

A Asit C. Mehta Group Company

# Asit C. Mehta Financial Services Ltd

26th Annual Report  
2009-2010

## FINANCIAL HIGHLIGHTS

Rs.In Lakh

	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01
Net worth*	1,201	1,128	1,129	1,153	1,075	762	611	601	795	788
Borrowings	289	240	181	173	63	9	164	269	278	194
Net Fixed Assets	1,148	1,107	1,120	1042	869	488	534	616	624	633
Investments	605	605	306	331	306	311	311	310	312	312
Book value per Equity share - Rs	24.24	22.75	22.80	23.27	21.71	22.14	17.75	17.49	22.81	22.48
Gross Income	177	263	482	702	694	290	406	306	390	388
Operating and Other expenses	90	228	444	490	424	140	416	417	378	376
Profit Before Tax	87	35	38	212	270	150	(10)	(111)	12	12
Profit After Tax	101	35	31	210	252	150	13	(170)	12	11
Equity Dividend per share - Rs	0.50	0.75	1.00	2.50	2.00	-	-	-	-	-

\*excluding revaluation reserve

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

**BOARD OF DIRECTORS** : **ASIT C. MEHTA** – Chairman  
**DEENA A. MEHTA**  
**KIRIT H. VORA**  
**VIJAY G. LADHA** – (Chairman – Audit Committee)  
**DR. R. KRISHNAMURTHY**  
**D. SUNDERARAJAN**

**Registered Office** : ‘Nucleus House’, Saki-Vihar Road,  
Andheri (East), Mumbai – 400072

**Auditors** : M/s Manek & Associates  
Chartered Accountants

**Bankers** : Bank of India

**Share Transfer Agent** : Link Intime India Private Limited  
(formerly Intime Spectrum Registry P Ltd)  
C 13 Pannalal Mills Compound, LBS Marg,  
Bhandup W, Mumbai 400 078

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26<sup>th</sup> Annual General Meeting  
on Wednesday, 1st September, 2010 at 11.15 a.m. at the Registered Office at ‘Nucleus House’,  
Saki Vihar Road, Andheri (East), Mumbai - 400072

**ASIT C MEHTA FINANCIAL SERVICES LIMITED**

Registered Office: 'Nucleus House', Saki Vihar Road, Andheri (E), Mumbai 400 072

**Notice**

Notice is hereby given that the TWENTY SIXTH ANNUAL GENERAL MEETING of the Members of Asit C. Mehta Financial Services Limited will be held on Wednesday, 1st September, 2010 at the registered office of the Company at Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai – 400072 at 11.15 a.m. to transact the following business:-

**ORDINARY BUSINESS:**

1. To receive, consider, approve and adopt Audited Balance Sheet as at 31<sup>st</sup> March, 2010 and Profit and Loss Account for the year ended on that date and the Report of the Directors' and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mrs. Deena A. Mehta who retires by rotation and being eligible, offers herself for re-election.
4. To appoint a Director in place of Mr. Kirit H. Vora who retires by rotation and being eligible, offers himself for re-election.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**REGISTERED OFFICE**

Nucleus House,  
Saki- Vihar Road, Andheri (East),  
Mumbai – 400 072

Mumbai, May 27, 2010

**FOR AND ON BEHALF OF THE BOARD**

**ASIT C. MEHTA**  
CHAIRMAN

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing a proxy in order to be effective should be duly filled, stamped, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The details under clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd, in respect of a Director seeking re-election at the Annual General Meeting are given in the Corporate Governance Report.
3. The Register of Members and Share Transfer Books will remain closed from 24th August, 2010 to 1st September, 2010 (both days inclusive).
4. Section 109A of the Companies Act, 1956 provides for Nomination by the shareholders of the Company in prescribed Form 2B. Shareholders are requested to avail this facility.
5. Since the Company's shares are in compulsory demat trading, to ensure better service and elimination of risk of holding shares in physical form, we request shareholders holding shares in physical form to dematerialize their shares in demat form.
6. Any member(s) seeking further information on the Accounts / Operations of the Company are requested to send their queries in writing to the Company at its Registered Office (and marked to the attention of Company Secretary) at least one week in advance of the Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the meeting.
7. Members / proxies should bring their Attendance slip duly filled in for attending the meeting. Members are also requested to bring their copies of the Company's Annual Report.
8. Members are requested to notify immediately any change in their addresses to the Registered Office.

**REGISTERED OFFICE**

Nucleus House,  
Saki- Vihar Road, Andheri (East),  
Mumbai – 400 072

Mumbai, May 27, 2010

**FOR AND ON BEHALF OF THE BOARD**

**ASIT C. MEHTA**  
CHAIRMAN

**DIRECTORS' REPORT TO THE SHAREHOLDERS**

Your Directors present the 26<sup>th</sup> Annual Report together with the audited accounts of the Company for the year ended 31<sup>st</sup> March, 2010.

**1. FINANCIAL RESULTS:**

Rs in lacs

	STANDALONE		CONSOLIDATED	
	2009 10	2008 09	2009 10	2008 09
Income from Operations	89.09	132.46	582.28	822.57
Other Income	88.02	130.88	52.27	51.07
Total Income	177.11	263.34	634.55	873.64
Profit before depreciation, interest and tax	139.56	83.28	76.85	183.2
Less: Depreciation	20.91	24.02	73.91	57.22
Interest	31.69	23.97	57.68	28.49
Tax Expense / (Credit)	(14.70)	0.55	(21.04)	35.47
Profit / (Loss) After Tax	101.66	34.74	(33.71)	62.02
Profit / (loss) of share in Associate concern	NA	NA	15.93	(53.86)
Profit after tax and share in Associate concern	NA	NA	(17.78)	8.16
Add: Balance brought forward	13.80	15.81	304.15	332.74
Balance available for appropriation	115.46	50.55	286.37	340.9
Which the Directors have appropriated as:				
- Proposed Dividend	24.01	35.12	24.01	35.12
- Tax on Dividend	4.08	1.63	8.42	1.63
- Balance to be carried forward	87.38	13.80	253.94	304.15

**2. DIVIDEND**

The Board of Directors recommends a dividend of 5% on the Equity shares which would entail an outgo of Rs 28.09 lacs (including dividend tax).

**3. OPERATIONAL REVIEW**

On a Standalone basis, the earnings were mainly from rental income and the profit on partial sale of shares held by Trust whose sole beneficiary is the Company. The Company also earned marginal revenue from G-sec business. The gross earnings aggregated to Rs 177 lacs and profit after tax was at Rs 102 lacs.

The Company did not receive the approval from the Reserve Bank of India for its NBFC registration and as a consequence no activities relating to NBFC business was pursued.

On a consolidated basis, the gross revenues declined from Rs 874 lacs to Rs 634 lacs mainly due to drop in revenues from ITES business of Nucleus GIS And ITES Ltd (NGIL) – a wholly-owned subsidiary company. NGIL suffered a loss of Rs 101 lacs (after providing Rs 47 lacs for doubtful debt) as its revenues declined from 690 lacs in the previous year to Rs 553 lacs in the year under review. Immediate steps were taken to discontinue the loss making businesses and also the relevant management team was replaced in the last quarter of the year.

**4. OUTLOOK**

The Company would continue to earn steady rental and dividend income from the existing investments. The ITES business would be operated by NGIL. Barring unforeseen circumstance the outlook appears to be good.

**5. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors to the best of their knowledge and belief confirm that:

- in preparation of the annual accounts, the applicable accounting standards have been followed by the Company;
- appropriate accounting policies have been selected and applied consistently and such judgments and estimates have been made that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2010 and of the profit of the Company for the year ended on that date;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the annual accounts have been prepared on a 'going concern' basis.

## **6. FIXED DEPOSITS**

The Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under.

## **7. INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956**

### **a) Conservation of energy, Technology absorption and adoption:**

The operations of your Company involve low energy consumption. Energy conservation efforts are being pursued on a continuous basis. Close monitoring of power consumption is maintained to minimize wastage and facilitate optimum utilization of energy. The Company has not imported any technology nor incurred any expenditure on research and development of technology.

### **b) Particulars of employees':**

The Company had no employee covered in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

### **c) Foreign exchange earnings and outgo: Nil**

## **8. MANAGEMENT DISCUSSION AND ANALYSIS**

The "Management Discussion and Analysis Report" is furnished separately and forms part of this Directors' Report.

## **9. CORPORATE GOVERNANCE**

A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd, is annexed hereto and forms part of the Annual Report.

## **10. DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and Company's Articles of Association, Mrs. D A Mehta and Mr. K H Vora retires by rotation at the ensuing Annual General meeting and being eligible, offers themselves for re-election.

The information on the particulars of the Directors seeking re-appointment as required under clause 49 of the Listing Agreement has been given in the Report on Corporate Governance.

## **11. SUBSIDIARY COMPANIES**

The audited financials of Nucleus GIS, Inc and Nucleus GIS And ITES Ltd for the year ended March 31, 2010 together with the Reports of the Directors and Auditors and the Statement pursuant to section 212 of the Companies Act, 1956 are attached.

## **12. CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with Accounting Standards 21 and 23 issued by the Institute of Chartered Accountants of India, the consolidated financial statement incorporating the operation of the Company, its subsidiary and associate concern have been attached hereto which forms part of the Annual Report.

## **13. AUDITORS**

The Company's Auditors, Manek & Associates as the Statutory Auditor would retire at the ensuing Annual General Meeting and confirmed their eligibility and willingness to accept the office of the auditors, if reappointed. The Audit Committee and the Board recommends their reappointment.

## **14. APPRECIATION**

The Directors thank the banker and shareholders for their continued support to the Company. The Directors also look forward for the continuing support from the shareholders.

For and on behalf of the Board of Directors

**Asit C Mehta**  
**Chairman**

Mumbai, 27<sup>th</sup> May, 2010

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Review:

The Company operates through its wholly-owned Indian subsidiary and associate concern. The Company also earns revenues from letting out of properties to group concerns and income from dividends.

The Company's wholly-owned Indian subsidiary – Nucleus GIS And ITES Ltd (NGIL) is engaged into ITes / BPO services.

In the second year of its operation NGIL's performance for the year 2009-10 was dismal as the Company reported a loss after tax of Rs 94.56 after making a provision of Rs 46.56 for doubtful debt.

### Financial Performance:

- A) Consolidated Financial Results for the year ended 31<sup>st</sup> March, 2010 as shown in table below is of the Company and its wholly-owned two subsidiaries.

Summarised Consolidated financials

Rs in lacs

Segment Revenue			Segment Results Profit / (Loss)		
	2008-09	2009-10		2008-09	2009-10
ITeS	832.50	552.85	ITeS	105.76	(21.72)
Investments Activities	7.88	29.36	Investments Activities	3.61	(21.84)
Unallocable	33.26	37.81	Unallocable	(47.35)	(11.18)

- B) Standalone Financial Results:

The ITeS business segment was transferred to our subsidiary – Nucleus GIS And ITES Ltd in July, 2008 and therefore the financials of the year 2008-09 are not directly comparable with that of the current year.

The following table gives an overview of the Standalone financials of the Company (Unconsolidated)

(Rs in lacs)

Particulars	2008 -09	2009 – 10
Revenues from Operations	132.46	89.01
Other Income	130.88	88.10
Total revenue	263.34	177.11
Total Expenditure	228.05	90.15
Profit before Tax	35.29	86.96
Profit after tax	34.74	101.66

The Share Capital remained unchanged.

Gross Fixed Assets (including Capital Work-in-progress) increased by Rs 64.45 lacs.

During the year total investments remained unchanged except redemption of investment of Rs 876/-

Borrowings (Bank Term Loan) stood at Rs 289.29 lacs as against Rs 240.14 lacs in the previous year.

### Opportunities, Threats, risks and concerns

The future outlook of the Company depends on the performance of its wholly-owned subsidiary – Nucleus GIS And ITES Ltd (NGIL) which is engaged into ITes Services.

As per NASCOMM, for the next financial year – 2010 -11 the projections for IT services exports is likely to grow between 13% to 15% and the India market to grow at about 15%. This augurs good for NGIL. Customers perception of outsourcing is constantly changing and they are looking outsourcing as a tool to meet their ever changing dynamic business environment. Customers are seeking vendors / associates with mature processes, stability and good track record of not only delivering cost savings but also who show sustained and continuous improvements in productivity. NGIL is moving for the same. The IT sector future remains bright coupled with vast business opportunities.

NGIL's performance is exposed to certain threats and risks and concerns like operational risk of normal business competition, financial risk of currency exposure for exports of ITes, resource risk of adequate manpower and finance etc.

The Company also has a strategic investment in an Associate concern engaged into Stock broking and allied financial services. The outlook of the Associate would largely depend on the volatility of the Stock Markets, which is difficult to predict. The Stock markets which, had seen a fall in the year 2008 09 rose back to 17500 index levels in 2009 10. If the buoyancy continues good outlook is estimated in the working of the Associated concern.

### Internal Control systems and their adequacy

The Company continues to have in place adequate and proper systems of internal control commensurate with the nature and size of its operations. The Company also continues to avail the services of external firm for conducting internal audits at periodic intervals. The Audit Committee meets at regular intervals and reviews inter alia the internal checks and their accuracy.

### Human Resources

The relations with the employees (including that of its subsidiary) remained cordial.

**CAUTIONARY NOTE:** Certain statements in the above Report may be forward looking and are stated as required by legislations in force. The actual results may be affected by many factors that may be different from what the Directors / Management envisage in terms of future performance and outlook.

## **REPORT ON CORPORATE GOVERNANCE**

As per Clause 49 of the Listing Agreement entered into with Stock Exchanges, the Directors present the Company's Report on Corporate Governance for the year ended 31<sup>st</sup> March, 2010.

### **I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:**

The Company is committed to observance of best corporate governance practices in its business dealings encompassing all its stakeholders. The Company endeavours to ensure higher degree of transparency, control, accountability and responsibility in all areas of operations. The Company believes that good corporate governance practices enable the management to direct and control the affairs of the Company in an efficient manner and to achieve its ultimate goal of maximizing value for all its stakeholders.

### **II. BOARD OF DIRECTORS:**

#### **A. Composition of Board**

The composition of the Board of Directors of the Company is governed by the provisions of the Companies Act, 1956, the Articles of Association of the Company and Clause 49 of the Listing Agreement with The Bombay Stock Exchange Ltd. As at 31<sup>st</sup> March, 2010, the strength of the Board of Directors was six non-executive members including promoter group / independent directors. The composition of the Board is compliant with the requirements of clause 49(I)(A) – i.e., more than 50% of the directors are non-executive and more than 33% of the directors are independent directors.

The table below gives the composition of your Board and the number of outside directorships held and number of memberships/chairmanships of Board Committees of other Companies held by each of the Directors.

Name & Designation	Category	No. of Board Meetings held	No. of Board Meetings attended	No. of Directorships in other companies	No. of Committee positions held in Other companies		Attendance at the AGM held on 23.09.2009
					Member	Chairman	
Mr. Asit C. Mehta Chairman	Promoter and Non-Executive Director	7	6	7	1	Nil	No
Mrs. Deena A. Mehta Director	Promoter and Non-Executive Director	7	6	10	2	Nil	Yes
Mr. Kirit H. Vora Director	Non-Executive and non independant Director	7	7	6	Nil	Nil	No
Mr. Vijay Ladha Director	Independent and Non-Executive Director	7	3	1	Nil	Nil	No
Dr. R. Krishnamurthy Director	Independent and Non-Executive Director	7	5	1	Nil	Nil	No
Dr. D Sunderajan Director	Independent and Non-Executive Director	7	5	1	Nil	Nil	No

None of the directors of your company hold directorship in more than 15 public companies or is a member of more than 10 committees or is the Chairman of more than 5 committees across all the companies in which they are directors.

Necessary information as required by Annexure 1A to Clause 49 of the Listing agreement is placed before the Board.

#### **B. Meetings of the Board:**

During the financial year ended 31<sup>st</sup> March, 2010, seven meetings of the Board were held on the following dates:

29<sup>th</sup> June, 2009; 25<sup>th</sup> July, 2009; 26<sup>th</sup> August, 2009; 27<sup>th</sup> October, 2009; 26<sup>th</sup> November, 2009; 31<sup>st</sup> December, 2009 & 29<sup>th</sup> January, 2010.

The information required under Annexure – 1 to clause 49 of the listing agreement was placed before the Board with current status update. Agenda was sent in advance to the Board members. To enable the Board discharge its responsibilities effectively, the Chairman briefs the Board at each meeting on the overall performance of the Company.

#### **C. Directors seeking re-appointment:**

Mrs Deena A. Mehta and Mr. Kirit H. Vora retire by rotation and being eligible offer themselves for reappointment. Brief resumes of these directors are given below:

Particulars	Mrs. Deena A. Mehta	Mr. Kirit H. Vora
Age (in years)	49	51
Date of appointment	25.3.1991	4.3.1992
Qualification	a) A.C.A b) Post Graduate in Management studies c) Diploma in Securities Law	a) A.C.A; b) Dip in Securities Law
Expertise in specific functional area	Vast expereince in Capital market related activities	Vast expereince in Capital market related activities
Directorships held in other Public Companies	a) Asit C Mehta Investment Interrmedaites Ltd – Managing Director b) Bombay Stock Exchange Ltd	a) Asit C Mehta Investment Interrmedaites Ltd – Wholetime Director b) Nucleus GIS And ITES Ltd
Memberships of Committees of Other Public companies	2	Nil
No. of shares held in the company	9,00,358	23,520



**D. Code of Conduct:**

All the Directors and senior management personnel have affirmed compliance with the Code of Conduct/Ethics as approved and adopted by the Board of Directors and a declaration to that effect signed by the Chairman is attached and forms part of this report.

**E. CEO / CFO Certification:**

As required by Clause 49(V) of the Listing Agreement, the Chairman and the Company Secretary have submitted a Certificate to the Board of Directors in the prescribed format for the financial year ended 31st March, 2010. The Certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors.

**III. AUDIT COMMITTEE:**

The Audit Committee of the Board of Directors has been constituted in line with the provisions of Section 292A of the Companies Act, 1956, read with Clause 49 of the Listing Agreement. The Committee meets at least four times a year and the maximum gap between two meetings is not more than four months.

**A. Composition of the Audit Committee:**

The composition of the Audit Committee as on 31st March, 2010 is as follows:

Name	Designation	Category
Mr. Vijay Ladha	Chairman	Non-Executive & Independent Director
Mr. Kirit H Vora	Member	Non-Executive Director
Dr R Krishnamurthy	Member	Non-Executive & Independent Director

**B. Meetings of the Audit Committee:**

The Audit Committee met six times during the year, i.e. 29th June, 2009; 25th July, 2009; 26th August, 2009; 27th October, 2009; 24th November, 2009 and 29th January, 2010. The details of the number of meetings attended by its members are given below:

Members of the Audit Committee	No. of meetings held	No. of meetings attended
Mr. Vijay G. Ladha	6	3
Dr R Krishnamurthy	6	5
Mr. Kirit H Vora	6	6

Besides the above meetings, another meeting of the Audit Committee was held on 27<sup>th</sup> May, 2010 at which the Audited Accounts for the year ended 31<sup>st</sup> March, 2010, were placed for review.

The Chairman and the Internal Auditor are permanent invitees to the Audit Committee meetings. The Statutory Auditors are also invited to attend the meetings. The Company Secretary acts as a Secretary of the Audit Committee.

**C. Role of the Audit Committee:**

The Audit committee is responsible for overseeing the Company's financial reporting process, reviewing with the management, the financial statements and adequacy of internal audit function and to discuss significant internal audit findings. The Committee also, inter alia, covers the matters mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms as may be referred to by the Board of Directors.

**D. Subsidiary Companies:**

The Company has two wholly-owned subsidiaries, the details of which are as follows:

Sr. No.	Name of the subsidiary	Status
1	Nucleus GIS Inc.	Overseas Subsidiary
2	Nucleus GIS And ITES Limited	Non-listed Indian subsidiary Company

The Audit Committee reviewed the financial statements of these subsidiaries.

**IV. Investors / Shareholders Grievance Committee:**

The Shareholders Grievance Committee has been constituted on 31.07.2002 to oversee redressal of shareholder complaints related to transfer of shares, non-receipt of declared dividends, non-receipt of annual report etc. The Committee also oversees the performance of the Registrar and Transfer Agents of the Company and recommends measures for overall improvements in the quality of investor services.

**A. Composition of the Committee:**

The composition of the Committee as on 31<sup>st</sup> March, 2010, as per Clause 49 II (A), is as follows:

Name	Designation	Category
Mrs. Deena A. Mehta	Member & Chairperson	Non-Executive Director
Mr. Kirit H. Vora	Member	Non-Executive
Mr. Tushar Kapadia	Compliance Officer	Company Secretary

**B. Investors / Shareholders Complaints:**

The status of Investors / Shareholders Complaints for the financial year ended 31<sup>st</sup> March, 2010 is as follows:

No of complaints Received	No. of complaints Resolved	Complaints pending as at 31.3.2010	Share Transfers pending for approvals at 31.3.2010
3	3	Nil	Nil

## V. Remuneration of Directors:

No separate remuneration committee has been constituted. The remuneration of Non-Executive Directors are only sitting fees plus reimbursement of actual travel expenses, if any, for attending Board and Committee meetings.

The details of the fees paid to Non- executive Directors and other related information is given in the table below:

Name of Director	Relationship	Sitting fees paid (Rs.)	Number of shares held*
Asit C Mehta	Husband of Mrs. Deena Mehta	30,000	22,84,138
Deena A Mehta	Wife of Mr. Asit Mehta	30,000	9,00,358
Kirit H Vora		45,000	23,520
Vijay G Ladha		22,500	NIL
Dr. R Krishnamurthy		37,500	1000
D Sunderajan		30,000	NIL

\*The above shareholding as at 31st March,2010 is in respect of shares which are held by Directors as a first holder and in which they have beneficial interest.

## VI. General Body Meetings:

The details of the last three Annual General Meetings of the Company and the Special Resolutions passed thereat are as under:

Year	Location of AGM	Date	Time	Special Resolutions passed
2006-2007	Hotel Savoy Suites, Off Saki Vihar Road, Andheri (E), Mumbai 400072	23 <sup>rd</sup> AGM held on 5 <sup>th</sup> September, 2007	3.30 p.m.	NIL
2007-2008	Nucleus House, Saki Vihar Road, Andheri (E), Mumbai 400072	24 <sup>th</sup> AGM held on 14 <sup>th</sup> August, 2008	3.00 p.m.	NIL
2008-2009	Nucleus House, Saki Vihar Road, Andheri (E), Mumbai 400072	25 <sup>th</sup> AGM held on 23 <sup>rd</sup> September, 2009	3.00 p.m.	To keep the Register and Index of Members and copies of annual returns prepared under Section 159 together with copies of the certificates and documents required to be annexed thereto u/s 161 of the Act with M/s Linkintime Private Limited, the Company's Share Transfer Agent

Postal Ballot: No special resolution requiring a postal ballot under Section 192A of the Companies Act, 1956, was passed last year or is being proposed at the ensuing Annual General Meeting.

## VII. Disclosures:

### A. Basis of Related Party Transactions:

There have been no materially significant related party transactions that may have potential conflict with the interest of the Company at large. The details of transactions with related parties are placed before the Audit Committee and the committee had reviewed the same for the year ended 31<sup>st</sup> March, 2010. The details of related party transactions are disclosed in Note 6 of Schedule 14 to the Accounts in the Annual Report.

### B. Compliances:

There were neither any non-compliances by the Company, nor any penalties, strictures imposed on the Company by Stock Exchange or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years.

### C. Others:

- The Company has complied with all the mandatory requirements of Corporate Governance under Clause 49 of the Listing Agreement.
- No personnel has been denied access to the Audit Committee.

## VIII. Communication of Results:

- a) The Quarterly/Half-yearly/Annual financial results of the Company are sent to the Stock Exchange immediately after the Board approves them.
- b) The quarterly / half yearly financial results of the Company are published in The Free Press Journal (English) and Navshakti (Marathi).

The Management Discussion and Analysis Report forms part of the Annual Report for the year.

## VIII. GENERAL SHAREHOLDERS INFORMATION:

### 1. Annual General Meeting

Date	1st September, 2010
Time	11.15 a.m.
Venue	Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai - 400072

### 2. Financial year: The financial year is 1st April to 31st March.

Financial Year	2010-2011	Financial Year	2010-2011
First Quarter Results	On or before 14th August, 2010	Third Quarter Results	On or before 14th February, 2011
Half yearly Results	On or before 14th November, 2010	Audited Results for the year end	On or before 30th May, 2011