

**SHREE NIDHI TRADING COMPANY LIMITED**

**ANNEXURE TO THE DIRECTOR'S REPORT**

(For the year ended 31st March, 2012)

**CORPORATE GOVERNANCE REPORT :-**

Your Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity in all field of its operations and in all its interactions with its shareholders including employees, Clients and the Government agencies. Your Company believes that all its operations & actions must serve the underlying goal of enhancing overall shareholders value over a sustained period of time.

**BOARD OF DIRECTORS :-**

The Board of the Company at present comprises of three Directors, all are Non-Executive. Seven Board Meetings were held during the financial year 2011-2012. The dates on which the Board Meeting were held are as follows : 06.04.11, 10.05.11, 10.08.11, 02.09.11, 11.11.11, 24.12.11 and 09.02.12.

The composition of the Board of Directors, the attendance of Directors at the Board Meeting and at the last Annual General Meeting as also the number of Directorships & Committee Memberships held by them in other companies are given below :-

Name of Directors	Category	No. of Board Meetings	Attendance of Last AGM held on 30.09.2011	No. of Directorship in other Limited Companies	No. of Committee membership in other Companies
1. Arun Kumar Khemka	Non-executive, Independent	7	Yes	13	2
2. Amalesh Sadhu	- Do -	5	Yes	2	1
3. Prabhat Goyal (Till 24.12.11)	- Do -	4	Yes	N.A.	N.A.
4. Shibashis Mukherjee (Since 24.12.11)	- Do -	2	N.A.	Nil	Nil
5. Rakesh Kr. Agarwal (Since 24.12.11)	- Do -	2	N.A.	Nil	Nil

**COMPENSATION :-**

No Director is entitled to any Salary or compensation except Directors Fee for attending the meeting of the Board/Committee. Directors' Fee have been waived by them.

**AUDIT COMMITTEE :-**

Terms of reference of the Audit Committee are as per the guidelines set out in listing agreements with the Stock Exchange and to meet the requirements of section 292A of the Companies Act, 1956. The Primary function of the Audit Committee is to periodically interact with the internal

## SHREE NIDHI TRADING COMPANY LIMITED

auditors to review their reports and discuss adequacy of internal control system, meet with the Statutory Auditors to discuss their observations and suggestions on accounts & accounting policies. At present the committee comprises of three members, all are Non-Executive Directors. Four Meeting were held during the financial year 2011-2012. The dates of the meeting are : 10.05.11, 10.08.11, 11.11.11 and 09.02.12.

The composition of the Audit Committee and the meeting attended by the members are as under:-

Name of Directors	No. of Meeting attended
1. Arun Kumar Khemka (Chairman)	4
2. Amalesh Sadhu	3
3. Prabhat Goyal (Till 24.12.11)	3
4. Shibashis Mukherjee (Since 24.12.11)	1

### **REMUNERATION COMMITTEE :-**

The Remuneration Committee comprises of two members all of whom are Independent Non-Executive Directors. Only one meeting was held during the year on 09.02.2012.

The composition and the meeting attended by the members are as under :

Name of Directors	Meeting attended
1. Arun Kumar Khemka (Chairman)	Yes
2. Amalesh Sadhu	Yes

### **REMUNERATION POLICY :-**

The remuneration policy is directed towards rewarding performance. It is attracting and retaining high calibre talent. The Company does have an incentive plan which is linked to performance and achievement of the Company's objectives. The Non-Executive Directors of the Company were not paid any salary, fee or any other remuneration or commission.

### **SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE :-**

The Company has constituted a Shareholders and Investors Grievance Committee. The function of the said committee is to look into the redressal of investors grievances pertaining to share transfer, dematerialisation of shares, issue of duplicate share, non receipt of dividend/ rights/bonus, and other allied and related matters. Two meetings of the committee were held during the year ended on 31st March, 2012. The composition of the committee and the no. of meeting attended by each of the members is as under :

Name of Directors	No of Meeting attended
1. Arun Kumar Khemka (Chairman)	2
2. Prabhat Goyal( Till 24.12.11)	1
3. Shibashis Mukherjee (Since 24.12.11)	1

No. of Share holders' complaints pending at the end of the year - Nil

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**SHREE NIDHI TRADING COMPANY LIMITED**

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**SHARE TRANSFER SYSTEM :-**

Shares sent for transfer in physical form and demat form are registered by the Company through its Registrar & Transfer Agent within 15 days of receipts of the documents, if documents are found in order. Shares under objection are returned within two weeks.

**GENERAL BODY MEETINGS :-**

The details of Annual General Meeting held in previous three years are as under :

AGM	For the year ended	Day / Date	Time	Venue
29th	31.03.2011	Friday/30.09.2011	11.30 a.m.	7, Lyons Range, 3 <sup>rd</sup> Floor, R. No. 9 & 10 Kolkata – 700 001.
28th	31.03.2010	Tuesday/28.09.2010	11.30 a.m.	– Do –
27th	31.03.2009	Monday/31.08.2009	11.30 a.m.	– Do –

No Special resolutions have been put through either in the meeting or by postal ballot so far by the Company in the said three meetings.

**DISCLOSURES :-**

- (i) The particulars of its related parties as per the 'Accounting Standard 18' is set out in NOTE NO.17 in point no.II.3B of the Annual Accounts. There is no related party transaction.
- (ii) There is no accounting treatment different from that prescribed in Accounting Standards.
- (iii) There was no material non compliance by the Company. No penalties/strictures have been imposed on the Company by Stock Exchange or SEBI or statutory authority on any matter related to Capital Markets during the last three years.
- (iv) Whistle Blower Policy :- The Company complies with the high Standard Whistle Blower Policy. It has communicated to all employees their right of access and assured them full protection from unfair termination and other unfair prejudicial employment practices. The Company hereby affirm that it has not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and that it has provided protection to "Whistle-blowers" from unfair termination and other unfair or prejudicial employment practices.
- (v) There is no audit qualification except there remark in para 'q' of the Annexure to their Report which is duly redressed/clarified in Directors' Report.
- (vi) There is no subsidiary Company.
- (vii) There is no known and ascertained Contingent Liability.

**GENERAL SHAREHOLDERS INFORMATION :**

1. **ANNUAL GENERAL MEETING**
  - Day, Date & Time : Saturday, 29th Sept., 2012 at 11.30 a.m.
  - Venue : 7, Lyons Range, 3rd Floor,  
Room No. 9 & 10, Kolkata -700001.  
(The Registered office of the Company)
2. Book Closure Date : 26th Sept., to 29th Sept., (both days inclusive.)
3. Dividend Payment Date : Not applicable since dividend not declared.

## SHREE NIDHI TRADING COMPANY LIMITED

4. Financial Calender  
 Year Ending : March 31st  
 Annual General Meeting : Generally September (August in 2009)
5. Listing on Stock Exchange :  
 The equity shares of the Company are presently listed a : The Calcutta Stock Exchange Assn.Ltd.

**6. STOCK MARKET INFORMATION :**

- i) Stock Code : 29319  
 ii) Market Price : Calcutta Stock Exchange

<u>Month</u>	<u>High (Rs.)</u>	<u>Low (Rs.)</u>
APRIL,11	159.90	159.90
MAY, 11	159.90	159.90
JUNE,11	159.90	159.90
JULY,11	159.90	159.85
AUG., 11	159.90	159.90
SEPT,11	159.90	159.90
OCT.,11	159.90	159.90
NOV, 11	159.90	159.90
DEC.,11	159.90	159.90
JAN, 12	159.90	159.90
FEB, 12	159.90	159.90
MARCH,12	159.90	159.90

- 7) Registrar & Transfer Agents : Niche Technologies (P) Ltd.  
 D-511, Bagree Market, 71, B.R.B. Basu Road,  
 Kolkata - 700 001.

**8) Share Transfer System**

The power to transfer the shares is delegated to the aforementioned Registrar and Share Transfer Agent. Shares in the physical form with duly executed transfer deed can be sent to them for transfer and shares in the demat form can be sent through D.P.. If the documents are found correct and valid, the Shares are transferred, and if not found so, it is returned to the shareholder/D.P., within prescribed time. 7691600 Shares (98.69%) shares are held in dematerialized form as on 31.03.2012.

**9. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH' 2012.**

**DISTRIBUTION SCHEDULE**

(To be made out for each class of security)

**SHREE NIDHI TRADING CO. LTD.**

(Name of the Company)

Distribution of	7793700	Equity Shares as on (Kind of Security)	31-03-2012
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## SHREE NIDHI TRADING COMPANY LIMITED

Total nominal value of Rs.	77,937,000	Nominal Value of each share	Rs. 10/-
Total number of shares	7793700	Paid up value per share	Rs. 10/-
Distinctive-Nos. from	1 to 7793700		

**Table I  
DISTRIBUTION OF HOLDING**

No. of Equity Share held	Share Holders		No. of Shares	% of Shares Held
	Number	% of Shareholder		
(1)	(2)	(3)	(4)	(5)
Upto — 500	142	43.96	17950	0.23
501 — 1000	50	15.48	37200	0.48
1001 — 2000	20	6.19	27850	0.36
2001 — 3000	2	0.62	5100	0.06
3001 — 4000	9	2.79	23800	0.30
4001 — 5000	12	3.72	49300	0.63
5001 — 10000	4	1.24	35550	0.46
10001 and above	84	26.00	7596950	97.48
<b>Total</b>	<b>323</b>	<b>100</b>	<b>7793700</b>	<b>100</b>

**10. DEMATERIALISATION OF SHARES & LIQUIDITY :**

The Equity shares are registered for dematerialation with the National Securities Depository Ltd. and Central Depository Services Ltd. The shares are listed in the Calcutta Stock Exchange Assn. Ltd. at present.

11. Outstanding GDRs/ADRs Warrants etc -

Nil

12. Plant Locations -

There is no plant of the Company.

**13. ADDRESS FOR CORRESPONDENCE BY INVESTORS :-**

To the Company

7, Lyons Range, 3rd Floor, Room No. 9 & 10,  
Kolkata - 700 001.

To the Registrar & Transfer Agents

Niche Technologies (P) Ltd.  
D-511, Bagree Market,  
71, B.R.B. Basu Road,  
Kolkata - 700 001.