



CORPORATE GOVERNANCE REPORT

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on code of governance:

Corporate Governance envisages commitment of the Company towards the attainment of high levels of transparency, accountability, and business propriety with the ultimate objective of increasing long term shareholders value, keeping in view the needs and interests of all other stakeholders. Toward these ends, the Company strives to follow two guiding principles.

I) The Company must not compromise on certain core values like Integrity, Statutory Compliance and Fairness in all of its internal or external dealings, transactions, financial statements or corporate announcements.

II) The Company must always remain sensitive to the long-term societal implications of its businesses.

The Company has complied in all material respects with the requirements of Corporate Governance in terms of clause 49 of the Listing Agreement executed with the Stock Exchanges.

2. Board of Directors

As of 31st March, 2012 the Company's Board comprises Five Directors, including three independent. The Board of Directors comprises of five Directors including the Managing Director, Whole Time Director and Three Non-Executive & Independent Directors. The composition of the Company's Board of Directors is in conformity with the listing agreement. The Company does not have any nominee director on its Board.

The composition of the Board of Directors and other relevant details relating to them are given hereunder:

Sr. No.	Name of Directors	Category	No. of other Directorships ##	No. of Members of other Board Comm.	No. of other Committees Chairmanships
1.	*Mr. Manish N. Shah	Managing Director	1	-	-
2.	Mr. Kumarpal J. Punamiya	Whole Time Director	13	-	-
3.	Mr. Damodar Hari Pai	Non Executive & Independent	2	-	2
4.	Ms. Manisha Anand	Non Executive & Independent	-	-	-
5.	@Mr. Ravi Kant Chaturvedi	Non Executive & Independent	-	-	-
6.	\$Mr. Manoj Punamiya	Managing Director	13	-	-
7.	^Mr. Hitesh Mangilal Jain	Additional Director	-	-	-

*Appointed as Managing Director w.e.f 24.02.2012

@ Appointed as Additional Director at the Board Meeting held on 09.02.2012

\$ Resigned from Directorship w.e.f. 16.02.2012

##Including Private Limited Company's Directorship

^Appointed as Whole Time Director w.e.f. 20.06.2012



Board Meetings and Attendance of Directors

The day to day matters concerning the business is conducted by the Executives of the Board holds its meetings at regular intervals to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company.

Meetings are governed by a structured agenda. All agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Board Members are presented in advance with the detailed agenda in respect of all Board meetings.

There were Thirteen (13) Board Meetings during the year ended 31st March, 2012 i.e. on 2nd April, 2011, 23rd May, 2011, 31st May, 2011, 01st August, 2011, 09th August, 2011, 02nd September, 2011, 05th October, 2011, 13th October, 2011, 11th November, 2011, 01st December, 2011, 09th February, 2012, 24th February, 2012 & 12th March, 2012. The Table hereunder gives the attendance record of the Directors at the Board Meetings held during 2010-11 and the last AGM:

Name of the Directors	Number of Board Meetings held during the year	Number of Board Meetings attended	Whether attended last AGM
*Mr. Manish N. Shah	13	2	No
Mr. Kumarpal J. Punamiya	13	13	Yes
Mr. Damodar Hari Pai	13	3	Yes
Ms. Manisha Anand	13	13	Yes
@Mr. Ravi Kant Chaturvedi	13	1	No
\$Mr. Manoj Punamiya	13	Nil	No

*Appointed as Managing Director w.e.f 24.02.2012

\$ Resigned from Directorship w.e.f. 16.02.2012

@ Appointed as Additional Director at the Board Meeting held on 09.02.2012

##Including Private Limited Company's Directorship

The Board in additions to the review of the corporate plans, strategies, and financials takes periodical review of compliance reports of all laws applicable to the company.

3. AUDIT COMMITTEE

The Audit Committee of the Board, inter alia, provides reassurance to the Board on the existence of an effective internal control environment. The terms of reference of the Committee are as per the guidelines set out in Clause 49 of the listing agreement with the Stock Exchanges and Section 292A of the Companies Act, 1956 and it inter alia includes the following:

- To ensure transparency, integrity, correctness, statutory compliance, and credibility of all financial statements or announcements before their submissions to the Board.
- To hold periodic discussions with statutory auditors on the scope and content of audit and to recommend the appointment, removal and remuneration of auditors.
- To review with management the adequacy of Company's internal control systems and the action taken on auditors' reports.
- To apprise the Board on the impact of accounting policies, standards and legislation.



- (e) To examine and report on the Company's financial and risk management policies and major defaults if any.

Scope of the Audit Committee:

1. Provide an open avenue of communication between the independent auditor and the Board of Directors ("BoD").
2. Recommending the appointment, re-appointment and if required the replacement or removal of statutory auditors, fixation of audit fees and also to approve the payment for other services.
3. Meet Four times a year or more frequently as circumstances require. The Audit Committee may ask members of management or others to attend meetings and provide pertinent information as necessary.
4. Confirm and assure the independence of the external auditor.
5. Review with independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts and the effective use of all audit resources.
6. Consider and review with the independent auditor the adequacy of internal controls including the computerized information system controls and security;
7. Reviewing with the management the Quarterly financial statements before submission to the Board for approval.
8. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
 - a) Any changes in the accounting policies and practices
 - b) The going concern assumption
 - c) Compliance with accounting standards
 - d) Compliance with listing and other legal requirements concerning financial statements
 - e) Significant adjustment arising out of audit
 - f) Disclosure of any related party transactions.
 - g) Qualification in the draft audit report
9. Consider and review with the management and the independent auditor;
 - a) Significant findings during the year, including the status of previous audit recommendations,
 - b) Any difficulties encountered in the course of audit work including any restrictions on the scope of activities or access to required information.
10. Review of the following information:
 - a) Management discussion and analysis of the financial conditions and results of operations;
 - b) Statement of significant related party transactions submitted by the management;
 - c) Management letters/letters of internal control weaknesses issued by the Statutory Auditors
11. To look into the reasons for substantial default in the payment to the depositors, debentures holders, shareholders (in case of nonpayment of declared dividends) and creditors.
12. Carrying out any other function as is mentioned in the terms of reference of Audit Committee.



Composition of the Audit Committee

The Terms of Reference of the Audit Committee are in accordance with the guidelines set out in the listing agreements with the Stock Exchanges. The statutory auditors are invited to the Audit Committee Meetings whenever required. The quorum for the Audit Committee Meeting is two members.

The composition of the reconstituted Audit Committee as on date of this report is as follows:

Ms. Manisha Anand	Chairperson, Independent & Non Executive
Mr. Damodar Hari Pai	Member, Independent & Non Executive
Mr. Kumarpal J. Punamiya	Member, Whole Time Director

Audit Committee Meetings & Attendance during the financial year ended 31st March, 2012

During the financial year ended 31st March, 2012, Four Audit Committee Meetings were held on May 31, 2011, August 09, 2011, November 11, 2011, and February 09, 2012. The table hereunder gives the attendance record of the Audit Committee members.

Name of the Audit Committee Members	No. of meetings held	No. of meetings attended
Ms. Manisha Anand	4	4
Mr. Damodar Hari Pai	4	3
Mr. Kumarpal J. Punamiya	4	4

The Management is responsible for the Company's internal controls and the financial reporting process. The independent auditors are responsible for performing an independent audit of the Company's financial statements in accordance with the applicable accounting standards and for issuing a report thereon. The Committee's responsibility is to monitor these processes. The Committee is also responsible to oversee the processes related to the financial reporting and information dissemination, in order to ensure that the financial statements are true, correct, sufficient and credible.

4. REMUNERATION OF DIRECTORS

Scope of Remuneration Committee:

To Determine on behalf of the Board and shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payments. To Consider and recommend to Board commission/ other remuneration package for the Non-Executive Chairman of the Company and such other matters concerning remuneration as may be referred by the Board from time to time.

Composition:

The Composition of the reconstituted Remuneration Committee as on date of this report is as follows:

Ms. Manisha Anand	Chairperson, Independent & Non Executive
Mr. Damodar Hari Pai	Member, Independent & Non Executive
Mr. Ravi Kant Chaturvedi	Member, Independent & Non Executive



The details of remuneration paid to the Directors during the Financial Year 2011-12 are given below:

Name of the Director	Salary	Sitting Fees Paid (Rs.)		No. of shares held as on 31 st March, 2012
		Board Meeting	Audit Committee	
Mr. Manoj Punamiya	Nil	Nil	Nil	45,10,000
Mr. Manish N. Shah	Nil	Nil	Nil	Nil
Mr. Kumarpal J. Punamiya	2,40,000	Nil	Nil	Nil
Mr. Damodar Hari Pai	N.A.	6,000	Nil	Nil
Ms. Manisha Anand	N.A.	26,000	Nil	Nil
Mr. Ravi Kant Chaturvedi	N.A.	2,000	Nil	Nil

Apart from the sitting fees that are paid to the non-executive directors for attending the board meetings, no other fees / commission were paid during the year. No significant material transactions have been made with the Non-Executive Directors vis-à-vis the Company.

5. SHAREHOLDER'S CUM INVESTORS GRIEVANCE COMMITTEE

The Committee oversees the performance of the Registrars and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services. The Shareholder's Cum Investors Grievance Committee was headed by Mr. Kumarpal Javerchand Punamiya. The composition of the reconstituted Shareholders' Cum Investors Grievance Committee is as under:

Mr. Kumarpal J. Punamiya	Chairman, Whole time Director
Mr. Damodar Hari Pai	Member, Independent & Non Executive
Ms. Manisha Anand	Member, Independent & Non Executive

Meetings and Attendance:

Four Shareholders/Investors Grievance Committee Meetings were held during the year ended March 31, 2012. All the members of the Committee were present in all the Meetings held during the year.

The Committee expresses satisfaction with the Company's performance in dealing with investors' grievance and its share transfer system.

Status of number of shareholders' complaints received, pending & redressed is as under:

(i) No. of Shareholder's complaints received	1
(ii) No. of complaints not redressed and pending as on date	Nil
(iii) No. of share transfers pending for more than a fortnight	Nil

6. GENERAL BODY MEETING

Location and time where last three Annual General Meetings were held are given below:



Financial Year	Date	Location of the Meeting	Time
2008-2009	08/08/2009	Conference Hall, 18 th Floor, C Wing, Mittal Tower, Nariman Point, Mumbai- 400 021.	11.00 A.M.
2009-2010	29/10/2010	Conference Hall, 18 th Floor, C Wing, Mittal Tower, Nariman Point, Mumbai- 400 021.	11.00 A.M.
2010-2011	29/09/2011	Conference Hall, 18 th Floor, C Wing, Mittal Tower, Nariman Point, Mumbai- 400 021.	3.00 P.M.

7. DISCLOSURES

The Company has been complying with all statutory requirements and no penalties or strictures have been imposed on it by SEBI, BSE or any regulatory or statutory body on any matter.

Related Party Transactions:

Your Company places all the aforesaid details before the Audit Committee periodically. A comprehensive list of related party transactions as required by the Accounting Standard (AS) 18 issued by the Institute of Chartered Accountants of India, forms part of the Note No.24 of financial statements. However, these transactions are not likely to have any conflict with the interests of the Company at large.

8. MEANS OF COMMUNICATION

(i) The quarterly results of the Company are published in two newspapers in compliance with the provisions of Clause 41 of the listing agreement. Generally, the same are published in Business Standard (English language) and Mumbai Lakshadweep (Marathi language) in Mumbai. As the results of the Company are published in the newspapers, half-yearly reports are not sent to each household of shareholders. The quarterly results as well as the proceedings of the Annual General Meeting are submitted to the Bombay Stock Exchange Limited, immediately after the conclusion of the respective meeting.

All Important information relating to company and its performance including the financial results and shareholding patterns are displayed on the company's website www.ricl.in. The website also displays all official press releases issued by the company.

(i) No presentations were made to the institutional investors or to analysts during the year under review.

(ii) The Management Discussion and Analysis Report form a part of this Annual Report.

(iii) Financial Calendar (tentative and subject to change)

Financial reporting for quarter ended	
June 30, 2012	by August 14, 2012
September 2012	by November 15, 2012
December 2012	by February 15, 2013
March 2013	by May 30, 2013
Annual General Meeting for the year ended 31st March 2013 – on or before September 30, 2013	

**9. COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS****(I) Management Discussion And Analysis**

A management discussion and analysis report forms part of the Annual Report and includes discussion on various matters specified under clause 49(IV) (F) of the Listing Agreement.

(II) Secretarial Audit For Reconciliation Of Capital

A qualified Practicing Company Secretary has carried out secretarial audit for every quarter to reconcile the total admitted capital with both the depositories; viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate total number of shares in physical form, shares allotted & advised for demat credit but pending execution and the total number of dematerialised shares held with NSDL and CDSL. The Company had submitted the secretarial audit report to BSE and NSE within 30 days from the end of each quarter in accordance with the SEBI requirements

(III) Certificate on Corporate Governance:

As required by Clause 49 of the Listing Agreement, a certificate from the Statutory Auditors regarding compliance with all the conditions of Corporate Governance norms is given as an annexure to this Report.

(IV) CEO Declaration:

As required by Clause 49 of the Listing Agreement, declaration by Managing Director on compliance of the Company's code of conduct is provided as an Annexure to Report.

10. GENERAL SHAREHOLDER INFORMATION

i.	Date and time of Annual General Meeting of Shareholders	Friday, 7 th September, 2012 at 11.00 a.m.
ii.	Dates of book closures	Tuesday, 4 th September, 2012 to Friday, 7 th September, 2012 (both days inclusive)
iii.	Venue of AGM	Conference Hall, 18th Floor, C Wing, Mittal Tower, Nariman Point, Mumbai: 400 021
iv.	Listing on stock exchanges	The Equity Shares of the Company are listed on Bombay Stock Exchange Limited. There is no default in payment of Annual Listing Fees as prescribed.
v.	Stock Exchange Code	512047 (Bombay Stock Exchange Limited)
vi.	Financial year	April to March
vii.	Dividend payment date	N.A.



Share Transfer System:

All share transfer, dematerialization and related work is managed by a common agency, Link Intime India Private Limited, Bhandup (W), Mumbai-78. Shareholders are requested to send all share transfer requests, demat/remat requests, correspondence relating to shares i.e. change of address, Power of Attorney, etc. to the registrar and transfer agents.

Market Price Data (Monthly High/Low on BSE):

Month	High (₹)	Low (₹)	No. of Shares	No. of Trades
April 2011	36.00	30.60	28,860	144
May 2011	41.95	29.90	96,506	345
June 2011	44.00	33.50	6,093	144
July 2011	44.00	35.00	1,864	81
August 2011	35.25	30.70	3,907	60
September 2011	33.90	27.35	67,165	81
October 2011	37.55	29.50	4,96,146	490
November 2011	50.55	33.00	7,17,965	831
December 2011	39.50	35.90	21,76,902	643
January 2012	49.05	36.05	19,09,987	595
February 2012	62.50	49.70	4,85,600	608
March 2012	62.90	41.00	4,36,824	984

Comparative Performance: No meaningful comparison is possible with any index.

(I) CATEGORY-WISE DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2012

CATEGORY	SHAREHOLDERS		SHARES	
	Number	% to total Shareholders	Number	% to total Capital
PROMOTERS HOLDING				
Indian Promoters	5	0.54	1,11,66,184	48.38
Total of promoter holding	5	0.54	1,11,66,184	48.38
NON-PROMOTER HOLDING				
<u>Institutional Investors</u>	-	-	-	-
Banks	-	-	-	-
FIIs	-	-	-	-
<u>Others</u>	63	6.56	13,89,142	6.02
Corporate Bodies	868	90.41	1,03,60,409	44.89
Indian Public	3	0.31	350	-
NRIs / OCBs	21	2.18	1,63,915	0.71
Clearing Member	-	-	-	-
Total of non-promoter holding	955	100.00	1,19,13,816	51.62
Grand Total	960	100.00	2,30,80,000	100.00



(II) SLAB-WISE DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2012

NOMINAL VALUE OF RS.	SHAREHOLDERS NUMBER	% OF TOTAL	NO. OF SHARES (Rs.10 each)	% TO EQUITY
1 - 5000	509	52.91	8,03,880	0.3480
5001 - 10000	108	11.23	9,08,480	0.3940
10001 - 20000	63	6.54	9,89,420	0.4290
20,001 - 30,000	43	4.47	11,58,680	0.5020
30,001 - 40,000	12	1.24	4,37,420	0.1900
40,001 - 50,000	25	2.60	11,97,470	0.5190
50,001 - 1,00,000	46	4.78	35,40,340	1.5340
1,00,001 & Above	156	16.21	221764310	96.0850
TOTALS	962	100.000	23,08,00,000	100.000

11. DEMATERIALIZATION OF SHARES

The Company's shares are available for trading in dematerialized form under both the Depository Systems - NSDL and CDSL. Connectivity with both NSDL and CDSL is provided by Link Intime India Pvt. Ltd., Mumbai - 400 078 under tripartite agreements. The distribution of dematerialized and physical shares as on March 31, 2012 was as follows:

Sr. No.	Particulars	No. of shares	%
1.	Dematerialized Shares		
	NSDL	1,87,46,958	81.23
	CDSL	40,71,922	17.64
2.	Physical Shares	2,61,120	01.13
	Total	2,30,80,000	100.00

Outstanding GDR/ADR/Warrants/Convertible instruments etc:

There are no outstanding securities as at 31st March 2012.

12. PLANT LOCATION

The Company does not have any Plant.

13. INVESTORS CORRESPONDENCE:

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai - 400078
Tel No: (022) 25963838
Fax No: (022) 2594 6969
Email-id: rnt.helpdesk@linkintime.co.in