

## **NOTICE**

Notice is hereby given that the 27th Annual General Meeting of '**DMC EDUCATION LIMITED**' will be held on Friday 30th September 2011 at 4:30 p.m. at Arya Public School, Raja Bazar, Connaught Place, New Delhi-110001 to transact the following business:

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011 and the Profit and Loss Account for the period ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mrs.Saroj Gupta who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint **M/s M.K. Goswami & Co., Chartered Accountants**, 1st Floor, 4/8, Asaf Ali Road, New Delhi-110002 as Auditor from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and authorize the Board to fix their remuneration.

**Date: 3rd September 2011**  
**Place: New Delhi**

**By Order of the Board  
of DMC Education Limited**

Sd/-  
**Parul Bhargava**  
Company Secretary

## **NOTES**

1. **APPOINTMENT OF PROXY:** A MEMBER WHO IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF /HERSELF AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY.

**PROXY FORMS SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE MEETING.**

2. **Corporate Members:** Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
3. Members /Proxies are requested to bring their copy of AGM Notice to the Meeting.
4. The register of members and share transfer books of the company will remain closed from 26th September 2011 to 30th September 2011 (both days inclusive).
5. **Queries of the AGM:** Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least 7 days prior to the date of AGM to enable the management to compile the relevant information to reply to the same in the meeting.
6. **Inspection of Documents:** Copies of Memorandum and Article of Association of the Company and all other documents referred to in the notice etc., shall be open for inspection at the registered office of the company on any working days except Saturdays between 11 A.M. To 2 P.M. up to the date of AGM and also at the Annual General meeting venue during the meeting. The Register of Directors' Shareholding, maintained under section 307 of the Companies Act, 1956, shall be available for inspection by the members at the Annual General meeting venue during the meeting.
7. Members /Proxies are requested to produce the enclosed attendance slips duly filled and signed as per the specimen signature recorded with the company for admission to the Meeting Hall.

Members who hold shares in de-materialized form are requested to bring their client ID and DP ID Numbers for easier identification for their attendance at the meeting.

8. **Address Change Intimation:** Members are requested to intimate the change of address immediately to the company or its Share Transfer Agent. In case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participant without any delay.
9. In all correspondence with the Company, members are requested to quote their account/folio numbers and in case their shares are held in dematerialized form, they must quote their client ID and DP ID Numbers.

#### INFORMATION PURSUANT TO THE LISTING AGREEMENT

Name and Addresses of the Stock Exchanges at which the Company's shares are listed

**Bombay Stock Exchange Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400001.

It is hereby confirmed that the Company has paid the Annual Listing Fee to the Bombay Stock Exchange.

**Delhi Stock Exchange Limited,**  
DSE House, 3/1 Asaf Ali Road,  
New Delhi-110002.

The Company has not paid the Annual Listing Fee to the Delhi Stock Exchange.

Details of Directors Seeking Reappointment at Annual General Meeting

Particulars	
Name	Saroj Gupta
Date of Birth	18/11/1958
Date of Appointment	06/10/2009
Qualification	B.A., B. Ed.
Expertise	Business Administration and Management Skills

## **DIRECTOR'S REPORT**

Dear Shareholders,

The Directors of your company have pleasure in presenting herewith the 27th Annual Report of your company together with the Audited Statement of Accounts for the Financial Year ended March 31, 2011.

### **1. FINANCIAL RESULTS**

The standalone audited financial results for the year ended March 31st, 2011 are as follows:

(Rs. In lakhs)

Particulars	Year ended on 31.03.2011	Year ended on 31.03.2010
Total Income	1530.08	830.90
Profit Before Tax	375.56	232.69
Less: Provision for Tax	141.14	53.04
Profit after Tax Adjustment	234.42	179.65

### **2. DIVIDEND**

The Directors of your Company do not recommend any dividend to the Shareholders for the Financial Year 2010-2011, keeping in view the current economic scenario and future fund requirements of the Company.

### **3. TRANSFER TO RESERVES**

The Company proposes to transfer Rs.22,592,990 to the General Reserve out of the amount available for appropriations.

### **4. PERFORMANCE PREVIEW**

Total income for the year is Rs.1530.08 Lacs (Previous Year Rs. 830.90 Lacs). Profit for the year was Rs. 375.56Lacs (Previous Year Rs. 232.69 lacs) but after making adjustment for the tax the net profit is Rs. 234.42Lacs against a net profit of Rs. 179.65 Lacs in the previous Year.

### **5. CHANGES IN CAPITAL STRUCTURE**

#### **PAID-UP SHARE CAPITAL & OUTSTANDING CONVERTIBLE INSTRUMENTS**

During the year under review, the Company allotted 5,00,000 Equity Shares of face value of Rs. 5/- each at a premium of Rs.25/- on private placement basis to shareholders of Vsoft Services Private Limited on 1st October 2010 against acquisition of 100% stake of Vsoft Services Private Limited.

The Board of Directors of the Company at its meeting held on November 09, 2010, inter alia, has allotted 1,50,000 Zero %age Fully Convertible Debentures of Rs. 100/- each, compulsorily convertible into Equity Shares with a face value of Rs. 5/- each at the end of 12 (Twelve) Months from the date of allotment amounting to Rs. 15 million to **HT Media Ltd.** The Conversion price will be decided at the time of Conversion as per Regulation76 of SEBI (ICDR) Guidelines.

The Board of Directors of the Company at its meeting held on February 14, 2011, inter alia, has allotted One Zero %age Fully Convertible Debentures of Rs. 2, 67,00,000/- each, compulsorily convertible into Equity Shares with a face value of Rs. 5/- each at the end of 12 (Twelve) Months from the date of allotment amounting to Rs. 26.70 million in the Company to **Brand Equity Treaties Ltd.**, a Times of India Group Company. The Conversion price will be decided at the time of Conversion as per Regulation76 of SEBI (ICDR) Guidelines

### **6. SUBSIDIARIES**

The Company has a subsidiary viz. Vsoft Services Private Limited.

### **7. DIRECTORS**

As per section 255 & 256 of the Companies Act, 1956, Mrs.Saroj Gupta retire by rotation at the ensuing Annual General Meeting and, being eligible, offers herself for re-appointment. Board recommends your approval for her appointment.

## **8. COMPANY SECRETARY**

As per the requirement of Section 383A of the Companies Act, 1956, the Management of the Company has appointed CS Parul Bhargava as Company Secretary & Compliance Officer of the Company.

## **9. STATUTORY DISCLOSURES**

None of the Directors of your Company is disqualified as per provision of section 274(1)(g) of the Companies Act, 1956. The Directors of the Company have made necessary disclosures, as required under various provisions of the Act and Clause 49 of the Listing Agreement

## **10. DIRECTORS' RESPONSIBILITY STATEMENT**

In pursuance of provisions of Section 217(2AA), we hereby confirm that :

- (I) That in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (II) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are 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 year as on 31st March, 2011 and of Profit and Loss of the company for that period.
- (III) That the Directors had taken proper and sufficient care 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
- (IV) That the directors had prepared the annual accounts on a going concern basis.

## **11. AUDITORS & AUDITORS REPORT**

M/s M.K. Goswami & Co., Chartered Accountants Delhi, Statutory Auditors of the company retire at the conclusion of the Annual General Meeting and being eligible, offer themselves for re- appointment.

The Directors have gone through the Auditors reports and are in agreement with the same.

There are no qualification or adverse remarks in the Auditor's Report which require any clarification or explanation.

## **12. REGISTRAR AND SHARE TRANSFER AGENTS**

The work related to shares in Demat and Physical mode is done by Registrar and Share Transfer Agent of the Company: **M/s Alankit Assignments Limited**, 2E/21, Jhandewalan Extension, New Delhi-110005.

## **13. LISTING**

The Equity Shares of Company are listed with Bombay Stock Exchange Limited (BSE Code-517973, Scrip ID-DMCEDU) and Delhi Stock Exchange Limited.

The Company also applied for National Stock Exchange (NSE) as per the NSE guidelines and regulations for listing of its equity shares and the same was pending at National Stock Exchange.

## **14. BUSINESS OPERATION REVIEW**

### **TAKEOVER OF PLANSTEPS**

The Company has taken over Plansteps. Plansteps is a Kolkata based 14 years old leading education management and Consulting firm, rendering continuous efforts in the field of education and management consultancy.

### **TAKEOVER OF LIFELONG LEARNING**

Lifelong Learning is a Delhi based finishing school. The Company has entered into an agreement with the promoters of Lifelong Learning to acquire 51% stake of the company. The Company will invest around 1 Cr. for expansion of the company and will establish franchisee network throughout India.

**INVESTMENT OF INR 26.70 MILLION BY BETL, A TIMES OF INDIA GROUP COMPANY**

Brand Equity Treaties Limited, a Times of India Group Company has invested INR 26.70 Million in Zero (0) % fully convertible debentures of the Company

**INVESTMENT OF INR 15 MILLION BY HT MEDIA LIMITED**

HT Media Ltd has invested in 1,50,000 Zero %age Fully Convertible Debentures of Rs. 100/- each, compulsorily convertible into Equity Shares with a face value of Rs. 5/- each at the end of 12 (Twelve) Months from the date of allotment amounting to Rs. 15 million in the Company.

**PROPOSED INVESTMENT OF INR 26.70 MILLION BY DB CORP LIMITED**

DB Corp Ltd has already entered into a Debenture Subscription Agreement with the Company for subscription of One Zero %age Fully Convertible Debentures of Rs. 2,67,00,000/-, compulsorily convertible into Equity Shares with a face value of Rs. 5/- each at the end of 12 (Twelve) Months from the date of allotment amounting to Rs. 26.70 million in the Company.

**15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

Since the Company has not carried on the Business, which requires the particulars to be set out as prescribed under section 217 (1)(e) of the Companies Act, 1956 read with the companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1998 in the Director's report, the same provision is not applicable. The company has not earned any foreign exchange from its business operation during the current year. There is no outgo of foreign exchange during the year 2010-11.

**16. REPORT ON CORPORATE GOVERNANCE**

The Board of Directors supports the principles of Corporate Governance. In addition to the basic governance issues the board lays strong emphasis on transparency, accountability and integrity. Your company strives for excellence with the objective of enhancing the shareholders' value. We ensure the practice of Corporate Governance in your esteemed company. All function is discharged in professionally sound, competent and transparent manner.

A detailed report on the company's efforts at the adopting principles of Corporate Governance as prescribed under the clause 49 of the listing agreement along with the Compliance Certificate from the Practicing Company Secretary and Management Discussion and Analysis Report are annexed and forms part of this Annual Report.

**17. NOTES TO ACCOUNTS**

They are self-explanatory and do not require any explanations.

**18. PARTICULARS OF EMPLOYEES**

None of the employees of your company were drawing emoluments exceeding the limits prescribed under section 217 (2A) of the Companies Act, 1956, read with the Companies (Particular of Employees) Rules, 1975 during the year.

**19. PUBLIC DEPOSITS**

The Company has not accepted or renewed any sort of deposits during the Financial Year 2010-11 under section 58A and 58AA of the Companies Act, 1956.

**20. CASH FLOW STATEMENT**

As required under clause-32 of the Listing Agreement, a cash flow statement, as prepared in accordance with the Accounting Standard-3 issued by the Institute of Chartered Accountants of India, is given along with Balance Sheet and Profit and Loss Account.

**21. CAUTIONARY STATEMENT**

Statement in this report, particularly those which relate to Management Discussion and Analysis describing the Company's objective, projections, estimates and expectations may constitute "forward looking statements" within the meaning of the applicable laws and regulations. Actual results might differ materially from those expressed or implied in the statement depending on the circumstances.

**22. INTERNAL CONTROL SYSTEM**

The company has a reasonable control system commensurate with its size and the nature of services provided by the company, which is being reviewed, periodically for more effectiveness. The company has an audit committee, which regularly reviews the internal audit observations and put corrective measures through justified actions.

**23. HUMAN RESOURCES DEVELOPMENT**

The Company continues to enjoy cordial and warm relations with the employees and executives at all levels. It provides direction for the people working in the organization. Special training programs, workshops, seminars, etc. were continued during the year with a focus towards infusion of technical skill and quality consciousness in order to improve productivity, efficiency and quality.

**24. INDUSTRIAL RELATIONS**

The industrial relation among all within the organization was cordial. They maintained highest level of discipline and decency for the growth of the organization.

**25. GENERAL**

The note forming part of the accounts being self-explanatory, the comments made by the auditors in their report are not required to be dealt separately.

**26. APPRECIATION**

The Directors wish to place on record its appreciation for the continued co-operation extended by various Financial Institutions, Bankers, Govt. Departments and the members. The Directors also express their appreciation to the employees at all levels, for their dedicated services rendered to the Company.

Date: 3rd September 2011  
Place: New Delhi

By the order of Board of Director  
For DMC Education Limited

Sd/-  
Saroj Gupta  
Executive Director

Sd/-  
Sham Sunder Gupta  
Managing Director

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### OPERATING RESULTS OF THE COMPANY

During the Financial Year under consideration the performance of the Company was satisfactory and there was a marked improvement. Standalone Net Profit for the year 2010-11 stood at Rs 234.42 Lacs /- as against profit of Rs 179.65 Lacs/- in the year 2009-10. Furthermore the standalone turnover for the year ended March 31, 2011 stood at Rs. 1530.08 Lacs/-, as compared to Rs. 830.90 Lacs Rs. for 2009-10.

### INDUSTRY STRUCTURE AND DEVELOPMENT

#### BUDGET 2011 HIGHLIGHT ON EDUCATION SECTOR

Observing that education is the key to reaping the benefits of the demographic dividend in the form of a young population, Finance Minister through its Finance Budget announced a 24 percent hike in the budget allocation for education. Approximately Rs.52,057 crore is allocated precisely for the education sector. The Finance Minister is trying to universalise the access to secondary education. His main focus is to increase the percentage of students in higher education and skills development sector. The allocation for Right to Education was meanwhile hiked by 40 percent.

The operational norms of Sarva Shiksha Abhiyan have been revised to implement the right of children to free and compulsory education, which came into force from April 1, 2010. Around Rs.21,000 crore was allocated in this project.

#### Analysis on Test Preparation Segment

India's Test Preparatory sector currently offers an estimated US\$6.4 billion market, with a potential 16% five-year CAGR. This spans the kindergarten through grade 12 (K-12) segment (US\$20 billion), private professional colleges (US\$7 billion) and tutoring (US\$5 billion), vocational training (US\$1.4 billion), test preparation (US\$1.7 billion), and preschools (US\$1 billion).

The most attractive and scalable sectors in this group are test preparation, K-12 and preschools. Parents increasingly prefer private institutions in all domains due to the low quality and poor infrastructure of government-owned and -aided institutions. While just 7% of the more than 1 million schools in India are privately owned, they account for 40% of the country's 219 million students enrolled.

An increase in GPRS use and the introduction of 3G technology in India should also give a boost to concepts such as e-learning in the country. The e-learning market is currently estimated at US\$21.5 million and is projected to grow to US\$225 million by 2012.

The Indian middle class is expected to expand significantly, from 300 million people today to 583 million people in 2025. By 2025, about three-quarters of India's urbanites will be part of the middle class, compared with slightly more than one-tenth today. As Indians continue to climb the economic ladder, the composition of their spending will likely change significantly. Spending on education is expected to grow by 11% over the next 20 years, to 9% of the household income. With the growth of the Indian middle class and the increase in its members' spending power, there is expected to be a major supply-demand gap, which opens up many entrepreneurial opportunities in this sector.

The \$6.4bn coaching class market is growing at 25% yoy led by a dearth of quality institutions in India and cut-throat competition for entry into professional colleges. Notably, 80% of the market lies in 'subject-based tutoring in schools and colleges' - and thus is highly dependent on local 'brand-teachers'. Despite its non-regulated nature, people-centric models make scalability onerous in the space and cap value creation. While the Grad and Post-Grad test prep market (\$1.2bn) offers limited scalability as it is more content-driven.

Competitive entrance examination is a screening process for providing education in various engineering, medical, MBA, accountancy MCA field. There are various education companies that provide coaching to the students who aspire to get admission in such fields.

#### Statistics on Test Preparation Market\*

Particulars	Total Students	% being Coached	Students Enrolled	Average Fees	Market Size(\$ m)
SAT	5,000	50	2,500	30,000	2.00
CA	2,50,000	80	2,00,000	12,600	63
CAT	3,00,000	80	2,40,000	15,000	90
CET	6,00,000	50	3,00,000	10,000	75
GATE	1,68,000	80	1,34,400	8,000	27
GMAT	15,000	80	12,000	20,000	6
GRE	40,000	95	38,000	8,000	8
IELTS	1,00,000	90	90,000	3,000	7
TOEFL	60,000	90	54,000	3,000	4

\*Source-IDFC SSKI Research Report

## **ONLINE TUTORING MARKET**

The phenomenon of online tutoring is very new in India. With 3m broadband connections (less than 1% penetration), India is way behind the global average. In the coming few years, penetration is expected to double as the national Broadband and Wireless Policy targets to bring 25m subscribers to the broadband fold by 2012.

While the coaching class market remains largely regional and highly fragmented, the Post Graduation test prep segment has seen emergence of a few national chains.

## **SKILL DEVELOPMENT INITIATIVE SECTOR**

### **GOVERNMENT'S FOCUS ON SKILL DEVELOPMENT EDUCATION**

There is enormous increase in the population. Every year India adds to her population afresh. More than this every year about 5 million people become eligible for securing jobs. Business field is subject to ups and downs of trade cycle and globalization. Economic depression or sick industries are often close down compelling their employees to become unemployed. Technological advancement contributes to economic development. But unplanned and uncontrolled growth of technology is causing havoc on job opportunities. The computerization and automation has led to technological unemployment. Strikes and lockouts have become inseparable aspect of the industrial world today. Our educational system has its own irreparable defects and its contribution to the unemployment is an open truth. Our education does not enhance the skills required for performing the Job. There is a huge mismatch in the skill required by the Industry and skilled people available in the market. The Formal education system failed to address the problem. Our State right from the beginning of Five year plans has introduced several employment generating schemes and program over the years but in the absence of proper implementation and monitoring have failed to achieve the required targets.

Government of India through its various ministries encourages development of skills among the youth and tried to make them employable and also taken various steps allocate budget for skill development through public private partnership basis.

#### **Khadi and Village Industries Commission**

The KVIC conducts and facilitates training in numerous kinds of courses. These courses range from a couple of weeks to 2 years in duration.

#### **Ministry of Tribal Affairs**

The Ministry of Tribal Affairs initiatives include working through the Non Governmental Organizations or Voluntary Organizations in providing professional coaching institutions for ST students to appear in Competitive Examinations.

#### **Ministry of Rural Development, Department of Rural Development**

The MoRD launched the Swarnjayanti Gram Swarozgar Yojana (SGSY) on 1st April, 1999 with a view to ensure inclusion of the rural poor in the growth of the nation. It aims to bring the assisted families above the poverty line by ensuring an appreciable sustained level of income over a period of time.

#### **Ministry of Communications and Information Technology, Department of Information Technology**

The Ministry of Communications and Information Technology through its Human Resource Development Division is targeted to ensure availability of trained human resources for the manufacturing & service sectors of the electronics and IT industry. The initiatives carried out include identifying gaps emerging from the formal sector and planning programmes in the non-formal and formal sectors for meeting these gaps.

## **OPPORTUNITY**

### **GATE-GRADUATE APPTITUDE TEST IN ENGINEERING**

Every student who wants to pursue higher education in India is aware of GATE. It is one of the most popular competitive exams second to the IITs. One can judge the popularity of a competitive exam by simply the number of students appearing in it. This statistics also allows you prepare harder and put in much more efforts and to aim much higher. And this is the reason why students look around for such valuable information. Irrespective to the number of available seats in the IITs for M.Tech., the number of students keeps increasing each year. With the passing of each year there has been a significant increase in the number of students appearing for the exam and it is anticipated that the same number of students will also appear for GATE exam in 2012 as well. With the limited number of available seats you need to focus more and get an idea as to what you need to do. Although the numbers look scary however, you need to focus and be sincere towards your preparation.



Discipline	Number of Students
Computer Science and Engineering and IT	1,36,027
Electronics and Communication Engineering	1,37,853
Electrical Engineering	72,680
Mechanical Engineering	81,175
Civil Engineering	29,347
Instrumentation Engineering	18,456
Chemical Engineering	12,994
Production and Industrial Engineering	3,792
Biotechnology	16,425
<b>Total</b>	<b>5,08,749</b>

### PROSPECT & OUTLOOK

The company is engaged in most rewarding coaching segment of the education sector and the company also started skill development courses. The Company has already entered into a takeover agreement with the Promoters of Lifelong Learning Academy Private Limited, a Delhi based finishing school for acquisition of 51% stake in the company. The Company is looking for more acquisition in skill development sector in the near future.

### RISKS AND CONCERNS

The Company is engaged in Tutoring and Coaching Segment and also the Skill Development Segment. The coaching class market is typically fragmented and regional in nature as a big chunk, i.e. tuitions (6th-12th grades and tertiary level), is subject-based and thus highly people-driven with high dependence on a local 'brand-teacher'. However, pockets like grad and post grad test prep are more process-driven as content assumes higher relevance than teachers, and content can be standardized across centers. There are lot of local player in this sector, which leads to fragmented and unorganized sector.

### INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

There are well-established procedures for Internal Controls for operations of the company & its subsidiaries. The finance & audit functions are well equipped with professionally experienced qualified personnel & play important roles in implementing the statutory obligations. The company has constituted Audit Committee for guidance and proper control of affairs of the company. To ensure quality of delivery, the company is now focusing mainly on satellite mode of transmission of its coaching.

### HUMAN RESOURCES

Human Resources are highly valued assets at DMC Education Limited. The company seeks to attract, retain and nurture qualified and good faculty, technical & managerial talent across its operations and continues to create, sustain the environment that brings out the best in our people with emphasis on training, learning & development. It aims at career progression and fulfilling satisfactory needs. Performance is recognized and rewarded through up gradation & job enrichment, performance incentives.

## **REPORT ON CORPORATE GOVERNANCE**

Corporate governance is a term that refers broadly to the rules, processes, or laws by which businesses are operated, regulated, and controlled. The term can refer to internal factors defined by the officers, stockholders or constitution of a corporation, as well as to external forces such as consumer groups, clients, and government regulations. The Corporate Governance is a key element in enhancing investor confidence, promoting competitiveness and ultimately improving economic growth.

The objective of Corporate Governance is "Enhancement of long term shareholders value and ensuring the protection of rights of the shareholders" and your company reiterates its commitment to good Corporate Governance.

### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company policy on Corporate Governance rests on the pillars of transparency, accountability, integrity, equity and environment responsibility in all facets of its operations. Good Corporate Governance therefore, embodies both enterprise (performance) and accountability (conformance).

Independent directors are appointed not merely to fulfill the listing requirement but for their diverse skills, experience and external objectivity that they bring to effectively perform their role to provide strategic direction and guidance and provide constructive support to management by asking the right questions and generating quality debates and discussions on major decisions.

### **MANDATORY REQUIREMENTS**

#### **BOARD OF DIRECTORS**

The Board provides leadership and strategic guidance, objectively reviews management decisions and exercises control over the company. Your company is maintaining the independence of the board and company has the independent and Non-Executive directors. As on date of this report, the board of directors of the company consists of four members and it meets the requirement of the Clause 49 of the listing agreement.

The Board meeting is held in every quarter to review the financial results and discuss other issues. Besides the quarter, board meeting are also held whenever required. To conduct a board meeting the directors are informed by giving a notice in advance and the agenda of board meeting is also dispatched with the notice. The members of board discuss each agenda in the meeting and take decision after having a proper discussion and obtaining views of all members. The board members are free to give their suggestions on any agenda item and can also submit their view for improving the performance of company.

During the year Twenty Board Meetings have taken place on 8.04.2010, 04.05.2010, 28.05.2010, 02.06.2010, 10.06.2010, 13.07.2010, 31.07.2010, 18.08.2010, 04.09.2010, 30.09.10, 1.10.2010, 18.10.2010, 02.11.2010, 9.11.2010, 12.11.2010, 31.12.2010, 3.01.2011, 14.02.2011, 24.03.2011 & 31.03.2011.

The composition and category of Board during the year as follows:

Name of the Director	Designation	Category
Mr. Sham Sunder Gupta	Managing Director	Executive
Dr. Prem Kumar Awasthi	Chairman	Non -Executive & Independent
Mrs. Saroj Gupta	Wholtime Director	Executive & Promoter
Mr. Babu Lal Vijay	Director	Non -Executive & Independent
*Mr.Dhruv Kumar Agarwal	Director	Non -Executive

\*Resigned w.e.f. July 31st , 2010

Details of attendance of each director at various meetings of the company are as follows:

Name of the Director	Designation	Category	No. of Board Meetings attended	LastAGM attended
Mr. Sham Sunder Gupta	Managing Director	Executive Director	20	Yes
Dr. Prem Kumar Awasthi	Chairman	Non - Executive & Independent	20	Yes
Mrs. Saroj Gupta	Wholtime Director	Executive & Promoter	9	No
Mr. Babu Lal Vijay	Director	Non - Executive & Independent	1	No
Mr. Dhruv Kumar Agarwal	Director	Non - Executive Director	6	No