



**Annual Report
2009-2010**

CORPORATE INFORMATION**BOARD OF DIRECTORS****Chairman**

Mr. G.N. Bajpai

Managing Director

Mr. Kishore Biyani

Directors

Mr. Anil Harish

Mr. Rakesh Jhunjhunwala

Mr. B. Anand

Mr. Dhanpal Jhaveri (Ceased w.e.f 19th February, 2010)

Mr. Sameer Sain (Ceased w.e.f 5th February, 2010)

Mr. Pankaj Thapar (Ceased w.e.f 19th February, 2010)

CHIEF INVESTMENT OFFICER

Mr. K. K. Rathi

VICE PRESIDENT – FINANCE

Mr. Gopal Bihani

COMPANY SECRETARY & HEAD-LEGAL

Mr. Manoj Gagvani

STATUTORY AUDITORS

M/s Deloitte Haskins & Sells

BANKERS

YES Bank Limited

HDFC Bank Limited

REGISTERED OFFICE

Knowledge House, Shyam Nagar,

Off Jogeshwari Vikhroli Link Road,

Jogeshwari (East), Mumbai- 400 060.

Tel No.: (022) 3084 2200

Fax No.: (022) 3084 2201

Email ID : investor.care@futureventures.in

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited

(formerly known as Intime Spectrum Registry Limited)

C-13, Pannalal Silk Mills Compound,

LBS Marg, Bhandup (West),

Mumbai - 400 078

Tel No.: (022) 2596 0320

Fax No.: (022) 2596 0329

CONTENTS

NOTICE	3
DIRECTORS' REPORT	14
AUDITORS' REPORT	19
FINANCIAL STATEMENTS & NOTES TO ACCOUNTS	22
FINANCIAL INFORMATION ON SUBSIDIARY COMPANIES	38
AUDITORS' REPORT, FINANCIAL STATEMENTS & NOTES TO ACCOUNTS (CONSOLIDATED)	63

NOTICE

Notice is hereby given that the 14th Annual General Meeting of the Members of Future Ventures India Limited will be held at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060 on Tuesday, the 10th August, 2010 at 10.30 a.m. to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2010, the Balance Sheet as at that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint Mr. G.N.Bajpai, Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s Deloitte Haskins & Sells, Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s Deloitte Haskins & Sells, Chartered Accountants, the retiring Statutory Auditors, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and that the Audit Committee of the Board of Directors be and is hereby authorised to fix their remuneration for the said period and reimbursement of out of pocket expenses as may be incurred in performance of their duties."

SPECIAL BUSINESS:

4. INITIAL PUBLIC OFFER (IPO) OF EQUITY SHARES.

To consider and if thought fit to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT in accordance with the provisions of Sections 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements to be entered into by the Company with the respective stock exchanges, where the Company's shares are proposed to be listed, and subject to the approval of the Government of India ("GoI"), Securities and Exchange Board of India ("SEBI"), Reserve Bank of India ("RBI"), Foreign Investment Promotion Board ("FIPB") and all other appropriate authorities and such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, permissions, sanctions and the like, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include a duly authorized committee thereof for the time being exercising the powers conferred upon it by the Board, by its own or through delegated authorisation on certain procedural matters), the consent and approval of the Company be and is hereby accorded to offer, issue and allot upto 332,37,56,300 (Three Thirty Two Crore Thirty Seven Lacs Fifty Six Thousand and Three Hundred) equity shares of the face value of Rs.10/- each, ("Equity Shares") (including the issue and allotment of equity shares to the Stabilising Agent pursuant to the Green Shoe Option, if any, in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (including any statutory modification(s) or re-enactment thereof, for the time being in force) (the "ICDR Regulations"), at a price to be determined by the book building process in terms of the ICDR Regulations (the "Issue") or otherwise, out of the authorized capital of the Company, to such person or persons, who may or may not be the shareholder(s) of the Company, as the Board may at its sole discretion decide, including one or more of the members, promoters, employees of the Company (through a reservation in the Issue or otherwise), qualified institutional buyers, retail individual investors, non-institutional investors, non-resident Indians, foreign institutional investors, venture capital funds, foreign venture capital investors, state industrial development corporations, insurance companies, provident funds, pension funds, mutual funds, development financial institutions, multilateral and bilateral financial institutions, National Investment Fund, insurance funds set up by the army, navy or air force of the Union of India, bodies corporate, companies, private or public or other entities, authorities and to such other persons including shareholders (other than the promoters of the Company) of listed group companies (through a reservation in the Issue or otherwise), as may be permitted by applicable law, in one or more combinations thereof, whether through public issue, rights issue, or otherwise, in one or more modes or combinations thereof and in one or more tranches, in consultation with the book running lead managers to the Issue and/or underwriters and/or stabilising agent and/or other advisors or such persons appointed for the Issue and on such terms and conditions including the number of shares to be issued, at par or at premium and for cash or other consideration on such terms and conditions as may be finalised by the Board and that the Board may finalise all matters incidental thereto as it may in its absolute discretion think fit.

RESOLVED FURTHER THAT the Equity Shares so allotted in the Issue shall be subject to the memorandum and articles of association of the Company and shall rank *pari passu*, in all respects with the then existing fully paid up ordinary equity shares of the Company, including rights in respect of dividend.

RESOLVED FURTHER THAT the Board be and is hereby authorised to enter into and execute all such agreements and arrangements with any lead manager(s), co-lead manager(s), manager(s), advisor(s), underwriter(s), stabilizing agents, guarantor(s), depository(ies), custodian(s)/registrars/bankers and all such agencies as may be involved or concerned in the offering of the Equity Shares and to remunerate all such agencies by way of commission, brokerage, fees or the like, and also to seek the listing of such securities in one or more recognized stock exchanges.

RESOLVED FURTHER THAT the entire pre- Issue equity share capital of the Company, other than minimum promoters' contribution locked in for a period of three years in terms of the ICDR Regulations, shall be subject to lock-in for a period of one year from the date of allotment in the Issue and/ or such further period(s) as prescribed under any applicable rules/ laws/ guidelines/ regulations for the time being in force including, but not restricted, to the ICDR Regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to determine the terms of the Issue including the class of investors to whom the securities are to be allotted, the number of securities to be allotted in each tranche, issue price, premium amount on issue, listing on one or more stock exchanges in India as the Board in its absolute discretion deems fit and do all such acts, deeds, matters and things and execute such deeds, documents, agreements and applications to various regulatory and/ or statutory authority(ies), as it may, in its absolute discretion, deem necessary, proper or desirable, and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise in regard to the offering, issue, allotment and utilization of the Issue proceeds, and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions, including the premium to be charged on the shares to vary the size of the Issue as required by SEBI, lead managers, banks or other authorities or agencies concerned or as the Board as it may, in its absolute discretion, deem fit and proper in the best interest of the Company, without requiring any further approval of the members and that all or any of the powers conferred on the Company and the Board vide this resolution may be exercised by the Board or the Committee of Directors or such other committee as may be specifically otherwise constituted by the Board of the Company in this regard.

RESOLVED FURTHER THAT Equity Shares offered in terms of the Issue that are not subscribed, may be disposed of by the Board to such persons and in such manner and on such terms as the Board in its absolute discretion think most beneficial to the Company including offering or placing them with banks/ financial institutions/ investment institutions/ mutual funds/ foreign institutional investors/ bodies corporate/ such other persons or otherwise as the Board may in its absolute discretion decide."

5. EMPLOYEES STOCK OPTION SCHEME

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as the "Act"), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as the "SEBI ESOS Guidelines"), Unlisted Public Companies (Preferential Allotment) Rules, 2003 ("Preferential Allotment Rules") and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed in or imposed while granting such approvals, permissions and sanctions, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include the Nomination and Remuneration/ Compensation Committee), to reserve, offer, issue and allot at any time to or to the benefit of such person(s) who are in permanent employment of the Company, including directors as may be decided solely by the Board under one or more Employee Stock Option Scheme(s) (the "ESOS Scheme(s)"), upto 5,00,00,000 (Five Crore) equity shares (including upto 1,00,00,000 (One Crore) equity shares in aggregate for non-executive directors including independent directors on the Board of the Company) of face value of Rs.10 each (the "Equity Shares") fully paid-up on payment of the requisite exercise price, in such manner, during such period, in one or more tranches and on such other terms and conditions as the Board may decide in accordance with the regulations or other provisions of the law as may be prevailing at the relevant time.

RESOLVED FURTHER THAT the Nomination and Remuneration/ Compensation Committee of the Board is authorised to evolve, decide upon and bring into effect the ESOS Scheme(s) and determine the detailed terms and conditions of the aforementioned ESOS Scheme(s), including but not limited to the quantum of the options to be granted under the ESOS Scheme(s) (not exceeding 5,00,00,000 (Five Crore) Equity Shares), options to be granted per employee, the exercise period, the vesting period, instances where such options shall lapse and to grant such number of options, to such employees of the Company, at par or at such other price, at such time and on such terms and conditions as set out in the ESOS Scheme(s) and as the Nomination and Remuneration/ Compensation Committee may in its absolute discretion think fit and make any modifications, changes, variations, alterations or revisions thereof from time to time or to suspend, withdraw or revive the ESOS Scheme(s), from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring to secure any further consent or approval of the members of the Company.

RESOLVED FURTHER THAT the Equity Shares issued and allotted upon conversion of the options granted through the ESOS Scheme(s) shall rank *pari passu* in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional Equity Shares are issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of 5,00,00,000 (Five Crore) Equity Shares shall be deemed to be increased to the extent of such additional Equity Shares issued.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take necessary steps for listing of the Equity Shares allotted upon conversion of the options granted under the ESOS scheme(s) on the stock exchanges, where the Equity Shares of the Company are listed as per the provisions of the Listing Agreement with the concerned stock exchanges and other applicable guidelines, rules and regulations.

RESOLVED FURTHER THAT the maximum number of stock options that can be granted under the said ESOS Scheme(s) to any employee in any financial year shall not amount to or exceed 1% of the paid-up equity share capital of the Company.

RESOLVED FURTHER THAT in case the Equity Shares of the Company are either sub-divided or consolidated, then the number of Equity Shares to be allotted and the price of acquisition payable by the option grantees under the ESOS Scheme(s) shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10 per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

RESOLVED FURTHER THAT the Board be and is hereby authorized to make modifications, changes, variations, alterations or revisions in the said ESOS Scheme(s) as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Act, the Memorandum and Articles of Association of the Company, SEBI ESOS Guidelines and any other applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board be and is hereby authorised to do all such acts, deeds matters and things and execute all such deeds, documents, instruments and writings as it may in its absolute discretion deem necessary in relation thereto.

RESOLVED FURTHER THAT as is required, the Company shall conform with the accounting policies as contained in the SEBI ESOS Guidelines.”

6. **EMPLOYEES STOCK OPTION SCHEME – SUBSIDIARY COMPANIES**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as the

“Act”), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as the “SEBI ESOS Guidelines”) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed in or imposed while granting such approvals, permissions and sanctions, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include Nomination and Remuneration/Compensation Committee), to extend the provisions of the Employee Stock Option Scheme(s) (the “ESOS Scheme(s)”) as may be formulated by the Board more particularly as proposed in a separate resolution approved by the members of the Company at Annual General Meeting held on August 10, 2010 to the eligible employees, including directors, of the subsidiary companies of the Company (“Subsidiaries”) as may from time to time, be allowed under prevailing laws, rules and regulations and/or amendments thereto, on such terms and conditions as may be decided by the Board from time to time including but not limited to the aggregate quantum of options to be granted to the eligible employees and directors of the Subsidiaries

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted upon conversion of the options granted through the ESOS Scheme(s) as aforesaid shall rank *pari passu* in all respects with the then existing Equity Shares of the Company.”

By Order of the Board of Directors

Manoj Gagvani
Company Secretary & Head-Legal

Date: July 12, 2010

Registered Office:

Knowledge House, Shyam Nagar,
Off Jogeshwari Vikhroli Link Road,
Jogeshwari (East), Mumbai-400 060

NOTES:

- a) The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the business set out in the Notice, wherever applicable, is annexed hereto.
- b) **A MEMBER 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 A MEMBER OF THE COMPANY.**
- c) Proxies in order to be effective should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
- d) Corporate Members intending to send their authorised representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
- e) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- f) Members who hold shares in electronic form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio numbers in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.
- g) All correspondences may be addressed to:
Mr. Manoj Gagvani- Company Secretary & Head-Legal
Future Ventures India Limited,
Knowledge House, Shyam Nagar,
Off Jogeshwari Vikhroli Link Road,
Jogeshwari (East), Mumbai - 400 060.
Email : manoj.gagvani@futuregroup.in
- h) Members desirous of obtaining any information as regards Accounts are requested to write to the Company at least one week before the meeting so that the information required will be made available at the meeting.
- i) Documents referred to in the accompanying Notice and the Explanatory Statement are available for inspection at the Registered Office of the Company situated at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai-400 060 on all working days between 11.00 a.m and 1.00 p.m. upto the date of meeting.
- j) Members/ Proxies are requested to bring the Attendance Slip duly filled in.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 4

INITIAL PUBLIC OFFER (IPO) OF EQUITY SHARES

The members of the Company had approved an issue of upto 363,11,56,300 (Three Sixty Three Crore Eleven Lacs Fifty Six Thousand and Three Hundred) equity shares through a resolution dated August 12, 2009 (the "Resolution 2009"). In accordance with the provisions of the Unlisted Public Companies (Preferential Allotment) Rules, 2003 (the "Preferential Allotment Rules"), the validity of the Resolution 2009 shall expire on August 11, 2010. The Company had issued 30,74,00,000 (Thirty Crore Seventy Four Lacs) equity shares to various investors during the financial years 2009-10 and 2010-11 in terms of the Resolution 2009. However, as the Company may be unable to complete the issue of remaining 332,37,56,300 (Three Thirty Two Crore Thirty Seven Lacs Fifty Six Thousand and Three Hundred) equity shares prior to August 11, 2010, the Board of Directors of the Company ("Board") have in terms of resolution passed on July 12, 2010 re-considered and approved the issue of up to 332,37,56,300 (Three Thirty Two Crore Thirty Seven Lacs Fifty Six Thousand and Three Hundred) equity shares of Rs. 10/- (Ten) each ("Equity Shares") (the "Issue").

In view of the above and in terms of Section 81(1A), and other applicable provisions of the Companies Act, 1956 and the provisions of the Preferential Allotment Rules, the approval of the shareholders of the Company (the "Shareholders") is required through a special resolution.

The objects of the Issue are to achieve the benefits of listing on the stock exchanges and to raise capital. The Board believes that listing will provide liquidity to the existing Shareholders and also provide a public market for the Equity Shares of your Company in India.

The proceeds of the Issue shall be utilised to invest in business ventures that your Company may promote or acquire interests in, to meet expenses for general corporate purposes and cost incurred for the Issue. Your Company seeks to pursue opportunities at various stages of the enterprise growth cycle, from nascent to more mature businesses, with a view towards medium to long term value creation for the Shareholders.

It is proposed to allot a maximum of 332,37,56,300 (Three Thirty Two Crore Thirty Seven Lacs Fifty Six Thousand and Three Hundred) Equity Shares in the Issue on such terms, in such manner, at such price or prices and at such time as may be considered appropriate by the Board or a Committee appointed by the Board thereof, to various categories of investors in the Issue by way of book building process under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (including any statutory modification(s) or re-enactment thereof, for the time being in force) (the "ICDR Regulations").

The Equity Shares, if any, allotted in the Issue shall rank *pari passu*, in all respects with the then existing fully paid up ordinary equity shares of the Company, including rights in respect of dividend.

The entire pre- Issue equity share capital of the Company, other than the minimum Promoters' contribution locked in for three years from the date of allotment in the Issue, shall be locked-in for a period of one year from the date of allotment in the Issue as stipulated by and in accordance provisions of ICDR Regulations.

In terms of the Preferential Allotment Rules, the Company is required to disclose certain information in the Explanatory Statement to the Notice calling the general meeting of the Shareholders to pass the resolution for preferential allotment of Equity Shares. The information required to be provided pursuant to the Preferential Allotment Rules is as follows:

- (a). Price or price band at which the allotment is proposed shall be determined by the Board through the book building process undertaken in accordance with the ICDR Regulations.
- (b). The relevant date for the purpose of pricing of the Equity Shares shall be the date on which the price is determined on the basis of bids received under the Issue in accordance with the ICDR Regulations.
- (c). The objects of the Issue of Equity Shares through the Issue are to achieve the benefits of listing on the stock exchanges and to raise capital. The listing will enhance the brand name of your Company and provide liquidity to the existing shareholders. Listing will also provide a public market for Equity Shares of your Company in India.

The proceeds of the Issue shall be utilised to invest in business ventures that your Company may promote or acquire interests in, to meet expenses for general corporate purposes and cost incurred for the Issue. Your Company seeks to pursue opportunities at various stages of the enterprise growth cycle, from nascent to more mature businesses, with a view towards medium to long term value creation for the Shareholders.

- (d). The class or classes or persons to whom the Issue is proposed to be made are qualified institutional buyers, retail individual investors, non-institutional investors, eligible employees and shareholders (other than the promoters of the Company) of listed group companies (through a reservation in the Issue or otherwise) as defined under the ICDR Regulations. Allotment to foreign institutional investors, foreign venture capital investors and other non-resident applicants, if any, will be subject to the consent/ approval of any government/ regulatory authorities as may be required under the applicable laws.

(e). Intention of Promoters/Directors/Key Management persons to subscribe to the offer:

The Company can make an offer of Equity Shares in the Issue to any of the Promoters/ Directors/ Key managerial personnel in terms of and to the extent permissible under the ICDR Regulations in the Issue.

(f). Shareholding pattern of Promoters and other classes of shares, before and after the Issue would be as under:

Class of Shareholders	Number of Shares (Pre-issue)	Percentage shareholding (Pre-issue)	Number of shares (Post-issue) (Note 1)	Percentage Shareholding (Post-issue) (Note 1)
Promoters	31,96,38,700	47.27	80,00,00,000	20.00
Non-Promoters				
Bodies Corporate(s)	24,20,23,500	35.79	24,20,23,500	6.05
Others Individual/HUF(s)	11,45,81,500	16.94	11,45,81,500	2.86
Allottee(s) under the Issue (including allottees under Pre-Issue Placement, if any)	-	-	284,33,95,000	71.09
Total	67,62,43,700	100.00	400,00,00,000	100.00

Note:

(1) Based on the terms of allotment decided by the Board, the shareholding pattern after the Issue may vary, subject however to the minimum subscription requirement prescribed under the ICDR Regulations.

(g). Proposed time within which the allotment shall be completed: This resolution shall be acted upon within a period of 12 months. As the Equity Shares in the Issue are being offered in accordance with the ICDR Regulations, the allotment shall be completed within the time limit prescribed by ICDR Regulations.

(h). Whether a change in control is intended or expected: No change of control in the management of the Company is intended or expected pursuant to the Issue.

The certificate issued by Mr. Virendra Bhatt, company secretary in practice dated July 12, 2010 confirming that the issue of the Equity Shares pursuant to the preferential allotment through the Issue is being made in accordance with the Preferential Allotment Rules, will be laid before the meeting.

Approval of the Members is sought to issue Equity Shares on a preferential allotment basis under Section 81(1A) of the Companies Act, 1956 and under Unlisted Public Companies (Preferential Allotment) Rules, 2003, as per details mentioned above.

The Board recommends the resolution set out in the Notice for your approval.

None of the Directors of the Company are concerned or interested in this resolution, except to the extent of Equity Shares, if any, held by them in the proposed allottees (including the Promoters), either directly or indirectly, as of the date of allotment or their directorship in any such allottees (including the Promoters) or in respect of any Equity Shares allotted to them.

ITEM NOS. 5 and 6

Approval for formulation of Employee Stock Option Scheme ("ESOS Scheme(s)")

The approval of the shareholders is being sought to authorise the Board of Directors (which shall include the Nomination and Remuneration/Compensation Committee) to reserve, offer, issue and allot at any time to or to the benefit of such person(s) who are in permanent employment including directors of the Company and that of its subsidiaries, under one or more Employee Stock Option Scheme(s) (the "ESOS Scheme(s)"). The ESOS Scheme(s) would be formulated in accordance with the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 (the "SEBI ESOS Guidelines") as amended from time to time. Relevant details with respect to the aforementioned ESOS Scheme(s) are as follows:

The main features of the ESOS Scheme(s) are as under:

1. Total number of options to be granted:

The total number of options that may be granted in one or more tranches are 5,00,00,000 (Five Crore) Equity Shares in aggregate which would result in additional 5,00,00,000 (Five Crore) Equity Shares of Rs.10/- each in the Company on exercise of such options.

In case of any corporate action (s) such as right issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment needs to be made to the options granted. Accordingly, if any additional Equity Shares are issued by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of 5,00,00,000 (Five Crore) Equity Shares shall be deemed to be increased to the extent of such additional Equity Shares issued.