

Best & Crompton Engg. Limited



**99th Annual Report
2010-11**

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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.

GROUP CHIEF EXECUTIVE OFFICER

Mr. Kalyan Shankar Bhattacharya

REGISTERED OFFICE :

28, Industrial Estate (North), Ambattur,
Chennai - 600 098.
Phone Nos. 91 044 45514600
Fax No. 91 044 45514609

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,
Yedyur, Bangalore - 560 082.

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

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 Ninth Annual General Meeting of the Members of the Company will be held on Monday, December 19, 2011 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, 2011, the Profit and Loss Account for the year ended March 31, 2011 and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. K. Prakash, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. A. Annamalai, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors for the financial year 2011-2012 and fix their remuneration.
The retiring Auditors, M/s. CNGSN & Associates, Chartered Accountants, Chennai are eligible for re-appointment.

SPECIAL BUSINESS

5. To re-appoint Mr. K. Prakash as Whole Time Director, designated as Executive Director – Finance.

SPECIAL RESOLUTION

To consider and if thought fit to pass with or without modification, the following Resolution as Special Resolution :-

“Resolved that pursuant to the provisions of Sections 198, 269, 309 and 316 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification or re-enactment thereof the consent of the Company be and is hereby accorded, subject to the approval of the Central Government for the re-appointment of Mr. K. Prakash as Whole Time Director designated as Executive Director – Finance of the Company for a period of three years with effect from January 7, 2012, on the same terms and conditions, as approved by the Members at the Annual General Meeting held on December 23, 2009, and approved by the Central Government vide their approval letter Ref.SRN No.A59269407/4/2011-CL VII dated 4th August, 2011, and as detailed in the Explanatory Statement annexed to this Notice.”

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

Chennai
November 21, 2011

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 SHALL NOT BE ENTITLED TO SPEAK AT THE MEETING.**

2. The relevant Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, relating to the Special Business under item 5 set out above and details, as required in the Listing Agreement with the Stock Exchanges, in respect of Directors seeking re-appointment at this Annual General Meeting are 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 the Madras Stock Exchange Limited, Chennai and Bombay Stock Exchange Limited, Mumbai. The Company has paid the listing fee for the year 2011 – 2012 to the Stock Exchange.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from December 12, 2011 to December 19, 2011. (both days inclusive).
6. The Ministry of Corporate Affairs (MCA) has taken “Green Initiative in the Corporate Governance” by allowing paperless compliances by companies vide its Circular Nos.17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively, stating that service of documents viz. Notices, Annual Reports, etc. to its Members can be sent through electronic mode. The Members holding Equity Shares of the Company in physical form are requested to provide their E-mail addresses to the Company. Members holding Equity Shares of the Company in dematerialized mode are requested to register their E-mail addresses and / or changes therein from time to time with their DPs.
7. 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
Phone : 28140801
e.mail : corpserv@iepindia.com
8. The Members are requested to quote Register Folio Numbers or DP ID/ Client ID Numbers in all their correspondence.
9. 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.
10. 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.
11. 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.
12. 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.

Explanatory Statement Pursuant to Section 173 (2) of the Companies Act, 1956

For Item No. 5

1. Mr. K. Prakash was appointed as Whole Time Director designated as Executive Director – Finance for three years effective from January 7, 2009 pursuant to Section 269 of the Companies Act. He has wide experience in Industry with professional expertise in Corporate Finance and thus the Board is of the view that his re-appointment as Whole Time Director, designated as Executive Director – Finance for a further period of three years from January 7, 2012 would be in the interest of the Company.
2. The payment of remuneration to Mr. K. Prakash and the terms and conditions of his re-appointment are the same, as approved by the Members at the Annual General Meeting held on 23.12.2009, and approved by the Central Government vide their approval letter Ref.SRN No.A59269407/4/2011-CL VII Dated 4th August, 2011 and as such there is no enhancement in the remuneration payable to him on his re-appointment as Whole Time Director, designated as Executive Director – Finance for a further period of 3 years w.e.f. January 7, 2012.
3. The particulars of remuneration to Mr. K. Prakash are detailed hereunder:-
 - (i) Salary:
Rs.1,75,000/- per month in the scale of Rs.1,00,000/- -- Rs.2,50,000/-.
 - (ii) Perquisites
In addition to the Salary, he will be entitled to the Perquisites and Allowances like accommodation (furnished or otherwise) or House Rent Allowance in lieu thereof, Medical Reimbursement, Club Fees and Leave Travel Concession, Medical Insurance, Personal Accident Insurance of an amount, the premium of which does not exceed Rs. 4,000/- per annum and such other Perquisites and Allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and the Whole Time Director. For the purpose of calculating the above ceiling, Perquisites shall be evaluated as per Income tax Rules, wherever applicable. In the absence of any such rules, Perquisites shall be calculated at actual cost.

The reimbursement towards car running, its Repairs & Maintenance, Insurance and Driver Salary is restricted to an amount of Rs.30,000 per month and Telecommunication facilities at residence shall not be considered as Perquisites.

Company's contribution to Provident Fund and Superannuation Fund to the extent these either singly or together are not taxable under the Income Tax Act, Gratuity payable as per the rules of the Company and Encashment of Leave at the end of the tenure shall not be

included in the computation of limits for the Remuneration or Perquisites aforesaid.

The perquisites and benefits mentioned above shall not exceed at any time 3 times of salary.

Over and above the remuneration, Mr. K. Prakash is eligible for Incentive Remuneration upto a maximum of 200% of the Annual Salary at the discretion of the Board annually based on certain performance criteria.

(iii) Minimum Remuneration

Notwithstanding anything contrary herein contained whether in any financial year during the currency of the tenure of the appointee, the Company has no profits or its profits are inadequate, the Company shall pay remuneration by way of Salary and Perquisites and Allowances as specified above as minimum monthly remuneration.

The Perquisites mentioned above be interchangeable within the Overall Ceiling of the Remuneration of Mr. K. Prakash.

4. The Profile relating to the persons proposed to be appointed as Directors has been given in the Annexure to the Notice. Keeping in view the experience and expertise of these persons, their appointments as Directors of the Company are commended. Each of the Directors may be deemed to be interested in the Resolution relating to his appointment.
5. Mr. K. Prakash is interested in the Resolution relating to his re-appointment. The Board of Directors accordingly commends the Resolutions set out at Item Nos.2 and 5 of the accompanying Notice for your approval.
6. **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 21, 2011

V.P. THIRUMOORTHY
Company Secretary

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

Sl. No.	Particulars	
1.	Name	Mr. K. Prakash
2.	Date of Appointment	07.01.2009
3.	Qualifications	F.C.A.
4.	Expertise	Accounting, Banking & Project Finance and Corporate Laws.
5.	Experience in functional area	He is a Chartered Accountant from Institute of Chartered Accountants of India with 30 years of experience in various companies in India and abroad. His experience spreads over core industries including Banking, Information Technology, Textiles & Garments. He has worked with Union Bank of India, Kothari Group, Thakral Kogar Group, Singapore, Mascon Global Limited and Fabindia.
6.	Directorships held in other Public Companies	NIL
7.	Memberships/Chairmanships of Committees of other public Companies (Includes only Audit Committee and Shareholders/Investors Grievance Committee)	NIL
8.	No. of Shares held in the Company	—

Sl. No.	Particulars	
1.	Name	Mr. A. Annamalai
2.	Date of Appointment	17.11.2009
3.	Qualifications	B.Com., Post Graduation in Accounts from California State University, USA.
4.	Expertise	Banking and Industry
5.	Experience in functional area	He is an entrepreneur and financier with diligence and perseverance, having promoted companies, as well as managing a score of companies in diversified business fields across many countries with particular reference to Hong Kong and Dubai. He has been guiding the fortunes of the Companies with which he is associated. He has experience in diverse fields like manufacturing, software, trading, business, stock broking and education. He was the past Chairman of Confederation of Indian Industry (CII), Trichy and Karur Zones. He was instrumental in CII setting up an exclusive Zone in Karur. He is a Member on the Board of Studies of his Alma Mater.
6.	Directorships held in other Public Companies	1. Best & Crompton Green Tech Limited 2. Bestai Precast Buildings Limited 3. B & C Machinery Limited 4. Sundareshwarar Alloy And Stainless Steel Limited 5. Best & Crompton Textiles Limited
7.	Memberships/Chairmanships of Committees of other public Companies (Includes only Audit Committee and Shareholders/Investors Grievance Committee)	NIL
8.	No. of Shares held in the Company	—

Directors' Report

Dear Members,

Your Directors present the 99th Annual Report and the Audited Statement of Accounts of the Company for the Year ended March 31, 2011.

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

1. Financial Highlights

(Rs'000)

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
Total Income	783,920	641,274
Expenditure	1,163,526	608,460
Gross Profit/(Loss)	(379,606)	32,814
Taxation	(14,285)	20,526
Profit after Tax	(365,321)	12,288
Revaluation Reserve no longer required	—	—
Profit for the year	(365,321)	12,288

In view of the loss for the year and accumulated losses of the previous years, your Directors are unable to recommend any dividend for the year ended March 31, 2011.

2. Performance of various Divisions of the Company

2.1 Pump Division - Chennai

The division has registered impressive performance on all important parameters during the year 2010-11. Both Order inflow and revenue grew marginally when compared to 2009-10, which is commendable considering the overall industrial environment, which was experiencing a slowdown throughout the previous year. The Division has also made significant in-roads in supply of pumps to waste water segment. The division is expected to perform well during the current year.

2.2 Chennai Foundry

The production of the Foundry Unit in this Financial Year has increased when compared to last year's production, which represents a significant growth. We are pleased to report that the Foundry operations have turned around in the current financial year. The production went up by over 50 % from 1476 MT in the year 2009-10 to 2242 MT in the year 2010-11. The revenue of the division almost doubled in the current year. With the improvement in power supply scenario, the Unit is expected to increase production levels and generate increased revenue in the coming years.

2.3 Machinery Manufacturing Division

The Electrical Machines Factory has bagged repeat orders from the railways for making 4.5 Kw and 25 Kw alternators. The factory has received the ISO 9001-2008 certification and this will ensure continuous business with the Railways.

Plug & Socket Unit performed well during the year and achieved a turnover of Rs.1.69 Crore. As the Power Sector unit is on the growth path, the performance of this Unit is expected to improve substantially over the coming years.

2.4 Fabrication Division

The division has met the in-house fabrication requirements of the Pump Division and the Machinery Manufacturing Division. It is expected that the division will be able to achieve optimum levels of production in the next few years.

2.5 Bangalore Pump Factory

The Unit has achieved a growth of over 10% in net sales over the last year to reach Rs.4.05 Crore. The division has taken on the manufacture of 1Kw, 3Kw and 5Kw Monoblock Pumps, which would enable the Company to increase its turnover and profitability in the coming years.

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 Subsidiaries

As per the General Circular No.2/2011 dated 8th February, 2011 issued by the Ministry of Corporate Affairs, Government of India, exemption has been granted to all Companies 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 information will be made available to the Members of the Company, if such request is made by them. The Annual Accounts of the Subsidiary Companies are also available for inspection at the Registered Office of the Company.

5. Subsidiary Companies

5.1 Best & Crompton Apparels Limited

This subsidiary is, despite a slump in the domestic as well as international markets and severe liquidity problems faced by it, taking all out efforts to tide over the crisis and bag orders as well as execute orders received from reputed international companies in the fields of premium specialized sportswear. The subsidiary is also effecting cost cutting measures to achieve long term viability.

5.2 B&C Machinery Limited

This wholly owned subsidiary of your Company is setting up a project at Sriperumbudur near Chennai for production of Machinery including CNC Machines, Electrical Motors and Gensets. This Project is nearing completion and will be commissioned during the Current Financial Year 2011-12. Activity for Prototyping of Machinery has commenced and Motors for Indian Navy will be manufactured and supplied during the current financial year.

5.3 Bestai Precast Buildings Limited

This subsidiary has commenced commercial production in October 2010 and has orders on hand. It is expected that the Subsidiary would be able to achieve its target, once working capital is provided during the current year. With the improved liquidity, the Company expects to reach capacity utilisation.

5.4 Best & Crompton Green Tech Limited

This subsidiary has achieved financial closure of its Project for manufacture of CFL and LED lamps during the current year. Presently, construction of its factory and other infrastructural activities are in progress at its Sriperumbudur site. This project is expected to be completed by mid 2012 and commence trial production thereafter.

5.5 B & C Foundry Limited

This subsidiary is in the process of finalizing the purchase of land for the factory and also the type of castings it would make.

5.6 B & C Tech. Services Limited

This subsidiary is in the process of reorganizing its business to ensure its continued viability and profitability.

6. Directors

Mr. K. Prakash and Mr. A. Annamalai retire by rotation and being eligible offer themselves for re-appointment.

Mr. K. Prakash was appointed as Whole Time Director from January 7, 2009 for a period of three years. His tenure comes to an end on 6-1-2012. It is proposed to seek approval for his re-appointment for a further period of three years from 7-1-2012.

7. Directors' Responsibility Statement

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

- i) that in preparation of the Accounts for the financial year from April 1, 2010 to March 31, 2011, 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, 2010 to March 31, 2011 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. N. Srinivasan	-	Permanent Invitee

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, 2011. 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.

11. Personnel

Particulars of Employees

The information required under Section 217(2A) of the Companies Act, 1956 and the Rules made thereunder would be made available to the Members on request.

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. 9 and 10 of Schedule 13 of the 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 21, 2011

S.V. VENKATESAN
Chairman

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 Shareholders' value.
- be socially responsible.

1. Board of 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. A. Annamalai	Independent Non Executive Director
4. Mr. K. Prakash	Whole Time Director

2. Participation of each Director at the Board Meetings held during the year 2010 – 2011 (April 01, 2010 to March 31, 2011) and at the last Annual General Meeting and details of other Directorships

Six Board Meetings were held during the year 2010 – 2011 (April 1, 2010 to March 31, 2011). The dates on which the Meetings of the Board were held are: 7-5-2010, 9-8-2010, 12-11-2010, 13-11-2010 (two Meetings held) and 24-3-2011.

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	6	yes	14	--	7	3
Mr. N. Srinivasan	5	yes	13	--	9	5
Mr. K. Prakash	6	yes	--	--	--	--
Mr. A. Annamalai	3	--	5	--	--	--

3. Remuneration to Directors

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

Disclosure regarding re-appointment of Directors

At the ensuing Annual General Meeting, Mr. K. Prakash and Mr. A. Annamalai retire by rotation and being eligible offer themselves for re-appointment.

Profile of Directors seeking re-appointment at this Annual General Meeting is furnished in the Annexure to the Notice of the Annual General Meeting dated November 21, 2011 published elsewhere in the Annual Report.

4. Audit Committee

The Audit Committee comprises of the following Directors :-

Mr. S.V. Venkatesan	Chairman of the Committee
Mr. A. Annamalai	Member
Mr. N. Srinivasan	Permanent Invitee

Six Audit Committee Meetings were held during the year 2010 – 2011 (April 01, 2010 to March 31, 2011). The dates on which the Meeting of the Audit Committee were held are: 7-5-2010, 9-8-2010, 12-11-2010, 13-11-2010 (two Meetings held) and 24-3-2011.

5. Share Transfer Committee

The Members of the Share Transfer Committee are :-

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

Mr. Nalin R. Khannaa was a Member of the Committee upto October 31, 2010.

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

During the year 2010-2011, 24 Meetings were held on the following dates and the transfer of shares was approved :- 30.4.2010, 15.5.2010, 31.5.2010, 15.6.2010, 30.6.2010, 15.7.2010, 30.7.2010, 9.8.2010, 16.8.2010, 30.08.2010, 15.9.2010, 30.9.2010, 15.10.2010, 30.10.2010, 15.11.2010, 30.11.2010, 20.12.2010, 31.12.2010, 17.1.2011, 31.1.2011, 15.2.2011, 28.2.2011, 15.3.2011 and 24.3.2011.

6. Shareholders'/ Investors' Grievance Committee

The Members of the Shareholders' / Investors' Grievance Committee are :-

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 investorsgrievance@bestcrompton.com

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

No Share Transfer was pending as on March 31, 2011.

During the year, the Company received 8 complaints; out of these; 3 pertain to non-receipt of Annual Report, 3 pertain to Issue of Duplicate Share Certificates, 1 pertains to Transfer of Shares and 1 pertains to Non-Receipt of Share Certificates. All the grievances were redressed.

7. Remuneration and Compensation Committee

The Members of the Remuneration and Compensation Committee are :-

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

8. Disclosures

a) Related party Transactions

During the year, there were no material transactions with the Promoters, Directors and their relatives, the management and the Company's Subsidiaries that had potential conflict with the interest of the Company.

b) Compliance by the Company

Non-mandatory requirements under Clause 49 of the Listing Agreement have not been opted by the Company for implementation.

- c) As per Clause 49 (V) of the Listing Agreement, the Whole Time Director and the Chairman have certified to the Board on the review of financial statements for the year ended March 31, 2011 in the Form prescribed by Clause 49 of the Listing Agreement.

9. Annual General Meetings

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

Financial Year	Date of Meeting & Time	Venue
2009-2010	20.12.2010 10.00 A.M.	Sri Thyaga Brahma Gana Sabha, Vani Mahal, (Obul Reddy Hall), 103, G.N. Chetty Road, T. Nagar, Chennai - 600 017
2008 - 2009	23.12.2009 2.00 P.M.	(Freedom Hall), Hotel Park View, 125, Valluvarkottam High Road, Nungambakkam, Chennai - 600 034.
2007-2008	25.09.2008 10.00 A.M	Kasturi Srinivasan (Mini Hall), Music Academy, 168, T.T.K. Road, Royapettah, Chennai - 600 014

b) Present Annual General Meeting

Date : 19.12.2011
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 2010-11. Similarly, no business is required to be transacted through Postal Ballot at this Annual General Meeting.

10. 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 to be published in August 2011, November 2011, February 2012 and May 2012.

Date of Book Closure is from December 12, 2011 to December 19, 2011 (both days inclusive).

Listing : The Madras Stock Exchange Limited, Chennai and Bombay Stock Exchange Limited, Mumbai.

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 2010	23.15	19.50	18047.86	17276.80
May 2010	20.70	15.40	17536.86	15960.15
June 2010	23.50	17.20	17919.62	16318.39
July 2010	22.20	18.00	18237.56	17395.58
August 2010	20.35	16.75	18475.27	17819.99
September 2010	19.95	15.75	20267.98	18027.12
October 2010	19.15	14.05	20854.55	19768.96
November 2010	21.05	15.00	21108.64	18954.82
December 2010	16.60	13.65	20552.03	19074.57
January 2011	16.30	11.35	20664.80	18038.48
February 2011	13.65	10.55	18690.97	17295.62
March 2011	12.59	10.27	19575.16	17792.17

Shareholding Pattern as on March 31, 2011

Category	No. of Shares held	% to paid up Capital
Promoters	80344086	64.87
Mutual Funds	24910	0.02
Banks, FIs, Insurance Companies	529400	0.43
Bodies Corporate	19266913	15.56
Resident Indian	7790993	6.29
NRI	342474	0.28
Foreign Companies	15400047	12.44
Others – (Clearing Members & Trust)	141692	0.11
Total	123840515	100.00

Distribution of Shareholding as on March 31, 2011

Category of Shares	No. of Shareholders	% of Shareholders	Shares	% of Shares
Upto 5000	14302	83.06	2131111	1.72
5001 - 10000	1535	8.92	1269751	1.03
10001 - 20000	695	4.04	1095526	0.88
20001 - 30000	221	1.28	573923	0.46
30001 - 40000	117	0.68	422436	0.34
40001 - 50000	96	0.55	419262	0.34
50001 - 100000	151	0.88	1128691	0.91
100001 & above	101	0.59	116799815	94.32
Total		100.00	123840515	100.00