

Corporate Governance Report

I. Philosophy

The Company has always believed in good Corporate Governance which involves transparency, accountability, integrity and fairness in all facts of its operations and in all its transactions with the shareholders, employees, lenders and the Government.

II. Board of Directors

The Board of the Company comprises of six Directors out of which one is Executive Director and five are Non-Executive Directors. The Chairman of the Company is an Executive/Promoter-Director. The composition of the Board during the year was in conformity with Clause 49 of the Listing Agreement executed with

the Stock Exchanges.

None of the Directors on the Board are members of more than ten Committees and Chairman of more than five Committees (Committees being Audit Committee and Shareholders/Investors' Grievance Committee) across all the Public Companies in which they are the Directors. The necessary disclosures regarding other directorships and committee memberships have been made by all the Directors.

During the year Ten (10) Board Meetings were held on 14th May, 2010; 28th May, 2010; 24th June, 2010; 29th July, 2010; 2nd September, 2010; 13th November, 2010; 4th January, 2011; 14th February, 2011; 28th February, 2011 and 28th March, 2011.

The details of the composition of the Board, attendance at the Board meeting during the year and at the last Annual General Meeting, number of Directorship, Membership/Chairmanship in other Public Companies are as follows :

Sl.No.	Name of the Director	Category	No. of Board Meetings Attended	Attendance at last AGM	No. of Directorships in other Public Limited Companies incorporated in India	No. of Committee positions held in other Public Limited Companies\$	
						As Member	As Chairman
1	Mr. Vimal Kumar Patni *	Promoter/ Non-Executive	10	Yes	8	1	-
2	Mr. Suresh Kumar Patni	Promoter/ Executive	9	No	8	2	-
3	Mr. Virendra Kumar Jain *	Promoter/ Executive	6	Yes	5	-	-
4	Mr. Ajit Kumar Patni *	Promoter/ Non-Executive	10	Yes	10	-	-
5	Mr. Prem Narayan Khandelwal	Independent/ Non-Executive	5	No	1	-	-
6	Mr. Chhatar Singh Dugar *	Independent/ Non-Executive	10	Yes	1	1	-
7	Mr. Krishna Kumar Chanani	Independent/ Non-Executive	9	Yes	-	-	-
8	Mr. Ashok Kumar Jain	Independent/ Non-Executive	8	No	-	-	-
9	Mr. Rohit Patni #	Promoter/ Non-Executive	1	No	6	-	-
10	Mr. Ankit Patni #	Promoter/ Non-Executive	1	No	5	1	-

\$ Includes the Membership/Chairmanship of only Audit Committee and Shareholders/Investors' Grievance Committee

* Mr. Vimal Kumar Patni, Mr. Virendra Kumar Jain and Mr. Ajit Kumar Patni have resigned from the Directorship of the Company w.e.f. 28th March, 2011. Mr. Chhatar Singh Dugar has resigned w.e.f. 5th April, 2011.

Mr. Rohit Patni and Mr. Ankit Patni had been appointed as an Additional Director (Promoter/Non Executive) w.e.f. 28th March, 2011 to hold office upto the date of the ensuing Annual General Meeting.

Mr. Rohit Patni and Mr. Ankit Patni are sons of Mr. Suresh Kumar Patni. None of the other directors are in any way related to any other director.

Mr. Suresh Kumar Patni has been re-designated as Chairman cum Managing Director of the Company w.e.f. 28th March, 2011.

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Board Meetings are held at the Registered Office/Corporate Office of the Company. The Agenda along with explanatory notes are sent in advance to the Directors to get their input in the discussion. The information as required under Annexure IA of Clause 49 are being made available to the Board. The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify the instances of non-compliance, if any. Necessary quorum was present at all these meetings.

III. Code of Conduct

The Code of Conduct is available on the Company's website i.e. www.impexferrotech.com and is applicable to all Directors and Senior Management Personnel of the Company. The Board and Senior Management Personnel have affirmed the compliances of the said Code of Conduct.

Declaration

In accordance with the Clause 49 of the Listing Agreement with the Stock Exchanges, the Board members and the Senior Management Personnel of the Company have affirmed compliances with the Code of Conduct of the Company for the year ended 31st March, 2011.

For **IMPEX FERRO TECH LIMITED**

Suresh Kumar Patni

Kolkata, 12th August, 2011 *Chairman cum Managing Director*

IV. Audit Committee

The Company has an Audit Committee within the scope as set out in Clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956.

The terms of reference of the Audit Committee includes the powers as laid down in Clause 49 (II)(C) and the role as stipulated in Clause 49 (II)(D) of the Listing Agreement and review of information as laid down in Clause 49(II)(E).

The composition of the Audit Committee and the details of meetings attended by the Committee Members are given below :

Name of the Member	Designation	Category	No. of Meetings attended
Mr. Krishna Kumar Chanani	Chairman	Independent/Non-Executive	6
Mr. Ankit Patni #	Member	Non-Executive	-
Mr. Ajit Kumar Patni #	Member	Non-Executive	6
Mr. Ashok Kumar Jain *	Member	Independent/Non-Executive	-

Name of the Member	Designation	Category	No. of Meetings attended
Mr. Chhatar Singh Dugar *	Member	Independent/Non-Executive	6

w.e.f. 28th March, 2011 Mr. Ankit Patni has been appointed as a member and Mr. Ajit Kumar Patni ceases to be member of the Committee.

* w.e.f. 5th April, 2011 Mr. Ashok Kumar Jain has been appointed as a member and Mr. Chhatar Singh Dugar ceases to be member of the Committee.

The Managing Director and Head of Finance & Accounts departments are permanent invitees to the Committee. The Company Secretary acts as Secretary of the Audit Committee. The Audit Committee invites, as and when considers appropriate, the representatives from the auditors to be present at the meeting of the Committee.

The Audit Committee comprises of three Directors all of whom are financially literate. All the members of the Committee are non-executive of which two are Independent. Mr. Krishna Kumar Chanani, Independent Director having expertise in finance, is the Chairman of the Audit Committee. He was present at the last Annual General Meeting of the Company held on 30th September, 2010 to answer the queries raised by the Shareholders.

During the year, six meetings of the Audit Committee were held on 10th April, 2010; 27th May, 2010; 28th July, 2010; 1st September, 2010; 12th November, 2010 and 14th February, 2011.

The Annual Accounts for the year ended 31st March, 2011 were duly reviewed by the Audit Committee at its meeting held on 30th May, 2011 prior to adoption by the Board.

V. Remuneration Committee

The Committee comprises of three Non-Executive Independent Directors. The Remuneration Committee is constituted to determine the Company's policy on specific remuneration packages to the Executive Directors and to periodically review the remuneration packages of the Executive Directors and recommend suitable revision in the same. During the year, no meeting of the Remuneration Committee was held. The present composition of the Remuneration Committee is as follows :

Name of the Member	Designation	Category
Mr. Krishna Kumar Chanani	Chairman	Independent/Non-Executive
Mr. Prem Narayan Khandelwal #	Member	Independent/Non-Executive

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Name of the Member	Designation	Category
Mr. Chhatar Singh Dugar #	Member	Independent Non-Executive
Mr. Ashok Kumar Jain	Member	Independent Non-Executive

w.e.f. 5th April, 2011 Mr. Prem Narayan Khandelwal has been appointed as a member and Mr. Chhatar Singh Dugar ceases to be member of the Committee.

VI. Remuneration of Directors

The Company pays remuneration by way of salary to its Managing and Whole Time Director. The remuneration paid is within the limit specified under the Companies Act, 1956 and approved by the Board as well as by the shareholders of the Company. The Company does not have any policy for payment of remuneration to Non-Executive Directors including Non-Executive Independent Directors except by way of sitting fees @ ₹1,500 for attending each meeting of the Board or a Committee thereof. No severance fees is payable to the Directors on termination of the employment. The Company has not yet introduced any Stock Option to its Directors/Employees.

The directors' remuneration and sitting fees paid in respect of the financial year 2010-11 is given below :

Managing and Whole Time Director :

Name of the Director	Salary(₹)	Period of Contract		Notice Period
		From	To	
Mr. Suresh Kumar Patni	1,200,000	1st July, 2008	30th June, 2013	2 Months
Mr. Virendra Kumar Jain	866,129	Resigned w.e.f. 28th March, 2011		2 Months

Non-Executive Directors :

Name of the Director	Sitting Fees paid for Board and Committee Meetings (₹)	No. of Shares held as on 31st March, 2011
Mr. Vimal Kumar Patni #	13,500	235,100
Mr. Ajit Kumar Patni #	24,000	175,000
Mr. Chhatar Singh Dugar ##	24,000	Nil
Mr. Krishna Kumar Chanani	21,000	Nil

Name of the Director	Sitting Fees paid for Board and Committee Meetings (₹)	No. of Shares held as on 31.03.2011
Mr. Prem Narayan Khandelwal	6,000	Nil
Mr. Ashok Kumar Jain	12,000	Nil
Mr. Rohit Patni *	-	-
Mr. Ankit Patni *	-	-

Resigned from the directorship w.e.f. 28th March, 2011.

Resigned from the directorship w.e.f. 5th April, 2011.

* Appointed as additional directors w.e.f. 28th March, 2011.

VII. Investors' Grievance Committee

The Committee is empowered to oversee the redressal of investors' complaints pertaining to share transfer, non receipt of annual report, non receipt of share certificate, refund warrant and other miscellaneous complaints.

During the year under review, two meetings of the Investors' Grievance Committee were held on 27th July, 2010 and 22nd December, 2010. The Composition of the Committee and the attendance at its meetings are given hereunder :

Name of the Member	Designation	Category	No. of Meetings attended
Mr. Ashok Kumar Jain *	Chairman	Non-Executive	-
Mr. Chhatar Singh Dugar *	Chairman	Independent/ Non-Executive	2
Mr. Rohit Patni #	Member	Non-Executive	-
Mr. Ajit Kumar Patni #	Member	Non-Executive	2
Mr. Suresh Kumar Patni	Member	Executive	2

* w.e.f. 5th April, 2011 Mr. Ashok Kumar Jain has been appointed as a Member and Mr. Chhatar Singh Dugar ceases to be Member of the Committee.

w.e.f. 28th March, 2011 Mr. Rohit Patni has been appointed as a Member and Mr. Ajit Kumar Patni ceases to be Member of the Committee.

Mr. Pradip Kumar Agarwal, Company Secretary of the Company is the Compliance Officer.

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As per Clause 47(f) of the Listing Agreement with the Stock Exchanges, the Company has designated a separate e-mail id (investors@impexferrotech.com) exclusively for redressal of investors' complaints.

The details of the complaints during the year 2010-11, excluding correspondences which are not in the nature of complaints are given below :

Number of complaints received from the shareholders	7
Number of complaints redressed	7
Number of complaints not solved/pending	Nil

VIII. General Body Meetings

Location and time of last three Annual General Meetings

Date	Financial Year	Venue	Time	Special Resolution Passed
20th September, 2008	2007-08	KALA KUNJ (Sangit Kala Mandir Trust) 48, Shakespeare Sarani, Kolkata-700 017	10.30 AM	None
24th September, 2009	2008-09	Purbashree, Bharatiyam Cultural Multiplex, EZCC, IB-201, Sector-III Saltlake, Kolkata-700 106	10.30 AM	None
30th September, 2010	2009-10	Purbashree, Bharatiyam Cultural Multiplex, EZCC, IB-201, Sector-III Saltlake, Kolkata-700 106	10.30 AM	None

No special resolution was passed in the last three (3) AGM's. During the year under review, no special resolution(s) were passed through postal ballot. No special resolution is proposed to be passed through postal ballot at the ensuing Annual General Meeting.

IX. Disclosures

- There are no materially significant related party transactions which have potential conflict with the interest of the Company at large. The Directors periodically disclosed their interest in different Companies which are noted by the Board. A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee. The pricing of all the transactions with the related parties were on an arms length basis. The related party transactions are given in the Notes No.B -16 of Schedule -19 to the Annual Accounts for the year 2010-11. There was no

other material pecuniary transaction with any Non-Executive Director of the Company that requires a separate disclosure.

- The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of financial statements, the Company has not adopted a treatment different from that prescribed in an Accounting Standard.
- The Company has complied with various rules and regulations prescribed by regulatory authorities on capital market and no penalties or strictures have been imposed by them on the Company in the last three years.
- The Board has received disclosures from the Key Managerial Personnel relating to material, financial and commercial transaction in which they and/or their relatives have personal interest.
- The Company has laid down procedures to inform the Board Members about the risk assessment and risk management mechanism which is periodically reviewed and reported to the Board by the Senior Executives.
- Though the Company does not presently have a Whistle Blower Policy, the Company promotes ethical behavior in all its business activities. All employees are free to approach the Audit Committee to raise their concerns relating to fraud, malpractice or any other activity or event which is against the Company's interest.
- The requisite certification from the Managing Director and Head of the Accounts & Finance department of the Company, for the financial year 2010-11 required to be given under Clause 49(V) has been placed before the Board in the meeting held on 30th May, 2011.
- The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. The non-mandatory requirements, to the extent followed by the Company have been stated in this report.
- The Company does not have any Subsidiary.
- Details of Directors seeking Appointment/Re-appointment at the ensuing Annual General Meeting as required under Clause 49 of the Listing Agreement is annexed to the Notice convening the Annual General Meeting.

X. Means of Communication

The Quarterly/Half yearly/Annual results are regularly submitted to the Stock Exchanges and published in newspapers in accordance

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with the Listing Agreement. The Company also posts on its website all its official news releases, important announcements and presentations made before the press meets, analysts and institutional investors from time to time for the benefit of its investors and public at large. The Company's website contains a separate dedicated section "Investor's Corner" where shareholders' information are available.

Newspapers wherein results are published	The Financial Express (English) and Dainik Statesman (Bengali)
Display in Website	www.impexferrotech.com (under "Investor's Corner" Link)
Management Discussion and Analysis forms part of Annual Report	Yes, given separately

XI. General Information for Member

Date, Time and Venue of the Annual General Meeting	Friday, 16th September, 2011 at 10.30 AM, 'Rotary Sadan', 94/2 Chowringhee Road, Kolkata – 700 020
Date of Book Closure	Monday, 12th September, 2011 to Friday, 16th September, 2011 (both days inclusive)
Financial Calendar	Indicative calendar of events for the financial year 2011-12 is as under :
Financial Year	- 1st April to 31st March
Financial Reporting for the quarters :	
First quarter (unaudited)	- Already disclosed on 12th August, 2011
Second quarter (unaudited)	- Within 45 days from the end of the quarter
Third quarter (unaudited)	- Within 45 days from the end of the quarter
Fourth quarter (audited)	- Within 60 days from the end of the quarter/financial year
Annual General Meeting	- On or before 30th September, 2012
Listing at Stock Exchanges and Stock Code	a) Bombay Stock Exchange Ltd. (BSE) Stock Code - 532614 b) National Stock Exchange of India Ltd. (NSE) Stock Code - IMPEXFERRO
International Securities Identification Number (ISIN)	INE691G01015

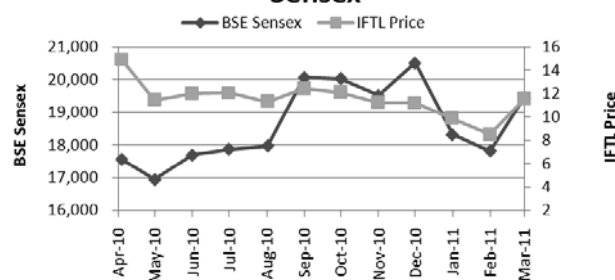
Annual Listing Fees for the year 2011-12 have been paid by the Company to both the Stock Exchanges.

Market Price Data

Month	National Stock Exchange of India Ltd.			Bombay Stock Exchange Ltd.		
	High	Low	Volume	High	Low	Volume
April-10	16.20	11.95	1,938,475	16.40	12.06	30,484,069
May-10	14.90	11.00	328,343	14.90	10.90	6,129,145
June-10	13.00	11.00	226,536	13.35	10.50	2,887,926
July-10	13.60	11.60	408,872	13.80	11.50	5,775,477
Aug-10	14.05	11.25	179,291	14.05	10.00	2,833,910
Sep-10	13.50	11.20	363,769	14.00	10.00	6,422,469
Oct-10	14.00	11.30	409,781	13.23	11.00	10,080,731
Nov-10	13.80	10.85	475,673	13.94	10.00	5,719,468
Dec-10	12.05	10.20	85,970	13.45	8.70	1,640,878
Jan-11	12.20	9.50	106,770	12.98	9.06	1,155,956
Feb-11	10.65	7.50	86,243	10.89	7.30	869,789
Mar-11	11.75	7.85	256,549	12.25	8.02	2,206,285

Performance of the Company in comparison with BSE Sensex

Share Performance in Relation to BSE Sensex



Shareholding Pattern as on 31st March, 2011

Category	No. of Shares	% of Holding
Promoters & Promoter Group	30,439,846	60.9143
Body Corporate	10,242,598	20.4968
Indian Public	9,198,943	18.4084
NRIs/OCBs	48,964	0.0979
Trusts	100	0.0002

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Category	No. of Shares	% of Holding
Clearing Members	41,153	0.0824
Total	49,971,604	100.00

Distribution of Shareholding as on 31st March, 2011

Range	No. of Shareholders	% of Shareholders	No. of Shares of the face value of ₹ 10 each	% of Share held
1-500	5,550	70.0139	1,229,336	2.4601
501-1000	1,092	13.7757	950,680	1.9024
1001-2000	583	7.3546	927,609	1.8563
2001-3000	182	2.2960	484,032	0.9686
3001-4000	83	1.0471	302,150	0.6046
4001-5000	115	1.4507	552,886	1.1064
5001-10000	134	1.6904	1,043,250	2.0877
10001-above	188	2.3716	44,481,661	89.0139
Total	7,927	100	49,971,604	100

Share Transfer System

Shares lodged for transfer in physical form are processed at the office of Registrar and Transfer Agent and are normally processed within 15 days from the date of lodgment, if the documents are clear in all respect. The Directors of the Company are severally empowered to approve the transfers. All requests for dematerialisation of shares are processed and the confirmation is given within 15 days to the depositories.

Dematerialisation of Shares

As on 31st March, 2011, 76.98% of the total shares of the Company have been dematerialised as under :

Category	No. of Shares	Number of Shareholders	% of total Shareholding
NSDL	33,899,478	5,307	67.8375
CDSL	4,569,522	2,500	9.1442
Physical	11,502,604	120	23.0183

Outstanding GDRs, ADRs, Warrants or any other convertible instruments, conversion date and likely impact on equity

During the year under review, the Company has not issued any GDRs, ADRs, warrants or any other convertible instruments.

Address for Correspondence

Registered Office

35, Chittaranjan Avenue,
4th Floor, Kolkata - 700 012
Ph : 91 33 2211 9806/8807
Fax : 91 33 2211 7871
Email : info@impexferrotech.com

Corporate Office

SKP House
132A, S.P. Mukherjee Road,
Kolkata - 700 026
Ph : 91 33 4016 8000/8100
Fax : 91 33 4016 8189/8107
Email : info@impexferrotech.com

Plant Location

Kadavita Dendua Road,
P.O. Kalyaneshwari, P.S - Kulti
Dist - Burdwan,
West Bengal - 713 369
Ph : 0341 2522248/49
Fax : 0341 2522961

Compliance Officer

Pradip Kumar Agarwal
Company Secretary
Impex Ferro Tech Limited
SKP House
132A, S.P. Mukherjee Road,
Kolkata - 700 026
Ph : 91 33 4016 8000/8100
Fax : 91 33 4016 8189/8107
Email : pradip.agarwal@impexferrotech.com

Registrar and Share Transfer Agent

Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor
Kolkata - 700 001
Ph : 91 33 2248 2248/2243
5029/5809
Fax : 91 33 2248 4787
Email : mdpl@cal.vsnl.net.in

XII Status of Non-mandatory requirements

Remuneration Committee :

The Company has a Remuneration Committee as reported in Section V above.

Other items :

The rest of the non-mandatory requirements will be implemented by the Company as and when required and/or deemed necessary by the Board.

For and on behalf of the Board

Suresh Kumar Patni
Chairman cum Managing Director

Kolkata, 12th August, 2011

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Certificate of Compliance with the Corporate Governance requirements under Clause 49 of the Listing Agreement

To
The Members of
Impex Ferro Tech Limited

We have examined the compliance of conditions of Corporate Governance by Impex Ferro Tech Limited, for the year ended 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance of conditions of Corporate Governance as stipulated in the said clause. 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, and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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 **A J & ASSOCIATES**
Company Secretaries

Abhijeet Jain
Proprietor

C.P. No. 3426

Date : 12th August, 2011

Place : Kolkata