

Corporate Governance 2010-11

Corporate Governance Philosophy

Your Company maintains an unwavering focus on conducting its business in accordance with the highest ethical standards and sound corporate governance practices. The adoption of such corporate practices — founded on principles of transparency, strong Board oversight and high levels of integrity — ensures accountability of the persons in charge of the Company and brings benefits to investors, customers, creditors, employees and the society at large. The Company will continue to stand by these standards. And as it grows, RSWM will diligently look to adopt new and best-in-class systems and procedures for enhancing corporate governance standards within the Company.

In India, Corporate Governance Standards for listed companies are regulated by the Securities and Exchange Board of India (SEBI) through Clause 49 of the Listing Agreement of the Stock Exchanges. The stipulations mandated by Clause 49 became applicable to your Company in March, 2001 and have been fully complied with since then. As a Company, which believes in implementing Corporate Governance practices that go

beyond meeting the letter of law, RSWM has adopted practices mandated in Clause 49 and has established procedures and systems to be fully compliant with it.

This chapter, along with the chapters on Management Discussion and Analysis and Additional Shareholders Information, reports RSWM's compliance with the Clause 49.

Board of Directors Composition

As on 31st March, 2011, RSWM's Board comprises Ten Directors. Eight Directors, including the Chairman-Emeritus and Chairman, are Non-Executive. Of these, Five Directors, including One Director nominated by Export Import Bank of India (Lender) are independent.

Number of Board Meetings

During 2010-11, the Board of RSWM met four times on — 29th April, 2010, 26th July, 2010, 26th October, 2010 and 3rd February, 2011. The maximum time gap between any two consecutive meetings was less than four months.

Directors' Attendance Record and Directorship Held

Sl. No.	Name of Director	Position	Category	No. of meetings held in 2010-11 during tenure	No. of meetings attended	No. of outside Directorships of public companies*	No. of Outside Board-level Committees where chairperson or member #	
							Member	Chairperson
1.	Shri L. N. Jhunjhunwala	Chairman - Emeritus	Promoter - Non-Executive	4	0	6	2	1
2.	Shri Ravi Jhunjhunwala	Chairman	Promoter - Non-Executive	4	4	9	4	2
3.	Shri Shekhar Agarwal	Vice Chairman	Promoter - Non-Executive	4	4	5	3	-
4.	Shri Arun Churiwal	Managing Director	Promoter - Executive	4	4	4	1	-
5.	Shri J. C. Laddha	Executive Director	Non-Promoter - Executive	4	4	-	-	-
6.	Dr. Kamal Gupta	Director	Independent	4	4	6	7	3
7.	Shri D. N. Davar	Director	Independent	4	4	14	8	5
8.	Shri Sushil Jhunjhunwala	Director	Independent	4	2	3	1	-
9.	Shri A. N. Choudhary	Director	Independent	4	4	2	1	-
10.	Shri John Mathew ¹	Nominee Director – Exim Bank	Independent	2	1			
11	Shri Prabhakar Dalal ¹	Nominee Director – Exim Bank	Independent	2	2	1	1	-

Notes: * Excludes Directorships in Private limited companies, foreign companies, memberships of management committees of various chambers, bodies and Section 25 companies

Includes Audit and Shareholders'/Investors' Grievance Committees only.

¹ Shri Prabhakar Dalal was co-opted on the Board as Nominee Director of Export Import Bank of India in place of Shri John Mathew w.e.f 30th July, 2010

The last Annual General Meeting held on 16th September, 2010 was attended by Dr. Kamal Gupta, Chairman of the Audit Committee and Shri Arun Churiwal, Managing Director and Shri J. C. Laddha, Executive Director of the Company.

None of the Directors is a member of more than 10 Board-level Committees, or Chairman of more than five such Committees.

As mandated in the Clause 49, the Independent Directors on RSWM's Board:

- Apart from receiving Director's remuneration, do not have any material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Holding Company, its Subsidiaries and Associates which may affect independence of the Director
- Are not related to Promoters or persons occupying management positions at the Board level or at one level below the Board
- Have not been an executive of the Company in the immediately preceding three financial years.
- Are not partners or executives or were not partners or executives during the preceding three years of the:
 - o Statutory audit firm or the internal audit firm that is associated with the Company
 - o Legal firm(s) and consulting firm(s) that have a material association with the Company
- Are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect independence of the Director
- Are not substantial shareholders of the Company, i.e. do not own 2% or more of the block of voting shares

Information Supplied to the Board

The Board has complete access to all information with the Company. The following information is regularly provided to the Board:

- Annual operating plans & budgets and any update thereof
- Capital budgets and any updates thereof
- Quarterly results for the Company and operating divisions and business segments
- Minutes of the meetings of the Audit Committee and other Committees of the Board

Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Executive Officer, Chief Financial Officer and Company Secretary

- Materially important show cause, demand, prosecution notices and penalty notices
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company
- Details of any joint venture or collaboration agreement
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property
- Significant labour problems and their proposed solutions. Any significant development in human resources/industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme, etc.
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business
- Quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement, if material
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, etc
- Details of investment of surplus funds available with the Company

The Board is presented with detailed notes on these matters, as part of the agenda papers of the meeting or directly tabled at the Board meetings, as and when required. The Company has established procedures to enable its Board to periodically review compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify

instances of non-compliances.

Directors with Materially Significant Pecuniary Relationship or Business Transaction with the Company

All Executive Directors receive salaries, allowances, perquisites

and commission, while all Non-Executive Directors receive sitting fees. There have been no materially significant pecuniary relationships or transactions between the Company and its Directors in the financial year under review.

Remuneration of Directors

Table 2: Remuneration Paid or Payable to Directors for 2010-11

					(₹)
Name of Director	Category	Sitting fees	Salaries, allowances and perquisites #	Commission	Total
Shri L. N. Jhunjhunwala	Promoter, Non-Executive	-	-	-	-
Shri Ravi Jhunjhunwala	Promoter, Non-Executive	80,000	-	-	80,000
Shri Shekhar Agarwal	Promoter, Non-Executive	2,60,000	-	-	2,60,000
Shri Arun Churiwal	Promoter, Executive	-	53,81,038	1,77,29,000	2,31,10,038
Shri J. C. Laddha	Non-Promoter, Executive	-	64,12,149	1,32,97,000	1,97,09,149
Dr. Kamal Gupta	Independent	3,40,000	-	-	3,40,000
Shri D. N. Davar	Independent	2,40,000	-	-	2,40,000
Shri Sushil Jhunjhunwala	Independent	40,000	-	-	40,000
Shri A. N. Choudhary	Independent	1,60,000	-	-	1,60,000
Shri John Mathew*	Independent	20,000	-	-	20,000
Shri Prabhakar Dalal*	Independent	40,000	-	-	40,000

Includes retirement benefits

* Shri Prabhakar Dalal was co-opted on the Board as Nominee Director of Export Import Bank of India in place of Shri John Mathew w.e.f 30th July, 2010.

None of the Directors hold stock options.

Table 3: Equity Shares and Convertible Instruments held by Non-Executive Directors as on 31st March, 2011

Name of Director	Category	Number of Equity shares held	Convertible Warrants
Shri L. N. Jhunjhunwala	Promoter, Non-Executive	1,37,112	Nil
Shri Ravi Jhunjhunwala	Promoter, Non-Executive	7,94,094	Nil
Shri Shekhar Agarwal	Promoter, Non-Executive	Nil	Nil
Shri Arun Churiwal	Promoter, Executive	1610	Nil
Shri J. C. Laddha	Non-Promoter, Executive	Nil	Nil
Dr. Kamal Gupta	Independent	Nil	Nil
Shri D. N. Davar	Independent	Nil	Nil
Shri Prabhakar Dalal	Independent	Nil	Nil
Shri Sushil Jhunjhunwala	Independent	Nil	Nil
Shri A. N. Choudhary	Independent	Nil	Nil

Remuneration Policy

The Non-Executive Directors are paid sitting fee for attending the Board Meetings as well as other committee meetings. The remuneration of the Managing Director and other Whole-Time Directors is subject to approval of the Board and shareholders,

and is in accordance with Schedule XIII of the Companies Act, 1956.

Code of Conduct

RSWM's Board has laid down a code of conduct for all Board members and Senior Management of the Company. The Code

of Conduct is displayed on the website of the Company www.rswm.in. Board Members and designated Senior Management Officials have affirmed compliance with the Code of Conduct for the current year. It is further affirmed that access to the Audit Committee of the Company has not been denied to any personnel.

Risk Management

RSWM has a well-defined risk management framework in place. Under this framework, the Management identifies and monitors business risks on a continuous basis, and initiates appropriate risk mitigation steps as and when deemed necessary. RSWM has established procedures to periodically place before the Board the risk assessment and minimisation procedures being followed by the Company and steps taken by

it to mitigate those risks through a properly defined framework.

Board-Level Committees

Audit Committee

As on 31st March, 2011, RSWM's Audit Committee comprised four members — three of whom, including the Chairman of the Committee, are independent while the fourth is a Non-Executive Promoter Director. The terms of reference of the Audit Committee are in conformity with those mentioned in Clause 49 of the Listing Agreement of the Stock Exchanges as well as Section 292A of the Companies Act, 1956. In 2010-11, the Audit Committee met four times on - 29th April, 2010; 26th July, 2010; 26th October, 2010 and 3rd February, 2011.

Table 4: Details of the Audit Committee

Name of the Member	Position	No. of Meetings held during tenure	No. of Meetings Attended	Sitting fees (Rupees)
Dr. Kamal Gupta (Chairman)	Independent	4	4	80,000
Shri L. N. Jhunjhunwala	Promoter, Non-Executive	4	-	-
Shri D. N. Davar	Independent	4	4	80,000
Shri A. N. Choudhary	Independent	4	4	80,000

Shri Surender Gupta, Company Secretary of the Company, is the Secretary to the Committee. Invitees to the Audit Committee include the Chief Executive Officer, Chief Financial Officer, the Head of Internal Audit and the representatives of the Statutory Auditors, Internal Auditors and Cost Auditors.

Dr. Kamal Gupta, Chairman of the Audit Committee, possesses high degree of accounting and financial management expertise and all members of the Committee have sound accounting and financial knowledge. The Chairman of the Audit Committee attended the Annual General Meeting held on 16th September, 2010 to answer shareholder queries.

The functions of the Audit Committee include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors
- Reviewing, with the Management, the annual financial

statements before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of section 217 of the Companies Act, 1956
- Changes, if any, in accounting policies and practices and reasons for the same
- Major accounting entries involving estimates based on the exercise of judgement by Management
- Significant adjustments made in the financial statements arising out of audit findings
- Compliance with listing and other legal requirements relating to financial statements
- Disclosure of any related party transactions
- Qualifications in the draft audit report
- Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval
- Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue,

rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

- Reviewing, with the Management, performance of Statutory and Internal auditors, adequacy of the Internal Control Systems
- Reviewing the adequacy of internal audit function, if any, including the structure of the Internal Audit Department, staffing and seniority of the official heading the Department, reporting structure coverage and frequency of internal audit
- Discussion with Internal Auditors any significant findings and follow up there on
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

RSWM has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management

- Management letters / letters of internal control weaknesses issued by the Statutory Auditors
- Internal audit reports relating to internal control weaknesses
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee
- Whenever applicable, the uses/applications of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital, etc), as part of the quarterly declaration of financial results
- If applicable, on an annual basis, statement certified by the Statutory Auditors, detailing the use of funds raised through public issues, rights issues, preferential issues for purposes other than those stated in the offer document/prospectus/notice

With regard to information on related party transactions, whenever applicable, the Audit Committee is presented with the following information:

- A statement in summary form of transactions with related parties in the ordinary course of business
- Details of material individual transactions with related parties which are not in the normal course of business
- Details of material individual transactions with related parties or others, which are not on an arm's length basis along with Management's justification for the same.

Pursuant to its terms of reference, the Audit Committee is empowered to:

- Investigate any activity within its terms of reference and to seek any information it requires from any employee
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary

Remuneration Committee

As on 31st March, 2011, the Company's Remuneration Committee comprised three Non-Executive Directors — Dr. Kamal Gupta (Chairman), Shri D.N. Davar and Shri Shekhar Agarwal. The Remuneration Committee of the Company recommends to the Board the compensation terms of Executive Directors. The minutes of the Remuneration Committee meetings are noted by the Board. There was no Remuneration

Committee meeting held in 2010-11.

Shareholders'/Investors' Grievances Committee

As on 31st March, 2011, the Company's Shareholders'/Investors' Grievances Committee comprised of four Directors — Dr. Kamal Gupta (Chairman), Shri Shekhar Agarwal, Shri Arun

Churiwal and Shri D.N. Davar.

The Company Secretary, Shri Surender Gupta is the Compliance Officer. During 2010-11, the Committee met four times on 29th April, 2010, 26th July, 2010, 26th October, 2010 and 3rd February, 2011.

Table 5: Details of Shareholders'/Investors' Grievance Committee

Name of the Member	Position	No. of Meetings held during tenure	No. of Meetings Attended	Sitting fees (Rupees)
Dr. Kamal Gupta	Independent	4	4	80,000
Shri Shekhar Agarwal	Promoter, Non-Executive	4	4	80,000
Shri Arun Churiwal	Promoter, Non-Executive	4	4	-
Shri D.N. Davar	Independent	4	4	80,000

The Committee received 13 complaints during the financial year under review, all of which were replied / resolved to the satisfaction of the shareholders.

Table 6: Details of Shareholders'/Investors' Queries and Grievances received and attended by the Company

S. no.	Nature of Query/Complaint	Pending as on 1st April, 2010	Received during the year	Addressed during the year	Pending as on 31st March, 2011
1.	Transfer / Transmission / Duplicate	0	3	3	0
2.	Non-receipt of Dividend	0	9	9	0
3.	Dematerialisation /Rematerialisation of shares	0	0	0	0
4.	Complaints received from:				
	- Securities and Exchange Board of India	0	0	0	0
	- Stock Exchanges	0	1	1	0
	- Registrar of Companies/ Department of Company Affairs	0	0	0	0
	Total	0	13	13	0

The Company also has a Share Transfer Committee to deal with the requests of transfer/transmission of Equity Shares, issue of duplicate share certificates and consolidation/split/replacement of share certificates, etc. To expeditiously approve transfer of shares, Shri Shekhar Agarwal, Vice Chairman and Shri P. S. Puri, President (Corporate Finance) also attend and approve the share transfer requests on fortnightly basis under the delegated authorisation of the Board of Directors.

Management

Management Discussion and Analysis

This Annual Report has a detailed chapter on Management Discussion and Analysis.

Disclosures by Management to the Board

All details on the financial and commercial transactions where

Directors may have a potential interest are provided to the Board. The interested Directors neither participate in the discussion nor vote on such matters.

Details of Related Party Transactions

As required by the Accounting Standard AS-18, the details of related party transactions are given in Schedule 16 to the Annual Accounts.

Initiatives on Prevention of Insider Trading Practices

In compliance with the SEBI regulation on prevention of insider trading, the Company has instituted a comprehensive code of conduct for its management staff and relevant business associates. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of RSWM, and cautions them on consequences of violations.

Disclosure of Accounting Treatment in Preparation of Financial Statements

The Company has followed the guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its Financial Statements.

Details of Non-Compliance by the Company in Last Three Years

RSWM has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

CEO/ CFO Certification

The CEO and CFO certification of the Financial Statements for the year form part of this Annual Report.

Shareholders

Appointment or Re-Appointments of Directors

Eight of the Directors of your Company retire by rotation. Of these Directors, at least one-third retires every year and if

eligible, present themselves for re-appointment. This year, Shri Arun Churiwal, Shri Sushil Jhunjhunwala and Shri A.N. Choudhary are retiring by rotation and being eligible, offer themselves for re-appointment in the Annual General meeting. Their brief resumes are given below:

Shri Arun Churiwal (61)

Shri Arun Churiwal is an Executive Promoter Director of the Company. Shri Churiwal graduated from Calcutta University. He is an industrialist with rich experience in textiles.

Shri Sushil Jhunjhunwala (61)

Shri Sushil Jhunjhunwala is an Independent Director of the Company. Shri Jhunjhunwala is a Graduate in Commerce. Shri Jhunjhunwala is an industrialist with rich and diversified business experience.

Shri A.N. Choudhary (67)

Shri Amar Nath Choudhary is an Independent Director of the Company. Shri Choudhary is a Graduate in Commerce and LLB, FCA, FCS. Shri Choudhary has rich experience of Textile Industry.

Table 8: Details of Directorship Held in Other Companies

Director's name	Name of the Company in which Directorship held*	Committee Chairmanship	Committee Membership
Shri Arun Churiwal	BSL Limited		Shareholders'/Investors Grievance Committee
	LNJ Financial Services Limited		
	Silktex Limited		
	La Opala RG Limited		
Shri Sushil Jhunjhunwala	La Opala RG Limited		
	BSL Limited		Audit Committee
	Genesis Exports Limited		
Shri A.N. Choudhary	Vitarich Agro Food (India) Limited		
	BSL Limited		Audit Committee

*Excludes directorships held in private limited companies, foreign companies, memberships of management committee of various chambers/bodies/section 25 companies.

Means of Communication

The results of the Company are published in at least one prominent national and one regional newspaper. The financial results are also displayed on the Company's website www.rswm.in.

General Body Meetings

Table 9: The details of the Last Three Annual General Meetings

Year	Date	Time	Location	Special resolution(s) passed
2007-08	26th September, 2008	1:30 P.M.	Kharigram, P. O. Gulabpura District Bhilwara, Rajasthan	5
2008-09	25th September, 2009	1:30 P.M.	Kharigram, P. O. Gulabpura District Bhilwara, Rajasthan	-
2009-10	16th September, 2010	11:30 A.M.	Kharigram, P. O. Gulabpura District Bhilwara, Rajasthan	1

The following Special Resolutions were taken up in the last three AGMs, and were passed with requisite majority.

2007-2008:

- Re-appointment of M/s S. Bhargava Associates and M/s A. L. Chechani & Co. as Statutory Auditors
- Approval for the payment of remuneration to Shri Shekhar Agarwal, Vice Chairman and Managing Director of the Company.
- Approval for the payment of remuneration to Shri Riju Jhunjhunwala, Joint Managing Director of the Company.
- Approval for the reappointment of Shri Riju Jhunjhunwala as Joint Managing Director of the Company.
- Approval for the reimbursement of the medical expenses of Shri L.N. Jhunjhunwala, Chairman – Emeritus of the Company

2008-2009:

- No Special Resolution was taken up in the AGM.

2009-2010:

- Approval for the reappointment of Shri J.C. Laddha, as Executive Director of the Company.

Compliance with Clause 49

Mandatory Requirements

The Company is fully compliant with the applicable mandatory requirements of the revised Clause 49.

Adoption of Non-Mandatory Requirements

Although it is not mandatory, the Board of RSWM has constituted a Remuneration Committee. Details of the Remuneration Committee have been provided under the Section 'Remuneration Committee'. Also, the Company's Financial Statements are free from any qualifications by the Auditors.

Additional Shareholder Information

Annual General Meeting

Date : 23rd September, 2011
 Day : Friday
 Time : 11.30 A.M.
 Venue : Kharigram, P. O. Gulabpura, Bhilwara District, Rajasthan- 311021,

Financial Results

Financial year: 1st April to 31st March

For the year ended 31st March, 2011, results were announced on:

- 26th July, 2010 : First quarter
- 26th October, 2010 : Second quarter and Half year
- 3rd February, 2011 : Third quarter and 9 months
- 28th April, 2011 : Fourth quarter and Annual.

For the year ending 31st March, 2012, quarterly results will be announced within 45 days from the end of each quarter except fourth quarter when the audited annual results will be published within 60 days.

Book Closure

The dates of book closure are from 17th September, 2011 (Saturday) to 23rd September, 2011 (Friday) (both days inclusive)

Stock Data

Table 2: Share Prices of RSWM at BSE/NSE in 2010-11

Month	BSE			NSE		
	High	Low	Volume	High	Low	Volume
Mar-11	155.00	135.00	1,56,579	155.00	132.50	2,52,271
Feb-11	193.50	144.00	5,95,849	194.00	141.00	10,60,718
Jan-11	187.75	158.10	2,51,427	188.00	159.00	2,55,726
Dec-10	181.95	149.00	1,42,753	182.90	151.00	2,39,262
Nov-10	204.00	166.00	5,05,093	204.00	165.40	9,04,811
Oct-10	202.20	156.00	13,82,293	202.00	155.00	19,76,510
Sep-10	160.95	143.00	8,04,589	161.20	142.10	11,02,541
Aug-10	163.45	128.60	14,21,380	164.00	128.35	19,45,954
Jul-10	142.00	112.00	11,81,908	142.30	108.20	15,95,860
Jun-10	120.00	102.50	2,64,387	124.00	103.00	2,42,033
May-10	126.30	104.60	5,24,357	125.60	104.05	3,87,724
Apr-10	131.00	112.50	7,59,654	131.65	112.35	9,07,283

Dividend Dates

An interim dividend of ₹10/- per share on 2,31,48,689 equity shares of ₹10/- each was paid to the Shareholders on 21st February, 2011. Interim Preference Dividend of ₹2.47/- per share on 3,33,400 Redeemable Preference Shares of ₹150/- each for the period from the 1st April, 2010 to the 30th May, 2010 was paid to the Shareholder on 4th November, 2010. A dividend of ₹5/- per share on 2,31,48,689 equity shares of ₹10/- each has been recommended by the Board. Subject to approval of the shareholders at the AGM, this will be paid between 11th day and 14th day from the date of AGM.

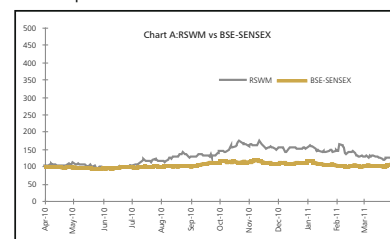
Listing and Stock Codes

The Company's Equity shares are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). Listing fee as prescribed has been paid to the BSE and NSE up to 31st March, 2012. The stock codes of the Company at BSE and NSE are given in Table 1:

Table 1: Stock Codes of the Company

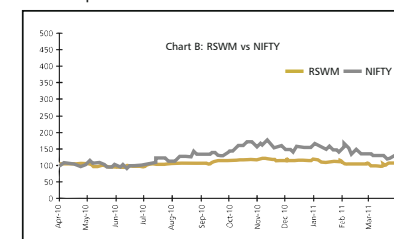
Stock exchanges	Stock codes
BSE	500350
NSE	RSWM

Chart A: Relative Share Price Movement of RSWM at BSE compared to BSE SENSEX in 2010-11



Note: Share prices and BSE SENSEX indexed to 100 as on the first working day of the financial year 2010-11 i.e 1st April, 2010

Chart B: Relative Share Price Movement of RSWM at NSE compared to NIFTY Index in 2010-11



Note: Share prices and Nifty indexed to 100 as on the first working day of the financial year 2010-11 i.e. 1st April, 2010

Shareholding Pattern

Table 3: Shareholding Pattern by Ownership as on 31st March, 2011

Categories	No. of shares	Percentage
Promoters, Directors, relatives and associates	1,19,09,804	51.45
Foreign institutional investors / mutual funds	100	0.00
Public financial institutions / State Financial Corporation	8,62,684	3.73
Mutual funds (Indian)	15,63,468	6.75
Nationalised and other banks	12,276	0.05
NRIs/ OCBs (Other than Promoters)	13,62,960	5.89
Public	74,37,397	32.13
Total	2,31,48,689	100.00

Table 4: Shareholding Pattern by Size-Class as on 31st March, 2011

Categories	No. of Shareholders	No. of shares held	Percentage
1-1000	12,085	18,72,308	8.09
1001-5000	559	12,45,279	5.38
5001-10000	71	5,20,897	2.25
10001 and above	121	1,95,10,205	84.28
Total	12,836	2,31,48,689	100.00

Dematerialisation of Shares

As on 31st March, 2011, 2,20,80,039 Equity Shares representing 95.38% of the total equity capital were held in dematerialised form. Trading in shares of the Company is permitted in dematerialised form only.

The ISIN number for RSWM's equity shares on NSDL and CDSL is INE611A01016.

Share Transfer System

Matters related to share transfer and transmission are attended by the delegated authorities on a fortnightly basis. Share transfers are registered and returned within 30 days from the date of receipt, if the documents are in order in all respects. 5,153 Equity shares were transferred during the year 2010-11.

Details of Public Funding Obtained in the Last Three Years

RSWM has not obtained any public funding in the last three years.

Outstanding Warrants and their Implications on Equity

The Company has no outstanding warrants/convertible instruments.

Plant Locations

- 1 Kharigram, P.O. Gulabpura – 311 021, Distt. Bhilwara, Rajasthan
- 2 Mayur Nagar, Lodha, P.O. Banswara – 327 001, Distt. Banswara, Rajasthan
- 3 LNJ Nagar, Mordi, P.O. Banswara – 327 001, Distt. Banswara, Rajasthan
- 4 Mandpam, Bhilwara – 311 001, Distt. Bhilwara, Rajasthan
- 5 Rishabhdev – 313 802, Distt. Udaipur, Rajasthan
- 6 Ringas – 332 404, Distt. Sikar, Rajasthan

Investor Correspondence

Investor correspondence should be addressed to:

Registrar & Share Transfer Agent:

MCS Limited
F-65, 1st Floor,
Okhla Industrial Area Phase I,
New Delhi - 110 020
Phone Nos. : 011-4140 6149-52
Fax No. : 011-4170 9881
E-mail : admin@mcsdel.com

Company Secretary

RSWM Limited
Bhilwara Towers
A-12, Sector 1, Noida
Uttar Pradesh - 201301
Phone Nos. : 0120-2541810, 4390000
Fax Nos. : 0120-2531648, 4390300
E-mail : rswm.investor@lnjbhilwara.com

Registered Office

Kharigram
P.O. Gulabpura
District Bhilwara
Rajasthan – 311 021, INDIA

Place : Noida
Dated : 28th April, 2011

Arun Churiwal
Managing Director