Mutual Funds and UTI	-	-
Banks, Financial Institution & Insurance Companies.	-	-
FII's	-	-
Private Corporate Bodies	-	-
Indian Public	11,40,160	25.68
NRIs/ OCBs	-	-
Total	44,40,000	100.00

- Distribution of shareholding as on 31st March, 2011.

No. of Shares From To	Folios		Amount	
	Number	% to Total	Rs.	% to Total
(1)	(2)	(3)	(4)	(5)
1 - 500	390	82.63	2,49,950	0.56
501 - 1000	08	1.69	70,000	0.16
1001 - 2000	11	2.33	1,80,000	0.40
2001 - 3000	01	0.21	22,000	0.05
3001 - 4000	-	-	-	-
4001 - 5000	-	-	-	-
5001 - 10000	03	0.64	2,17,000	0.49
10001 to above	59	12.50	4,36,61,050	98.34
Total	472	100.00	4,44,00,000	100.00

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, 2011.



V. K. Sureka
Managing Director

Kolkata

DATED : 24.06.2011

SALARPURIA & PARTNERS CHARTERED ACCOUNTANTS

ANNEXURE TO THE REPORT OF THE DIRECTORS :

CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

ANNEXURE-A

To the Shareholders of Mauria Udyog Ltd.

We have examined the compliance of conditions of Corporate Governance by Mauria Udyog Ltd., for the period ended on 31st March, 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

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 Agreement.

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

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 SALARPURIA & PARTNERS
CHARTERED ACCOUNTANTS



KAMAL KUMAR GUPTA
PARTNER

M. No. 89190

NEW DELHI

DATED: 30.05.2011



L.M. GUPTA & ASSOCIATES
COMPANY SECRETARIES
2085, Sector-16, Faridabad-121002

COMPLIANCE CERTIFICATE

Registration No. of the Company : 21-033010

Nominal Capital : Rs. 5,00,00,000/=

To,
The Members
Mauria Udyog Limited
Room No.-107, 1st Floor,
Anand Jyoti Building,
Netaji Subhas Road
Kolkata
West Bengal- 700 001,

I/We have examined the registers, records, books and papers of M/S. Mauria Udyog Ltd. (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31-03-2011 (financial year). In my/our opinion and to the best of my/our information and according to the examinations carried out by me/us and explanations furnished to me/us by the Company, its officers and agents, I/We certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company being a limited company has the minimum prescribed paid-up capital during the year under scrutiny and the comments on the maximum number of members, invitation to the public to subscribe for its shares or debentures and inviting or accepting deposits from public are not required.
4. The Board of Directors duly met 20(twenty) times respectively on 08-04-2010, 30-04-2010, 07-05-2010, 17-05-2010, 24-05-2010, 30-05-2010, 10-06-2010, 29-06-2010, 09-07-2010, 24-07-2010, 11-08-2010, 23-09-2010, 07-10-2010, 30-10-2010, 13-11-2010, 29-11-2010, 18-12-2010, 05-01-2011 and 11-02-2011, 15-03-2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from Monday, the 16th August 2010 to Friday the 20th August 2010 and necessary compliance of section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31st March, 2010 was held on 20th August 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No extra-ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or Companies referred to under section 295 of the Act.



9. The company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section subject to seeking approval from members and Central Government in case of certain transactions.

10. The Company has made necessary entries in the register maintained under section 301 of the Act.

11. The Company has obtained necessary approvals from the Board of directors, members and previous approval of the Central Government pursuant to section 314 of the Act wherever applicable.

12. The company has not issued any duplicate share certificates during the financial year;

13. The Company:

(i) has delivered all the certificates on allotment of securities and on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act,

(ii) has deposited the amount of dividend including interim dividend declared in a separate Bank Account on 26-08-2010, which is delayed by one day from the stipulated period of five days from the date of declaration of such dividend.

(iii) has paid/posted cheques for dividends to all the members within a period of 30(Thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account of the Company with HDFC Bank on 24-09-2010.

(iv) was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereof which remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund during the financial year since there were no such amounts to be transferred in the said fund.

(v) duly complied with the requirements of section 217 of the Act.

14. The Board of Directors of the company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.

15. The re-appointment of the Managing Director and Whole Time Director has been made in compliance with the provisions of section 269 read with Schedule XIII of the Act.

16. The Company has not appointed any sole-selling agents during the financial year.

17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities as prescribed under the various provisions of the Act during the financial year except for certain transactions from the Regional Director.

18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.

19. The Company has not issued any shares, debentures or other securities during the financial year.

20. The Company has not bought back any shares during the financial year.

21. There was no redemption of preference shares or debentures during the financial year.

22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.

23. The company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58-A of the Act during the financial year.

24. The amount borrowed by the company from Banks and others during the financial year is within the borrowing limits of the Company and that necessary resolutions as per section 293(1)(d) of the Act have been passed in duly convened Annual/ Extra Ordinary General Meeting.



25. The company has made loans and investments or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the Register kept for the purpose.

26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.

27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.

28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny

29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.

30. The company has not altered the provisions of its Articles of Association during the financial year under scrutiny.

31. There was/were no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.

32. The company has not received any money as security from its employees during the financial year.

33. The company has not constituted a separate provident fund trust for its employees or class of its employees as contemplated under section 418 of the Act.

Place : Faridabad

Signature:



Date : 24-06-2011.

Name of the Company Secretary: L. M. GUPTA
C.P. No. : 1404

Annexure A

**Registers as maintained by the Company
Statutory Registers**

1. Register of Members u/s 150
2. Minutes Books of Board & Shareholders Meetings u/s 193
3. Books of Accounts u/s 209
4. Register of Contracts wherein directors are interested u/s 301
5. Register of Directors, Managing Director Manager & Secretary u/s 303
6. Register of Directors' Shareholdings u/s 307.
7. Register of Loans made, Guarantee given or security provided u/s. 372A
8. Register of Charges u/s 143
9. Register of Renewed and Duplicate Certificates under Rule 7 of the Companies (Issue of Share-Certificates) Rules, 1960.
10. Register of Directors' Attendance
11. Register of Shareholders' Attendance
12. Register of Proxies

Note : The company has not maintained the following registers as it was informed that there were no entries/transactions to be recorded therein:

1. Register of Destruction of Records/Documents under (Preservation and Disposals of Records) Rules, 1966.



The Company filed the following forms and returns during the financial year ended on 31-03-2011:-

1. Form No.-23AA in respect of Notice of address at which books of accounts are maintained, was filed with ROC on 22-05-2010 u/s 209(1) of the Act;
2. Form No.- 25C in respect of re-appointment of a Whole time director Mr.N.K. Sureka w.e.f. 01-04-2010, was filed with ROC on 23-06-2010 u/s 269(2) and Schedule XIII of the Act;
3. Form No.- 25C in respect of re-appointment of Managing director Mr. V.K. Sureka w.e.f. 01-04-2010, was filed with ROC on 23-06-2010 u/s 269(2) and Schedule XIII of the Act;
4. Form No.-32 in respect of cessation of a director Mr. Puneet Saraf w.e.f. 10.06.2010 was filed with ROC on 08-07-2010 u/s 303(2) of the Act;
5. Form 8- in respect of creation of charge in favour of Allahabad Bank, on the entire current assets of the company, both present and future, on pari-passu basis with Karnataka Bank and Standard Chartered Bank for a sum of Rs. 80.00 Crores made on 30-06-2010, was filed with ROC on 27-07-2010 u/s 125 of the Act;
6. Form No-17 in respect of particulars for satisfaction of Charge of Karnataka Bank Limited for a sum of Rs. 7.00 Crores which was satisfied on 22-07-2010, was filed with ROC on 27-07-2010 u/s 138 of the Act ;
7. Form- 8 in respect of creation of charge in favour of Kotak Mahindra Bank Limited, on three construction equipments financed for a sum of Rs. 34,47,978 made on 20-07-2010, was filed with ROC on 16-08-2010 u/s 125 of the Act;
8. Form No.-32 in respect of cessation of a director Mr. Swarnjit Singh Kamra w.e.f. 11.08.2010 was filed with ROC on 25-08-2010 u/s 303(2) of the Act;
9. Form-66- in respect of submission of Compliance Certificate for the financial year 2009-2010 ended on 31-03-2010 was filed with ROC on 25-08-2010.
10. Form No-17 in respect of particulars for satisfaction of Charge of Karnataka Bank Limited for a sum of Rs. 8.00 Crores which was satisfied on 22-07-2010, was filed with ROC on 30-07-2010 u/s 138 of the Act;
11. Form No- 23AC & 23ACA in respect of Balance Sheet and Profit and Loss Account for the financial year 2009-2010 ended on 31-03-2010 was filed with ROC on 07-09-2010 u/s 220 of the Act;
12. Form No.-23 in respect of consent of shareholders by way of special resolution passed on 20-08-2010 with respect to appointment u/s 314 of the Act, was filed with ROC on 02-10-2010 , after having paid additional fees.
13. Form No.- 20B in respect of Annual Return made upto the Annual General Meeting held on 20-08-2010, was filed with ROC on 16-10-2010 u/s 159 of the Act;
14. Form 8- in respect of creation of charge in favour of Karnataka Bank Limited, for the hypothecation of plant & machinery for a sum of Rs. 4.80 Crores made on 02-12-2010, was filed with ROC on 29-12-2010 u/s 125 of the Act.
15. Form 8- in respect of creation of charge in favour of Karnataka Bank Limited, for the hypothecation of Stock received under LC for a sum of Rs. 5.00 Crores made on 04-11-2010, was filed with ROC on 29-12-2010 u/s 125 of the Act, after having paid additional fees.

