

## Report on Corporate Governance

The Company's philosophy on Code of Corporate Governance strives to follow the good corporate governance practices, transparency, accountability and better communication in order to have a culture of compliance and obligation at every level of the organization. The Company is in compliance with the provisions of Corporate Governance specified in the Listing Agreement with the Bombay Stock Exchange Limited. The Company is committed to meet the expectations of stakeholders as a responsible corporate citizen.

### 1. BOARD OF DIRECTORS

#### Composition of the Board of Directors

The Company is fully compliant with the Corporate Governance norms in terms of constitution of the Board of Directors ("the Board"). The Board of the Company is composed of individuals from diverse fields. The Board of the Company is composed of Executive and Non-Executive Directors. As on March 31, 2015, the strength of the Board was six Directors comprising of two Executive and four Non-Executive Directors of the Company. Fifty per cent of the Board comprised of Independent Directors. The details of the Board of Directors as on March 31, 2015 are given below:

Name of the Director	Designation	Date of Joining	No. of Directorships / Committee Memberships/ Chairmanships			
			Public Limited Companies	Private Limited and Section 8 Companies	Committee Memberships	Committee Chairmanships
Mr. Shankar Das Vairagi	Executive Director	29.03.2013	Nil	01	Nil	Nil
Mr. Harendra Kumar Gupta	Managing Director	29.03.2013	Nil	Nil	Nil	Nil
Mrs. Rekha Soni	Executive Director	29.03.2013	Nil	Nil	Nil	Nil
Mr. Rajeev Sharma	Independent Director	29.03.2013	01	01	02	01
Mr. HeeraLal Chipa	Independent Director	27.09.2013	Nil	Nil	Nil	Nil
Mr. Chaturbhuj Chauhan	Independent Director	27.09.2013	Nil	Nil	Nil	Nil

As on March 31, 2015 Mr. Shankar Das Vairagi, Mr. Harendra Kumar Gupta, Mrs. Rekha Soni, Rajeev Sharma and Mr. Chaturbhuj Chauhan holding 4,36,660, 312,220, 412,220, 893 and 800 equity shares of the Company respectively. Except above, no other Director or their relative hold shares of the Company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 (“the Act”) and Clause 49 of the Listing Agreement.

### Board Meetings

The Board/Committee meetings are pre-scheduled and proper notices of Board and Committee meetings is circulated to the Directors well in advance to enable them to plan their schedules and to ensure their meaningful participation in the meetings.

During the financial year under review, 06 (Six) Board meetings were held on 29/05/2014, 09/06/2014, 01/08/2014, 01/09/2014, 10/11/2014 and 11/02/2015. The gap between two Board meetings was in compliance with the provisions contained in the Act and the Listing Agreement. Details of Directors as on March 31, 2015 and their attendance at the Board meetings and Annual General Meeting (“AGM”) during the financial year ended March 31, 2015 are given below:

Name of the Director	Category	No. of the Meeting held	No of the Meeting attended	Attendance at AGM
Mr. Shankar Das Vairagi	Executive Director	06	06	Yes
Mr. Harendra Kumar Gupta	Managing Director	06	06	Yes
Mr. Rajeev Sharma	Independent Director	06	06	Yes
Mrs. Rekha Soni	Executive Director	06	05	No
Mr. Heera Lal Chipa	Independent Director	06	05	Yes
Mr. ChaturBhuj Chauhan	Independent Director	06	04	Yes

### Audit Committee

The role of the Audit Committee is in accordance with the provisions of Clause 49 of the Listing Agreement and the terms of reference specified under Section 177 of the Act. The terms of reference for the Audit Committee include:

During the period under review, the Audit Committee met four (4) times on 29/05/2014, 01/08/2014, 10/11/2014 and 11/02/2015. Constitution of the Audit Committee and attendance details during the financial year ended March 31, 2015 are given below:

Name of the Member Director	Category	No. of the Meeting held	No of the Meeting attended
Mr. Rajeev Sharma	Chairman of the Committee & Independent Director	04	04
Mr. Heera Lal Chipa	Member & Independent Director	04	04
Mr. ChaturBhuj Chauhan	Member & Independent Director	04	04

## Nomination and Remuneration Committee

Pursuant to Clause 49 of the Listing Agreement and Section 178 of the Act, the Board has constituted Committee as Nomination and Remuneration Committee and adopted new terms of reference.

Constitution of the Nomination and Remuneration Committee and attendance details during the financial year ended March 31, 2015 are given below;

Name of the Member Director	Category	No. of the Meeting held	No of the Meeting attended
Mr. Rajeev Sharma	Chairman of the Committee & Independent Director	02	02
Mr. Heera Lal Chipa	Member & Independent Director	02	02
Mrs. Rekha Soni	Member & Non- Executive Director	02	02

The Nomination and Remuneration Committee at its meeting held on August 01, 2014 approved the Nomination and Remuneration Policy and the methodology for conducting the performance appraisal of the Board, the Board Committees and the Directors.

Nomination and Remuneration Policy Pursuant to Clause 49 of the Listing Agreement and Section 178 of the Act, the Nomination and Remuneration Committee has adopted a Nomination and Remuneration Policy which is available on the website of the Company.

Details of the remuneration paid/payable to the Directors for the financial year ended on 31<sup>st</sup> March 2015 are as under:

Name of the Director	Salary	Perquisites	Commission	Total
Mr. Shankar Das Vairagi	Nil	Nil	Nil	Nil
Mr. Harendra Kumar Gupta	Nil	Nil	Nil	Nil
Mr. Rajeev Sharma	Nil	Nil	Nil	Nil
Mrs. Rekha Soni	Nil	Nil	Nil	Nil
Mr. Heera Lal Chipa	Nil	Nil	Nil	Nil
Mr. ChaturBhuj Chauhan	Nil	Nil	Nil	Nil

## Stakeholders Relationship Committee

Pursuant to Clause 49 of the Listing Agreement and Section 178 of the Act the Board has re-constituted and renamed the Shareholders'/Investors' Grievances Committee as Stakeholders Relationship Committee.

The Stakeholders Relationship Committee considers and resolves the grievances of security holders. During the period under review, the Stakeholders Relationship Committee met four (4) times on 29/05/2014, 01/08/2014, 10/11/2014 and 11/02/2015.

Details of constitution and attendance details of the Stakeholders Relationship Committee as on March 31, 2015 are given below:

Name of the Member Director	Category	No. of the Meeting held	No of the Meeting attended
Mr. Heera Lal Chipa	Chairman of the Committee & Independent Director	04	04
Mr. Shankar Das Vairagi	Member & Independent Director	04	04
Mr. Harendra Kumar Gupta	Member & Executive Director	04	04

During the financial year, the Company/Company's Registrar and Transfer Agents have not received any complaint. There were no complaints from shareholders pending as on March 31, 2015.

#### General Meetings:

AGM for the Financial year	Location of the AGM held	Date and time of AGM
2011-12	1076, Dr. E Moses Road, Worli, Mumbai - 400018	September 15, 2012 at 1.00 p.m.
2012-13	1076, Dr. E Moses Road, Worli, Mumbai - 400018	September 27 2013 at 2.00 p.m.
2013-14	Acme Plaza Bldg. No. -2 Fifth Floor, Andheri Kurla Road, Andheri (East) Mumbai- 400059	September 26, 2014 at 12.30 p.m.

All the resolutions set out in the respective Notices were passed by the requisite majority of the members attending the AGMs. No special resolution was passed during the last three AGMs. There is no item on the agenda of the forthcoming AGM that needs approval by postal ballot.

#### DISCLOSURES

- All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. All Related Party transactions were placed before the Audit Committee for approval. The Audit Committee has granted omnibus approval for Related Party transactions as per the provisions and restrictions contained in the Listing Agreement. The Related Party Transactions, if any, as provided in the Financial Statements of the Company.
- During the financial year 14-15, the Company has paid a penalty of Rs. 1,000,000, as imposed by the SEBI for non compliance of provision of Regulation 8(3) of

SAST Regulation 1997 during the period from 2001-2011 by the erstwhile Management. Except above, during the last 3 years, there were no strictures or penalties imposed on the Company by either SEBI or the Stock Exchange or any statutory authority for non-compliance of any matter related to the capital markets.

- The Company has adopted a vigil mechanism which enables Directors and employees to report their genuine concerns. The mechanism provides for adequate safeguards against the victimization of persons who use this mechanism and make provision for direct access to the Chairman of the Audit Committee in appropriate and exceptional cases.
- The Company is in full compliance with the mandatory requirements as contained in Clause 49 of the Listing Agreement.

#### MEANS OF COMMUNICATION

- Quarterly, Half-Yearly and Annual results of the Company are published in newspapers such as Free Press Journal and Navshakti. These results are promptly submitted to the Bombay Stock Exchange Limited.
- The Company's results and press releases are available on the Company's website [www.svarajtrading.com](http://www.svarajtrading.com)
- Management Discussion and Analysis Report forms a part of this Annual Report.

#### GENERAL SHAREHOLDER INFORMATION

AGM date, venue and time	September 25, 2015 at 11.30 a.m. at Acme Plaza Bldg. No. -2 Fifth Floor, Andheri Kurla Road, Andheri (East) Mumbai- 400059
Financial Year	April 01 to March 31
First quarter results	2 <sup>nd</sup> week of August 2015
Second quarter results	2 <sup>nd</sup> week of November 2015
Third quarter results	2 <sup>nd</sup> week of February 2016
Result for the financial year ended on March 31, 2016	2 <sup>nd</sup> week of February 2016
Date of Book closure	September 19, 2015 to September 25, 2015 (both days inclusive)
Dividend payment date	Not applicable
Listing on Stock Exchange	BSE Limited
Payment of annual listing fees	Listing fees for the year 2015-2016 have been paid to BSE Limited
Stock Code (BSE)	INE406N01014
Demat ISIN no. for CDSL and NSDL	503624
Corporate Identity Number (CIN)	L51100MH1980PLC022315

**Market price data: High/Low during each month in the financial year (In Rs.)**

Month	BSE Limited, Mumbai	
	High	Low
April 2014	36.90	26.75
May 2014	53.15	37.60
June 2014	76.80	54.20
July 2014	115.70	78.30
August 2014	160.00	118.00
September 2014	177.00	157.75
October 2014	191.10	176.00
November 2014	197.50	188.65
December 2014	197.00	188.10
January 2015	193.05	189.90
February 2015	190.50	183.50
March 2015	190.50	188.00

(Source: Website of BSE Limited, Mumbai [www.bseindia.com](http://www.bseindia.com))

**Share Registrar & Transfer Agent :** System Support Services  
 209, Shivalik Industrial Estate  
 89, Andheri Kurla Road  
 Andheri (East), Mumbai - 400 072  
 Tele Phone Nos.:022-28500835,  
 Email id:[sysss72@yahoo.com](mailto:syss72@yahoo.com)

**Distribution of shareholding as on March 31, 2015**

Sr. No	No. of equity shares held		Shareholder(s)		Shareholding(s)	
	From	To	Nos.	%	Nos.	%
1	01	500	24	23.76	976	0.007
2	501	1000	17	16.83	14752	0.094
3	1001	5000	2	1.98	5327	0.036
4	5001	Above	58	57.43	14728945	99.857
	<b>Total</b>		<b>101</b>	<b>100.00</b>	<b>14,750,000</b>	<b>100.00</b>

**Category wise distribution of shareholding as on March 31, 2015**

Category	No. of Shares held	% of holding
Promoter and Promoter Group	1,161,100	7.87
Mutual fund	Nil	Nil
Banks and Financial Institutes, Insurance Companies etc.	Nil	Nil
FII's	Nil	Nil
Bodies Corporate	6,145,384	41.67
Indian Public	7,441,823	50.45
NRIs and OCB	Nil	
Directors and relatives	1693	0.01
Others		
<b>Total</b>	<b>14,750,000</b>	<b>100%</b>

**Dematerialization of shares and liquidity**

The Company's shares are traded compulsorily in dematerialized form on the stock exchange. As on March 31, 2015, 99.99% of the paid-up share capital of the Company was in dematerialized form.

**Outstanding GDR/ADR/Warrants or any Convertible Instruments, conversion dates and likely impact on equity**

Not Applicable

**Address for investors correspondence**

Shareholders/Investors should address their correspondence to the Company's Registrar & Transfer Agents at the address mentioned earlier.

Shareholders/Investors may also contact Mr. Harendra Kumar Gupta Compliance Officer at the Registered Office of the Company situated at office No. 30, 2nd floor 380/82 Amruteshwar CHSL, Jagannath Sunkersett Road, Mumbai- 400002. Telephone Nos.: 022-22004403 and Email id is [svarajtradingagencies@gmail.com](mailto:svarajtradingagencies@gmail.com).

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**Declaration on adherence to the Code of Conduct under Clause 49(II) E of the Listing Agreement**

All the Board members and senior management personnel of the Company have confirmed adherence to the Code of Conduct of Sara Trading and Agencies Limited for the financial year ended March 31, 2015.

**For SVARAJ TRADING AND AGENCIES LIMITED**

**HARENDRA KUMAR GUPTA**  
**DIN: 05335662**  
**Managing Director**

**Place: Mumbai**

**Dated: August 27, 2015**