



MAYUR LEATHER PRODUCTS LTD.

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance helps to serve corporate purposes by providing a framework within which stakeholders can pursue the objectives of the organization most effectively. Corporate Governance signifies acceptance by management of the inalienable rights of shareholders as true owners of the organization and of their own role as trustees on behalf of the shareholders. At Mayur Leather Products Limited our employees and shareholders satisfaction take the highest place, employees satisfaction is reflected in the stability of our senior management, low attrition across various levels and substantially higher productivity. Mayur Leather Products Ltd. is committed to the highest standards of Corporate Governance in all its activities and processes. It has always believed that an independent and diversified Board following best practices, transparent disclosures and empowerment of shareholders are as necessary as solid financial results for creating and sustaining shareholder's value. The Company fully recognizes the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company strives for the fullest possible disclosure standards. It provides detailed information on various issues concerning the Company's business and financial performance to its shareholders. The Board of the Company acts with autonomy and independence in exercising strategic supervision, discharging its fiduciary responsibilities and in ensuring that the management observes high standards of ethics, transparency and disclosure.

Corporate Governance is a Journey for constantly improving sustainable value creation and is an upward moving target. The Company has always ensured that all the provisions of Corporate Governance as stipulated under Clause 49 of the Listing Agreements with all the Stock Exchanges where the Company is listed are complied with the utmost perfection, with the exception of its board composition. It is not that the Company is overlooking this important requirement of the Listing Agreement, infact the Company is always on the look out for qualified and experienced personnel who could come and join the Board of the Company to make the Company grow even stronger with all their wisdom and the experience which shall also help the Company in fulfilling the stipulations of the clause. The Company is confident of making the necessary additions to its board shortly.

BOARD OF DIRECTORS

Board Procedure

The members of the Board are provided with the requisite information mentioned in the Listing Agreements well before the Board meetings.

The Board considers all the matters, which are statutorily required to be considered by it in addition, following issues are also discussed at the meetings of the Board:

- Annual operating and capital expenditure budgets and periodical review thereof.
- Investment /expansion /modernization /diversification plans of the Company.
- Overall strategy and business plans.
- Approval of quarterly / half-yearly / annual results (after review by Audit Committee).
- Compliance with statutory / regulatory requirements and review of major pending legal cases.
- Major accounting practices, provisions and write-offs.
- Transactions pertaining to acquisition /disposal of fixed assets /related party transactions.
- Review of working of various committees of the Board.



MAYUR LEATHER PRODUCTS LTD.

- Significant labour problems, if any.

All the Directors, who are members of the various committees, are within the limits prescribed in the Listing Agreements. The Directors have intimated, from time to time, about their directorship / membership of committees in other Companies.

Details of Shareholding of Directors as on 31st March, 2012 :

Sr. No.	Name of Director	Number of shares
1.	Rajendra Kumar Poddar	9,43,643
2.	Shri Keshav Deo Agarwal	1,07,500
3.	Shri Rajesh V. Gupta	4,28,300
4.	Smt. Amita Poddar	5,58,100

The Company has not issued any shares / debentures during the year.

Composition

The Board of Directors presently consists of four Directors. The composition and category of Directors is as follows:

Category	Name of Directors	DIN
Promoter/ Executive Director	Shri Rajendra Kumar Poddar	00143571
Non-Executive Directors	Shri Keshav Deo Agarwal	00172149
	Shri Rajesh V. Gupta	00814841
	Smt. Amita Poddar	00143486

Board Meetings

As per the statutory provisions the Board is required to meet at last once every quarter and minimum 4 times in a year with the time gap between two consecutive meetings not exceeding four months. As against this, during the period under review the Board held 5 (Five) meetings on 07.05.2011, 10.08.2011, 31.08.2011, 31.10.2011 and 13.02.2012 to consider amongst other business, the quarterly / annual performance of the Company and its financial results.

Attendance particulars of Board Meeting, Annual General Meeting and Committee Memberships

Name of Director	Attendance Particulars		No. of Directorship and Committee membership/ Chairmanship in other Public Cos.		
	Board Meetings	Last AGM	Total outside Directorship	Committee Membership	Committee Chairman
1. Shri R.K. Poddar	5/5	Present	1	Nil	Nil
2. Shri Rajesh V. Gupta	5/5	Absent	2	Nil	Nil
3. Smt Amita Poddar	5/5	Present	Nil	Nil	Nil
4. Shri K.D. Agarwal	5/5	Present	Nil	Nil	Nil



MAYUR LEATHER PRODUCTS LTD.

BOARD COMMITTEES

1. AUDIT COMMITTEE

The Audit Committee has been constituted as per the Section 292A of the Companies Act, 1956 and the guidelines of the Listing Agreement with the stock Exchanges. The Terms of reference of Audit Committee include, to:

- ↓ Effectively supervise the financial reporting process.
- ↓ Review the quarterly and annual financial results before placing them before the Board.
- ↓ Hold discussions with Statutory Auditors on the nature and scope of audits.
- ↓ Ensure compliance with accounting standards and listing requirements concerning financial statements.
- ↓ Review the adequacy of internal controls in the Company including the plan.
- ↓ Recommend the appointment and removal of Statutory Auditors and their fees and approval for payment for any other services.
- ↓ Reviewing the Company's financial and risk management policies.
- ↓ Review the functioning of the Whistle Blower mechanism.
- ↓ Approving the internal Audit plan and reviewing the efficacy of the function.

Composition and Attendance

Name of the Member	Meetings Attended
Shri K.D. Agarwal (Chairman)	5
Shri Rajesh V. Gupta (Member)	5
Smt. Amita Poddar (Member)	5

The Statutory Auditors, Internal Auditors, Chief Financial Officer & Compliance officer are invited to attend and participate in the meetings of the Committee.

Meetings of the Audit Committee

During the period under review the Committee met 5 (Five) times on 07.05.2011, 10.08.2011, 31.08.2011, 31.10.2011 & 13.02.2012

2. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Shareholders' / Investors' Grievance Committee has been constituted as per the provisions set out in the Listing Agreement. The Terms of reference include, to:

- ↓ Approve transfers, transmissions, issue of duplicate certificates, transposition, change of names, etc. and to do all such acts, deeds, matters and things as connected therein.
- ↓ Review complaints of the shareholders and the action taken by the Company.
- ↓ Take note of the Quarterly Secretarial Audit Report and half yearly Compliance Certificate under Clause 47 of the Listing Agreement.

Composition and attendance

Name	Meetings Attended
Smt. Amita Poddar (Chairperson)	4/4
Shri R.K. Poddar (Member)	4/4
Shri K. D. Agarwal (Member)	4/4



MAYUR LEATHER PRODUCTS LTD.

The Company addresses all complaints, suggestions and grievances expeditiously and replies have been sent / issues resolved usually within 15 days.

During the year the Company received a total of nil complaints from the shareholders. There were no pending complaint or share transfer cases as on 31st March 2012, as per the certificate given by RTA.

Shri Nitesh Kumar Kumawat acts as the Compliance Officer of the Committee.

Meetings of the Shareholders / Investor Grievance Committee

During the period under review the Committee met 4 (four) times on 07.05.2011, 10.08.2011, 31.10.2011 & 13.02.2012.

3. REMUNERATION COMMITTEE

The Remuneration Committee has been constituted as per the provisions set out in the Listing Agreement. The terms of reference include the following:

- ↓ To review, assess and recommend to the Board the remuneration for appointment / re-appointment of executive and non-executive Directors and compensation payable.
- ↓ To consider and recommend human resource policies relating to compensation and performance management.

Composition and Attendance

Name	Meetings Attended
Shri Rajesh V. Gupta (Chairman)	1/1
Shri K. D. Agarwal (Member)	1/1
Smt. Amita Poddar (Member)	1/1

Meeting of Remuneration Committee

During the period only one meeting was conducted by the Committee on 10.08.2011

Remuneration of Directors

The non-executive Directors do not draw any remuneration including the sitting fee. The details of the remuneration of the Director (Executive) for the financial year 2011-2012 are as under:

Name	Salary	Contribution To PF	Leave Encashment	Bonus	LTA	Total
Shri R.K. Podar	6,87,290	82,475	75,967	3,77,458		12,23,190

Shareholding of Non-Executive Directors as on 31st March, 2012

Name	No. of Shares	%age
1. Shri Rajesh V. Gupta	428300	8.86
2. Shri K. D. Agarwal	107500	2.22
3. Smt. Amita Poddar	558100	11.54



MAYUR LEATHER PRODUCTS LTD.

COMPLIANCES REGARDING INSIDER TRADING

Comprehensive guidelines in accordance with the SEBI regulations are in place. The code of Conduct and corporate disclosure practices framed by the company have helped in ensuring compliance with the requirements.

GENERAL BODY MEETINGS

Details of last 3 Annual General Meetings were as under:

Year	Date	Day	Time	Venue	Special Resolution Passed
2009	12.08.2009	Wednesday	11.00 A.M	G-60-62 & 67 -69, Jaitpura Industrial Estate, Jaitpura, Jaipur - 303704.	Re-appointment of Shri R. K. Poddar, Managing Director of the Company for a period of 5 years w.e.f 12 th September, 2009.
2010	17.07.2010	Saturday	11.00 A.M	G-60-62 & 67 -69, Jaitpura Industrial Estate, Jaitpura, Jaipur - 303704.	None
2011	28.09.2011	Wednesday	03:30 P.M.	G-60-62 & 67 -69, Jaitpura Industrial Estate, Jaitpura, Jaipur - 303704.	None

EXTRA-ORDINARY GENERAL MEETING

No Extra-Ordinary General Meeting was held during the year.

CODE OF CONDUCT

All Directors and Senior Management Personnel of the Company have affirmed compliance with the provisions of the code of conduct for the financial year ended on March 31st, 2012.

UNCLAIMED DIVIDEND

Shareholders who have not encashed their dividend warrants are requested to claim such dividend. The dividend, if unclaimed /unpaid for 7 years will be transferred by the Company to Investors Education and Protection Fund (IEPF). It may be noted that once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof. Dividends remain unpaid / Unclaimed for the year ended 31st March, 2005 will be transferred to IEPF in the current financial year.

CEO & CFO CERTIFICATE

Certificate from CEO & CFO for the financial year ended on March 31, 2012 has been annexed to the Annual Report.



MAYUR LEATHER PRODUCTS LTD.

DISCLOSURES

- ↓ **Related Party Transactions:** The Company has entered into transaction with its subsidiary company but this is not of material nature and not have potential conflict with the interest of company beside this the company has not entered into any transactions of material nature with the promoters, directors or the management or relatives, etc. that may have potential conflict with the interest of the Company at large.
- ↓ **Disclosure of Compliances by the Company:** During the last three years, no penalties or strictures have been imposed on the Company by the stock exchanges or SEBI or any other statutory authorities on matters related to capital market.
- ↓ **Remuneration Committee:** The Company has constituted Remuneration Committee.
- ↓ **Shareholders' Rights:** The quarterly Financial Results are published in the newspapers as mentioned under the heading "Means of Communication".
- ↓ **Audit Qualifications:** There are no qualifications in the Company's Financial Statements for the year under reference.
- ↓ **Whistle Blower Policy:** The Company has established necessary mechanism in line with requirement given under Clause 49 of Listing Agreement for employees to report concerns about unethical behavior. No personnel has been denied access to the audit committee.

MEANS OF COMMUNICATION

- a. The Company regularly furnishes /intimates un-audited as well as audited financial results to the stock exchanges immediately after these are taken on record by the Board. The quarterly and half-yearly un-audited financial results and the annual a u d i t e d financial results are also published by the Company in one English leading national newspaper i.e. Financial Express and one Hindi newspaper of repute circulated widely in the regional language of the state i.e. Samachar Jagat. As such the half-yearly and quarterly results are not sent to shareholders individually. As the Company publishes the audited annual results within a stipulated period of 60 days from the close of the financial year, the un-audited results for the last quarter are not published in the newspapers. All price sensitive information is made available at the earliest through newspapers and intimated to the stock exchanges for public dissemination.
- b. Management Discussion and Analysis Report forms part of the Report of Directors.

Compliance of mandatory and non mandatory requirements under clause 49

Mandatory:-

The company has complied with all the mandatory requirements of clause 49 of the listing agreement.

Non Mandatory:-

The company has also complied with the non mandatory requirements as under:-



MAYUR LEATHER PRODUCTS LTD.

1. Remuneration Committee

The company has a remuneration committee known as the remuneration committee. A detailed note on this is provided elsewhere in the annual report.

2. Whistle blower policy

The company has adopted whistle blower policy. This policy is to enable its employees to report to the management their concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or any other policy. This mechanism provides safeguards against victimization of employees, who avail of the mechanism. This policy has been appropriately communicated to the employees within the organization.

3. Audit qualifications

There are no qualifications in the financial statements of the company for the year 2011-12.

GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting
 - Day, date & time : Saturday, 28th July, 2012 at 03:30 P.M
 - Venue : G-60-62 & 67 -69, Jaitpura Industrial Estate, Jaitpura – 303704 Jaipur
2. Financial Calendar (Tentative)
 - Result for the qtr ending June 30, 2012 : Within 45 days from end of quarter.
 - Result for the qtr ending Sept 30, 2012 : Within 45 days from end of quarter.
 - Result for the qtr ending Dec 31, 2012 : Within 45 days from end of quarter.
 - Result for the qtr ending Mar 31, 2013 : Within 60 days from end of quarter of the financial year (Audited)..
4. Dividend Payment date : On or after 31st July, 2012
5. Listing of Equity Shares in Stock Exchanges : Bombay Stock Exchange Limited (BSE).
The Company has duly paid the listing fee for the year 2012-2013 to Bombay Stock Exchange Limited.
6. Demat ISIN exchange number in NSDL & CDSL for Equity Shares : INE799E01011
7. Stock Code (BSE) : 531680
8. Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs : L19129RJ1987PLC003889
9. Market Price Data (BSE):

Month	BSE (Mayur Leather Products Ltd)		
	High	Low	Number of Shares traded
April 2011	34.65	28.70	58429
May 2011	33.45	25.10	84610
June 2011	36.90	24.65	66507
July 2011	40.70	23.45	105351

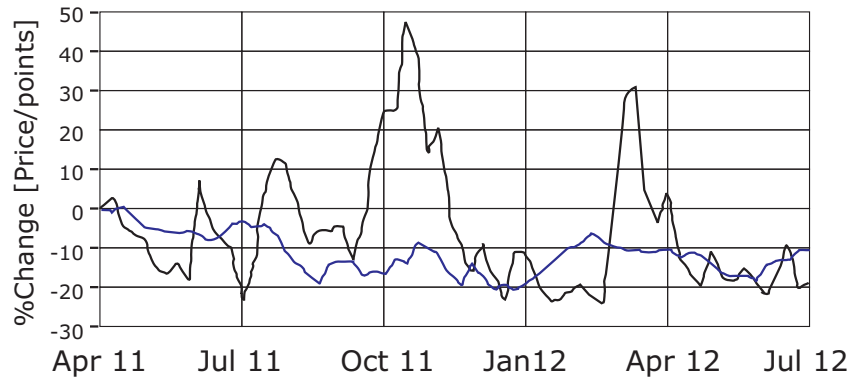


MAYUR LEATHER PRODUCTS LTD.

August 2011	38.50	27.35	19775
September 2011	38.40	26.70	268327
October 2011	51.20	35.00	765373
November 2011	47.50	28.00	64994
December 2011	31.55	23.25	27516
January 2012	31.70	24.75	45835
February 2012	30.00	24.15	47858
March 2012	50.60	27.80	192008

10. Performance of Company's shares in comparison to BSE Sensex

Index Comparison MAYUR SENSEX



- 11. Registrars and Transfer Agents: Link Intime India Pvt Ltd.**
(Formerly M/s Intime Spectrum Registry Limited)
A-40, 2nd Floor, Naraina Industrial Area, Phase-II, Near
Batra Banquet Hall, New Delhi 110 028
Ph: 91-11-41410592-94/ Fax: 91-11-41410591
e-mail: delhi@linkintime.co.in

12. **ShareTransfer System:**

The Company has appointed Link Intime India Pvt. Limited (Formerly M/s. Intime Spectrum Registry Ltd.) as the Registrars and Transfer Agents (RTA) in addition to the electronic connectivity already being availed through them. As on date all the work related to the shares both held in physical and electronic form is handled by the RTA. All correspondences are to be directed to the RTA at their address mentioned at point no. 11 supra. The correspondences may also be sent at the Company's address, which will be sent by the Company to the RTA.

13. **Reconciliation of Share Capital Audit**

Secretarial Audit for reconciliation of shares held with Depository Participants and in Physical form is being carried out in every quarter by a practicing Company Secretary and his audit report is placed before the Board for its perusal and filed regularly with the Stock Exchange within the stipulated time.



MAYUR LEATHER PRODUCTS LTD.

14. Distribution of Shareholding as on 31st March, 2012

Promoters & Promoters Group Holding	No. of Shares	%
- Indian Promoters	19,30,043	39.92
- Persons acting in concert	16,84,900	34.85
Non Promoters Holding		
- Mutual Funds	89,538	1.85
- Private Bodies Corporate	1,31,198	2.71
- NRI	12,972	0.27
- Indian Public	9,86,149	20.40

15. Distribution Schedule:

Shares holding (No. of shares)	Shareholders		Share holding	
	Number	% to Total	No. of Shares	% to Total
Upto 500	807	68.9155	152030	3.1445
501 - 1,000	167	14.2613	135152	2.7954
1,001- 2,000	78	6.6610	120856	2.4997
2,001- 3,000	25	2.1349	64673	1.3377
3,001- 4,000	17	1.4518	60397	1.2492
4,001- 5,000	15	1.2810	70180	1.4516
5,001- 10,000	19	1.6225	118545	2.4519
10,001 & Above	43	3.6721	4112967	85.0701
Total	1171	100.000	4834800	100.000

16 **Dematerialization / Liquidity of Shares :** Being listed on BSE, Shares of the Company are being regularly traded. 82.03% of the Company's paid-up equity share capital has been dematerialised upto 31st March 2012

17 **Outstanding GDRs/Warrants and Convertible Instruments :**
The Company has not issued GDRs / Warrants or any other instruments which is convertible into Equity Shares of the Company.

18 **Plant Location:** G-60-62 & 67-69, Jaitpura Industrial Estate, Jaitpura 303 704, Jaipur (Rajasthan).

19 **Address for Correspondence**
Investor correspondence : **Link Intime India Pvt Limited**
A-40, 2nd Floor, Naraina Industrial Area, Phase-II, Near Batra Banquet Hall, New Delhi 110 028
Ph: 011-41410592-94
Fax- 011-41410591
e-mail delhi@linkintime.co.in

Exclusive e-mail Id for redressal of investors complaints in terms

Email ID : mlp@mayurleather.com



MAYUR LEATHER PRODUCTS LTD.

of Clause 47(f) of the Listing Agreement,
please use the following contents for redressal
of Investors Complaints:-

Compliance Officer :

Mr. Nitesh Kumar Kumawat
B-5, Vrindavan Apartments, Vrindavan
Vihar, King's Road, Jaipur-302019
(Rajasthan).

Ph: 91-9929988803

Fax: 91-141-2810385

e-mail: nitesh@mayurleather.com

For and on behalf of the Board of Directors

DATE: 30.05.2012

PLACE: JAIPUR

**Sd/-
Amita Poddar
Director**

**Sd/-
R. K. Poddar
Director**