

Best & Crompton Engg. Limited

**98th Annual Report
2009-10**

Best & Crompton Engg. Limited

DIRECTORS

Mr. S.V. Venkatesan, Chairman
Mr. N. Srinivasan
Mr. A. Annamalai
Mr. K.Prakash, Whole Time Director

AUDITORS

CNGSN & ASSOCIATES,
Chartered Accountants,
“Agastyar Manor”
New No: 20, (Old No: 13), Raja Street, T. Nagar,
Chennai - 600 017.

COMPANY SECRETARY

Mr. V.P. Thirumoorthy

REGISTERED OFFICE :

28, Industrial Estate (North), Ambattur,
Chennai - 600 098.
Phone Nos. 91 044 30514600
Fax No. 91 044 26257059
Fax No. 044 3051 4609

CORPORATE OFFICE:

15, Kasturi Rangan Road,
Alwarpet, Chennai - 600 018.
Phone Nos. 91 044 45066410, 45040450
Fax No. 91 044 45066450

REGIONAL OFFICES:

205, SkyLine House, (2nd Floor)
Nehru Place,
New Delhi - 110 019.

A-15, 3rd Floor,
Common Wealth Society,
V.P. Road,
Andheri (West), Mumbai - 400 058.

46/B, Rafi Ahmed Kidwai Road,
5th Floor, P.S. Park Street,
Kolkatta - 700 016

BANKERS

State Bank of Bikaner & Jaipur
State Bank of Travancore
State Bank of Mysore
State Bank of Indore
Central Bank of India
Lakshmi Vilas Bank Limited
Dena Bank
Oriental Bank of Commerce
Federal Bank Limited
Bank of India
IDBI Bank
Canara Bank

WORKS:

28, Industrial Estate (North),
Ambattur, Chennai - 600 098.

28 A, Industrial Estate (North),
Ambattur, Chennai - 600 098.

28 C, Industrial Estate (North),
Ambattur, Chennai - 600 098.

MM Industrial Estate,
Yediyur, Bangalore - 560 082.

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BEST & CROMPTON ENGG. LIMITED

Registered Office: 28, Industrial Estate (North),
Ambattur, Chennai-600 098.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Ninety Eighth Annual General Meeting of the Members of the Company will be held on Monday, December 20, 2010 at 10.00 A.M. at Sri Thyaga Brahma Gana Sabha, Vani Mahal, (Obul Reddy Hall), 103, G.N. Chetty Road, T. Nagar, Chennai - 600 017 to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at March 31, 2010, the Profit and Loss Account for the year ended March 31, 2010 and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. N. Srinivasan, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors for the financial year 2010-2011 and fix their remuneration
The retiring Auditors, M/s. CNGSN & Associates, Chartered Accountants, Chennai, are eligible for re-appointment.

for Best & Crompton Engg. Limited
By Order of the Board

Chennai
November 13, 2010

V.P. THIRUMOORTHY
Company Secretary

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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. THE PROXY IS NOT ENTITLED TO VOTE EXCEPT ON POLL. THE PROXY SHALL NOT BE ENTITLED TO SPEAK AT THE MEETING.**
2. The Statement furnishing details, as required in the Listing Agreement with the Stock Exchanges, in respect of Director seeking re-appointment at this Annual General Meeting is annexed hereto.
3. The Members, who hold Shares in dematerialized form, are requested to bring their Client ID and DP ID numbers for easy identification at the Meeting.
4. The Company's Shares are listed with Madras Stock Exchange Limited, Chennai and Bombay Stock Exchange Limited, Mumbai. The Company has paid the listing fee for the year 2010-2011 to the aforesaid Stock Exchanges.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from December 13, 2010 to December 20, 2010 (both days inclusive).

6. The Members are requested to notify immediately any change in their addresses to the Registrar and Transfer Agent at the following Address:-

M/s. Integrated Enterprises (India) Limited
II Floor, Kences Towers,
No. 1, Ramakrishna Street,
T. Nagar, Chennai - 600 017
e.mail : corpserve@iepindia.com

7. The Members are requested to quote Register Folio Numbers or DP ID/ Client ID Numbers in all their correspondence.
8. The Members holding shares of the Company in identical order of the names in more than one folio are requested to send the details of all such folios together with the Share Certificates for consolidating the folios into one. The Share Certificates will be returned to the Members, after making necessary endorsements thereon.
9. The Companies (Amendment) Act, 1999 has introduced the facility of nomination to shareholders. The prescribed format, in this regard, can be obtained from the Company.
10. The Members attending the Annual General Meeting are requested to bring with them the following:-
 - (i) Copy of the Annual Report.
 - (ii) The Attendance slips of a person actually attending the Meeting either as a Member or as a duly registered proxy.
11. The Members desiring any information are requested to write to the Company at an early date to enable the Management to keep the information ready.
12. None of the Directors, except Mr. N. Srinivasan, is interested in the Resolution No. 2 of this Notice. The Directors commend this Resolution for approval.
13. Inspection of Documents / Resolutions
The Memorandum and Articles of Association of the Company and copies of Documents referred to in the items hereinabove will be available for inspection by the Members at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on all working days of the Company till the day before the date of the Annual General Meeting and will also be available for inspection at the Meeting.

for Best & Crompton Engg. Limited
By Order of the Board

Chennai
November 13, 2010

V.P. THIRUMOORTHY
Company Secretary

Annexure

Profile of Director seeking Re-appointment at this Annual General Meeting

Sl. No.	Particulars	
1.	Name	Mr. N. Srinivasan
2.	Date of Appointment	23.12.2009
3.	Qualifications	B. Com., F.C.A.
4.	Expertise	Corporate Governance and Audit
5.	Experience in functional area	<p>Mr. N. Srinivasan is a Commerce Graduate and a Chartered Accountant since 1955. He was the Senior Partner of well known auditing firm, Fraser & Ross and Deloitte Haskins & Sells. He has been the past Chairman of the Southern India Regional Council and a Central Council Member of the Institute of Chartered Accountants of India. He has been the President/ Regional Director/Director of Institute of Internal Auditors Inc. Florida.</p> <p>He is the past President of Madras Chamber of Commerce & Industry, Indo American Chamber of Commerce, Deputy President of Assocham, Delhi and President of Madras Management Association.</p>

Directors' Report

Dear Members,

Your Directors present the 98th Annual Report and the Audited Statement of Accounts of the Company for the year ended March 31, 2010.

The highlights of the financial performance for the year under review are as below:

1. Financial Highlights

(Rs'000)

Particulars	Year ended March 31, 2010	Year ended March 31, 2009
Total Income	641,274	1,735,702
Expenditure	608,460	1,303,270
Gross Profit	32,814	432,432
Taxation	20,526	187,799
Profit after Tax	12,288	244,633
Revaluation Reserve no longer required	—	314,776
Profit for the year	12,288	559,409

As the profit for the year could not absorb the accumulated losses of the earlier years, your Directors are unable to recommend any dividend for the year ended March 31, 2010.

As in the previous year, abridged standalone and consolidated annual accounts for the year ended March 31, 2010 are being circulated in accordance with the suggestion of SEBI. Detailed annual accounts would be made available on request and also at the venue of the Annual General Meeting.

2. Performance of various Divisions of the Company

2.1 Pump Division - Chennai

Pump Division has achieved a growth of over 15% in net sales over the last year to reach Rs.38.93 Crore. The Company continues to be a preferred supplier of pumps to the Indian Navy. The Company was able to secure prestigious orders from the Indian Navy for supply of pumps for their submarine and Aircraft Carriers. The Company continues to serve municipal corporations, water and sewerage boards of India and has made significant in-roads in supply of pumps to waste water segment. The order book position continues to be healthy and the division is expected to perform well in the current year. The Pump Division also received ISO 9001: 2008 certification from Lloyds Registrar of Quality Assurance.

2.2 Pump Factory - Bangalore

The Unit has achieved a growth of over 10% in net sales over the last year to reach Rs.3.65 Crore. The division has commenced manufacture of 1Kw, 3Kw and 5Kw Monoblock pumps, which is expected to increase the turnover and profitability of the Company.

2.3 Chennai Foundry

The Foundry operations was adversely affected by the power cuts imposed by the Tamil Nadu Electricity Board and also because of the slump in the automotive industry, which is a major sector the foundry is catering to. The diversification strategy of making Non Ferrous casting in the foundry has paid off and the Company was successful in producing pump casting needed to meet the in-house requirement of the pump division. It is expected to secure orders for non ferrous casting from the outside industry. With the improvement in power supply scenario and the bounce back of the automotive sector, the unit is expected to increase production levels and generate increased revenue.

2.4 Machinery Manufacturing Division

The electrical machine factory has secured repeat orders from the railways for making 4.5 Kw and 25 Kw alternators. The unit also manufactured subassemblies like spindle motors and servo motors needed for the gantry machines. The factory has received the ISO 9001-2008 certification and this will ensure continuous business with the Railways.

Plug and Socket Unit performed well during the year and achieved a turnover of Rs.1.99 Crore. As the Power Sector unit is on the growth path, the performance of this unit is expected to improve.

2.5 Fabrication Division

The division has met the in-house fabrication requirements of the Pump division. It has also undertaken development jobs like Prestressed Cement Concrete Bed and sub-assembly of Gantry machine to meet the requirements of New Business Verticals. It is expected that the division will be able to achieve optimum levels of production.

3. Fixed Deposits

No Fixed Deposits have been accepted by the Company. There was no outstanding deposit at the close of the financial year.

4. Accounts of Subsidiary Companies

Your Company has applied for exemption under sub section 8 of Section 212 of the Companies Act 1956 from attaching the accounts of the Subsidiary Companies; however, a statement showing the particulars about the performance of the Subsidiary Companies forms part of this Annual Report.

Your Company undertakes that the Annual Accounts of the Subsidiary Companies and related detailed information will be made available to the investors of the Company and the Subsidiaries, if such request is made by them at any point of time with prior notice. The Annual Accounts of the Subsidiary Companies are also available for inspection at the Registered Office of the Company.

5. Subsidiary Companies

Your Directors are pleased to inform that the Hon'ble High Court of Madras has, by its Order dated April 13, 2010, sanctioned the Scheme of Merger of the seven Wholly Owned Subsidiaries, namely, Best & Crompton Infratech Limited, Best & Crompton Infratech (Ambattur) Limited, Best Crompton EU Energy Limited, Best Land Realty Limited, Best & Crompton Electric Limited, Nellai Steel India Limited and Best & Crompton Textiles & Apparels Limited with your Company. Consequent upon the Merger in terms of the orders of the Hon'ble High Court these Wholly Owned Subsidiaries stood dissolved without being wound up. The Effective Date of the Merger is April 1, 2008. The accounts of those erstwhile subsidiary companies have been merged with the accounts of your Company with effect from 1.4.2008.

5.1 Best & Crompton Engineering Projects Limited

The Company had decided to exit out of the contracting business as a whole, in view of the continued down trend in the performance of the Wholly Owned Subsidiary, Best & Crompton Engineering Projects Limited and accordingly has disinvested its entire Equity Shareholding in the said Wholly Owned Subsidiary. The Disinvestment was effected in the year now current.

5.2 Best & Crompton Apparels Limited

This Subsidiary has established a strong net work of reputed customers; however, the cascading effect of global melt down made it difficult to capitalise on this; the volatility in yarn prices and forex market especially

in US dollar and Euro added to the woes of this Subsidiary; with the markets showing signs of recovery, it is expected that the performance would improve in the current year.

5.3 B&C Machinery Limited

The Civil and Electrical works are in progress. Imported machines and Radial Drill Machines along with other machineries are in the process of being installed.

5.4 Bestai Precast Buildings Limited

The Company is in the process of trial run of its products with commercial production slated in the third quarter of 2010.

5.5 Best & Crompton Green Tech Limited

The Lines of business and manufacturing are being reviewed and focus is on Energy Efficient Lighting and display products, which have a growing market. The new line of activity will be in addition to the contract manufacturing services. To reflect the new line of activity, the subsidiary's name has been changed from Best & Crompton Global Electronic Solutions Limited to Best & Crompton Green Tech Limited with effect from March 25, 2010.

5.6 B & C Foundry Limited

The Subsidiary's name has been changed from B & C Forgings & Pumps Limited to B & C Foundry Limited with effect from January 25, 2010, to reflect the proposed line of business.

5.7 B&C Tech. Services Limited

During the year under review, this subsidiary has, despite financial constraints and high attrition level of manpower, been able to achieve a modest turn over of Rs.90 Lakhs from Engineering and Training services.

Various options are being explored to revive the Company to enable it to capitalize on the growing business opportunities.

6. Directors

Mr. N. Srinivasan retires by rotation and being eligible offers himself for re-appointment.

7. Directors' Responsibility Statement

Pursuant to the requirements under Section 217 (2AA) of the Companies Act, 1956 with respect to the Directors' Responsibility Statement, it is hereby confirmed :-

- i) that in preparation of the Accounts for the financial year from April 1, 2009 to March 31, 2010, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial period and of the Profit or Loss of the Company for the financial period under review;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe-guarding the assets of the Company and for preventing fraud and other irregularities;
and
- iv) that the Directors prepared the accounts for the financial year from April 1, 2009 to March 31, 2010 on a 'going concern' basis.

8. Audit Committee

Pursuant to the requirements of Section 292 A of the Companies Act, 1956 and the Listing Agreement entered into with the Stock Exchanges, the Committee was reconstituted during the year and comprised of the following Directors:-

Mr. S. V. Venkatesan	-	Chairman
Mr. A. Annamalai	-	Member
Mr. G. S. Mamik	-	Member upto 17.11.2009
Mr. T.L. Guru Vijendran	-	Member upto 17.11.2009

9. Corporate Governance

A separate section on Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance, as stipulated by the Listing Agreement with the Stock Exchanges, form part of the Annual Report for the financial year ended March 31, 2010. The Management Discussion and Analysis Report is also enclosed.

10. Auditors

The Auditors, M/s. CNGSN & Associates, Chartered Accountants, Chennai, retire and are eligible for re-appointment for the current year.

With reference to the observations in the Audit Report on overdue advances, the relevant financial note no. 7 on the accounts is self explanatory.

11. Personnel

Particulars of Employees

The information required under Section 217(2A) of the Companies Act, 1956 and the Rules made thereunder is provided in the Annexure forming part of the Report.

12. Conservation of Energy, Research & Development, Technology Absorption, Foreign Exchange Earnings and outgo

There is no material development to report relating to conservation of Energy, Research & Development and Technology Absorption, as required under Section 217 (1) (e) of the Companies Act, 1956. Information pertaining to Foreign Exchange Earnings and Outgo are as contained in Item No.14 and 13 of Schedule 14 - Notes on Accounts respectively.

13. Acknowledgment

The Board places on record its appreciation to the Bankers to the Company and its Subsidiaries for their continued support. The Board also places on record its appreciation for the guidance and support extended by host of consultants and advisors. The Board acknowledges gratefully the continuing relationship with customers and business partners. Your Directors express their appreciation of the co-operation and assistance extended by the Central Government and the State Governments and the various Governmental Agencies. The forbearance and support of shareholders and the co-operation of employees are gratefully acknowledged.

For and on behalf of
the Board of Directors

Chennai
November 13, 2010

S.V. VENKATESAN
Chairman

INFORMATION UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31st MARCH 2010.

Sl. no.	Name	Age	Qualification	Designation	Date of Commencement of Employment	Experience (Years)	Remuneration Rs.	Particulars of Last Employment, Employer, Designation
FOR FULL YEAR								
1.	K. Prakash	56	FCA	Whole Time Director	24.08.2006	29	7666981	CFO - Fab India Overseas (P) Ltd.
2.	R. Sharan	44	B.Sc., MBA	V.P. - Corporate Administration	01.07.2006	22	4722230	Bharat Travels, Chennai Jagat Tours & Travels, Jakarta Texmaco, Indonesia
3.	B.Srinivas	45	M.Tech.	Chief Product Technology (Machinery)	06.12.2006	23	5102638	Senior Manager, PT Texmaco Perkasa Engineering, Indonesia
4.	G.Ravishankar	50	M.E.	Chief Product Technology (Electrical)	06.12.2006	23	5102638	Senior Manager, PT Texmaco Perkasa Engineering, Indonesia
5.	S.Sundaresan	54	B.Com, A.C.A, A.C.S	V.P.Finance	01.02.2007	30	2450013	V.P., Finance Sundaram Industries Ltd
6.	M.K.Muralidharan	47	M.Tech	V.P.Operations	16.05.2007	24	3973773	G.M.Business Development Shelax.Wind Tech
FOR PART OF THE YEAR								
7.	Krishna Kumar Bakshi	60	B.E. M.M.S	President Machinery Project	02.06.2008	35	2850443	BorgWarner TEC India
8.	P.P. Sukumaran	55	B.Sc., MSSW	ED-Business Operations	07.01.2008	33	630167	GMR Group
9.	S.Prasad	58	B.Tech, M.B.A.	President Electronics	13.06.2008	35	4225928	Executive Vice President Harita TVS Technologies Ltd
10.	Gopal Krishna Upadhyay	63	B.E. Mechanical	Sr.V.P. Power	11.02.2008	40	1001462	Essar Power
11.	Santanu Kumar Daspatnaik	67	B.Sc., Mechanical, FIE	President-Power Projects	21.01.2008	44	1211048	President, Essar Energy
12.	K. Sivakumar	40	M.E. M.B.A.	G.M.Electronics	10.01.2007	15	1830387	Investment Analyst Orion Capital Singapore
13.	K. Chinnnayan	43	B.E. Civil	Associate V.P.	23.07.2008	20	2172225	Deputy project Manager Leighen Contractors India Ltd
14.	S. Arumugavelan	54	B.Com. A.C.A.	V.P. Accounts & Commercial	03.08.2009	28	1704358	Head Finance & Accounts P.T.Polysindo Eka Perkasa Tbk Indonesia
15.	Nalin.R.Khannaa	52	B.Com. M.B.A.	Group Chief Executive Officer	17.11.2009	28	2083298	Consultant
16.	Alex Anburaj	40	B.E.	Vice President	18.11.2009	18	1103536	Consultant, Lakshya Strategic Consultants (P) Ltd

Note:- None of the above employees is a relative of any Director of the Company.

S.V. VENKATESAN
Chairman

V.P. THIRUMOORTHY
Company Secretary

K. PRAKASH
Whole Time Director

Chennai
November 13, 2010

Report on Corporate Governance

Company's Philosophy on Code of Governance

The Company's philosophy on Corporate Governance is to -

- strictly comply with the Code of Business Conduct and Ethics adopted by the Company.
- fair and accurate presentation of Financial Statements.
- ensure, transparency and accountability in all its activities to fulfil its Corporate Responsibilities through prudent financial management backed up by sound business decisions.
- Commitment to enhancement of Shareholder value.
- be socially responsible

1. Board of Directors

The strength of the Board was seven. The Board comprised of one Whole Time Director and six Non - Executive Directors. The present strength of the Board is four, comprising of one Whole Time Director and three Non Executive Directors and is as follows :-

- | | |
|----------------------------|--|
| 1. Mr. S.V. Venkatesan | Independent Non Executive Director and Non Executive Chairman |
| 2. Mr. N. Srinivasan | Independent Non Executive Director |
| 3. Mr. Gurdeep Singh Mamik | Independent Non Executive Director – Resigned with effect from 17.11.2009 |
| 4. Mr. T.L. Guru Vijendran | Independent Non Executive Director – Resigned with effect from 17.11.2009 |
| 5. Mr. V. Ananthakrishnan | Independent Non Executive Director – Resigned with effect from 24-7-2009 |
| 6. Mr. K. Prakash | Whole Time Director |
| 7. Mr. A. Annamalai | Independent Non Executive Director – Appointed with effect from 17.11.2009 |

2. Participation of each Director at the Board Meetings held during the year 2009 – 2010 (April 01, 2009 to March 31, 2010) and at the last Annual General Meeting and details of other Directorships

Seven Board Meetings were held during the year 2009 – 2010 (April 1, 2009 to March 31, 2010). The dates on which the Meetings of the Board were held are : 28-4-2009, 24-7-2009, 31-10-2009, 16-11-2009, 27-1-2010, 2-3-2010 and 29-3-2010.

The participation record and the details of Directorship/Membership of all the Directors during the year are as under :-

Name of the Director	No. of Board Meetings Attended	Last AGM Attended	Directorships in other Companies (excluding Foreign Companies and Private Limited Companies)				Committee Membership in other Companies
			Director	Chairman	Member	Chairman	
Mr. S. V. Venkatesan	7	yes	14	--	7		3
Mr. N. Srinivasan	7	yes	13	--	9		5
Mr. Gurdeep Singh Mamik	--	--	--	--	--		--
Mr. T.L.Guru Vijendran	4	--	--	--	--		--
Mr. V.Ananthakrishnan	1	--	--	--	--		--
Mr. K.Prakash	7	yes	6	--	--		--
Mr. A. Annamalai	1	--	1	--	--		--

3. Remuneration to Directors

The Sitting Fee of Rs 5,000 is payable to the Directors for attending each of the Board Meeting and Audit Committee Meeting.

Disclosure regarding re-appointment / appointment of Directors

At the ensuing Annual General Meeting, Mr. N. Srinivasan retires by rotation and being eligible offers himself for re-appointment. The profile of Mr. N. Srinivasan is furnished in the Annexure to the Notice of the Annual General Meeting dated November 13, 2010.

4. Audit Committee

The Board of Directors of the Company has reconstituted the Audit Committee with effect from 17-11- 2009, which comprises of the following Directors :-

Mr. S.V. Venkatesan	Chairman of the Committee
Mr. A. Annamalai	Member
Mr. G. S. Mamik	Member upto 17.11.2009
Mr. T.L. Guru Vijendran	Member upto 17.11.2009

Five Meetings were held during the year 2009 – 2010 (April 01, 2009 to March 31, 2010). The dates on which the Meetings of the Audit Committee were held are : 28-4-2009, 24-7-2009, 31-10-2009, 16-11-2009 and 27-1-2010.

5. Share Transfer Committee

The Share Transfer Committee comprises of the following with effect from January 27, 2010:-

Mr. K. Prakash	Chairman
Mr. Nalin R Khannaa	Member

Mr. V. Ananthakrishnan and Mr. N. Srinivasan were members of the committee up to 24.07.2009 and 27-1-2010 respectively.

The Committee is authorised to approve the formalities relating to the Share Transfer Process.

During the year 2009-2010, 22 Meetings were held on the following dates and the transfer of shares was approved :- 15.4.2009, 30.4.2009, 15.5.2009, 30.5.2009, 15.6.2009, 15.7.2009, 24.7.2009, 17.8.2009, 15.9.2009, 30.9.2009, 15.10.2009, 31.10.2009, 16.11.2009, 30.11.2009, 18.12.2009, 31.12.2009, 18.1.2010, 29.1.2010, 15.2.2010, 26.2.2010, 15.3.2010 and 31.3.2010.

6. Shareholders' / Investors' Grievance Committee

The Shareholders' / Investors' Grievance Committee was reconstituted on July 24, 2009 with the following Directors :-

Mr. S.V. Venkatesan	Chairman of the Committee
Mr. K. Prakash	Member

The status of outstanding Investors' Complaints is reported to the Board every quarter.

The Shareholders' / Investors' Grievance Committee has been constituted to monitor the redressal of the Grievances of the Shareholders / Investors. The Website is www.bestcrompton.com and the email ID is investorgrievance@bestcrompton.com

Mr. V.P. Thirumoorthy, Company Secretary, is the Compliance Officer of the Company.

No Share Transfer was pending as on March 31, 2010.

During the year, the Company received seven complaints; out of these; one pertains to non receipt of Annual Report, one pertains to Issue of Duplicate Share Certificate, three pertain to Transfer of Shares and two pertain to Non Receipt of Share Certificates. All the grievances were redressed.

7. Remuneration and Compensation Committee

The Board of Directors has reconstituted the Remuneration and Compensation Committee with effect from April 28, 2009 comprising of the following Directors:-

Mr S.V.Venkatesan	Chairman
Mr.N.Srinivasan	Member
Mr.K.Prakash	Member

Mr. V. Ananthakrishnan was a Member of the Committee up to 24.07.2009.

During the year 2009 – 10, one Meeting was held on January 27, 2010.

8. Annual General Meetings

a) Last three Annual General Meetings were held as under:-

Financial Year	Date of Meeting & Time	Venue
2008 - 2009	23.12.2009 2.00 P.M.	Hotel Park View 125, Valluvarkottam High Road, Nungambakkam, Chennai - 600 034.
2007-2008	25.09.2008 10.00 A.M	Kasturi Srinivasan Hall (Mini Hall) MusicAcademy 168 ,T.T.K.Road, Royapettah, Chennai - 600 014
2006 - 2007	22.09.2007 11.00 A.M.	Rani Seethai Hall 603, Anna Salai, Chennai - 600 006.

b) Present Annual General Meeting

Date : December 20, 2010

Day : Monday

Time : 10.00 A.M.

**Venue : Sri Thyaga Brahma Gana Sabha,
Vani Mahal (Obul Reddy Hall),
103, G.N. Chetty Road, T. Nagar,
Chennai - 600 017.**

Postal Ballot

The provisions relating to Postal Ballot will be complied with as per the provisions of the Companies Act, 1956 as and when situation may arise. No Resolution was passed by Postal Ballot during the financial year 2009-10. Similarly, no business is required to be transacted through Postal Ballot at this Annual General Meeting.

9. Means of Communication

Quarterly Results

The Quarterly Results are published in "News Today" (English) and "Maalai Sudar" (Tamil). The Quarterly Results are displayed on the Web site.

The Management Discussion and Analysis Report is enclosed.

Financial Calendar:

Quarterly Results are proposed to be published in August 2010, November 2010, February 2011 and May 2011.

Date of Book Closure is from December 13, 2010 to December 20, 2010 (both days inclusive).

Listing : The Madras Stock Exchange Limited, Chennai (MSE) and Bombay Stock Exchange Limited, Mumbai (BSE).

Stock Code :

In MSE
BESTCROMPT

In BSE
500046

Market Price in the Financial Year in BSE

Month	High Rs.	Low Rs.	Sensex High	Sensex Low
April 2009	40.75	24.60	11,492.10	9,546.29
May 2009	38.55	28.45	14,930.54	11,621.30
June 2009	35.30	23.50	15,600.30	14,016.95
July 2009	35.00	22.30	15,732.81	13,219.99
August 2009	44.55	31.20	16,002.46	14,684.45
September 2009	38.40	24.75	17,142.52	15,306.72
October 2009	25.60	14.10	17,493.17	15,805.20
November 2009	14.25	8.43	17,290.48	15,330.56
December 2009	15.17	8.41	17,530.94	16,577.78
January 2010	17.40	13.00	17,790.33	15,962.08
February 2010	19.15	12.05	16,699.25	15,651.99
March 2010	12.80	9.13	17,793.01	16,438.45

Shareholding Pattern as on March 31, 2010

Category	No. of Shares held	% to paid up Capital
Promoters	81128794	65.51
Mutual Funds	24910	0.02
Banks, FIs, Insurance Companies	579750	0.47
Bodies Corporate	19303238	15.58
Resident Indian	6923773	5.59
NRI	335409	0.27
Foreign Companies	15400047	12.44
Others – (Clearing Members & Trust)	144594	0.12
Total	123840515	100.00

Distribution of Shareholding as on March 31, 2010

Category of Shares	No. of Shareholders	% of Shareholders	Shares	% of Shares
Upto 5000	14317	84.30	2133196	1.72
5001 - 10000	1472	8.67	1213293	0.98
10001 - 20000	604	3.56	954343	0.77
20001 - 30000	190	1.12	494164	0.40
30001 - 40000	105	0.62	377315	0.30
40001 - 50000	93	0.55	406417	0.33
50001 - 100000	119	0.70	901648	0.73
100001 & above	82	0.48	117360139	94.77
Total	16,982	100.00	123840515	100.00