

# **INDIAN TERRAIN FASHIONS LIMITED**



**3<sup>rd</sup>**  
**ANNUAL REPORT 2011-2012**

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## Board of Directors

Mr. V.Rajagopal, Chairman and Managing Director  
Mrs.Rama Rajagopal, Executive Director  
Mr. S. Surya Narayanan, Director & Chief Financial Officer  
Mr. N.K. Ranganath, Independent Director  
Mr. P.S. Raman, Independent Director  
Mr. Harsh Bahadur, Independent Director  
Mr. Manoj Mohanka, Independent Director

## Company Secretary

Mr. J. Manikandan

## Management Team

Mr. Charath Narsimhan, Chief Executive Officer  
Mr. Amitabh Suri, Senior Vice-President-Marketing  
Ms.Shehnaz Sharraf, General Manager, Merchandising  
  
Mr. Selin Reubalin CC, Vice President - Operations (Group)  
Mr. A.M. Gopinath, General Manager - Commercial (Group)  
Ms.L.Visalakshi, General Manager-Finance & Accounts (Group)  
Mr. Charlie Manickarayan, General Manager-HR (Group)

## Registered Office:

NO. 208, Velachery, Tambaram Road,  
Narayanapuram, Pallikaranai,  
Chennai-600 100

## Corporate Office:

SDF-IV & C2, 3rd Main Road,  
MEPZ-SEZ, Tambaram,  
Chennai-600 045

## Statutory Auditors

M/s Anil Nair & Associates  
Egmore, Chennai-600 008

M/s CNGSN & Associates  
T. Nagar, Chennai 600 017

## Internal Auditors

M/s R.Venkatakrishnan & Associates  
R.A. Puram, Chennai-600 028

## Banker

State Bank of India, Chennai - 600 001  
HDFC Bank Ltd, Chennai - 600 002

## Warehouse

70/2 & 3A, Agaram Road, Thiruvanchery Village,  
Chennai 600 073.



## NOTICE CONVENING THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 3rd Annual General Meeting of Indian Terrain Fashions Limited will be held on 17th September, 2012 the Monday, at 10.30 A.M. at the Corporate Office of the Company, situated at SDF-IV & C2, 3rd Main Road, MEPZ-SEZ, Tambaram, Chennai 600 045 to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit and Loss account for the year ended 31st March, 2012 and the Balance Sheet as on that date together with the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr.N.K.Ranganath, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr.P.S.Raman, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint M/s. Anil Nair & Associates, Chartered Accountants, Chennai and M/s. CNGSN & Associates, Chartered Accountants, Chennai as Joint Auditors of the Company and to fix their remuneration.

### SPECIAL BUSINESS

5. Appointment of Mr. Manoj Mohanka as a Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

"RESOLVED THAT Mr. Manoj Mohanka who was appointed by the Board of Directors as an Additional Director of the Company with effect from 13th December 2011 holds office up to the date of ensuing Annual General Meeting of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 and in respect of whom the company has received a notice in writing from a member under Section 257 of the Act proposing his candidature for the Office of the Company, be and is hereby appointed as a Director of the Company"

Date: 09th August, 2012  
Place: Chennai

For and On behalf of the Board  
**J.Manikandan**  
Company Secretary

### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective must be received at the company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of Companies, Societies and Partnership firms etc must be supported by appropriate resolution/authority as applicable issued on behalf of the nominating organization.
2. The Register of members and transfer books of the Company will be closed from Monday, the 10th September, 2012 to Monday the 17th September, 2012 (both days inclusive).
3. In terms of Clause 49 of the Listing Agreement entered with Stock Exchanges, a brief resume of the directors proposed to be reappointed in this meeting, nature of expertise in specific functional areas, their other directorship, committee membership and their Shareholdings in the Company are annexed to this notice.

### 4. IMPORTANT SHAREHOLDER COMMUNICATION:

The Ministry of Corporate Affairs (MCA), Government of India has taken a "Green Initiative in Corporate Governance" by allowing paperless compliance by the Companies through its recent Circular Nos. 17/2011 and 18/2011, dated 21st and 29th April 2011 respectively allowing companies to send various official documents to their shareholders electronically. Your Company recognizes the spirit of this MCA circular and it is proposed to henceforth send all documents and communications such as, Notice convening the General Meetings, Financial Statements, Directors Report, Auditors Report etc to the email addresses provided by you with your depository. It is encouraged that the members support this green initiative and update their email address with their depository participant to ensure that all communications sent by the company are received on the desired email address. However, as per the records shared by the Depositories, your email address has not been registered and to enable us to implement the said initiative, we request you to please register / update your email address with your DP at the earliest.

In addition, the full text of the reports and documents will also be made available on the Company's website: [www.indianterrain.com](http://www.indianterrain.com) in the investor section.



**ANNEXURE TO THE NOTICE CONVENING THE ANNUAL GENERAL MEETING**

**Additional information on directors seeking re-election at the Annual General Meeting**

**Mr.N.K.Ranganath**

**Profile and expertise in specific functional areas**

Born on 13th March 1956, Mr.N.K.Ranganath is a Mechanical Engineer and holds a post graduate degree in Business Management from XLRI.

Mr.N.K.Ranganath is Managing Director of M/s.Grundfos Pumps India Private Limited. He had acquired valuable knowledge, experience and expertise in sales, marketing, finance, production and human resources disciplines.

He was inducted as a director by the Board on 20th September 2010.

**Mr. P.S.Raman**

**Profile and expertise in specific functional areas**

Born on 7th November 1960, Mr.P.S.Raman holds bachelor degree in Commerce and Law. He is an advocate with more than twenty years of practice in Madras High Court and in the Supreme Court.

During the years of practice, he has gained valuable knowledge, experience and expertise in the field of law.

Mr. P.S.Raman is also a Director in Sundaram Brake Linings Limited.

He was inducted as a director by the Board on 20th September 2010.

**Explanatory Statement pursuant to Section 173 (2) of the Companies Act 1956**

**Item No.5**

**Mr.Manoj Mohanka**

**Profile and expertise in specific functional areas**

Mr. Manoj Mohanka was appointed as an Additional Director of the Company by the Board of Directors vide the Circular Resolution dated 13th December 2011. As per the provisions of Section 260 of the Companies Act, 1956 he holds office till the conclusion of the ensuing Annual General Meeting.

The Company had received a notice from a member under Section 257 of the Companies Act, 1956 proposing his appointment as a director.

Born on 5th March 1963, Mr. Manoj Mohanka holds a Masters Degree in Strategic Marketing from National University of Ireland, Chevening Scholar from London School of Economics.

He holds 20 years of experience in business management and held various position in industry forums including President, Calcutta Chamber of Commerce, Co-Chairman, Economic Affairs Committee of FICCI (Eastern Region), Committee Member, Indo-Italian Chamber of Commerce, Board of Governors, Eastern Institute of Management, Chairman, Young Presidents Organisation, Kolkata. Also a guest lecturer at Indian Institute of Technology at Kharagpur.

Date: 09th August, 2012

Place: Chennai

For and On behalf of the Board

**J.Manikandan**

Company Secretary



## Directors Report

Dear Members,

The directors have pleasure in presenting the Third Annual Report of your Company for the year ending 31st March 2012.

### Financial Performance

Your Company has recorded total revenues (gross) of Rs.153 crs (25% growth) for the year ended 31st March 2012 as compared to Rs.122 crs (gross) during the previous year. Profit before Interest, Depreciation and Tax was at Rs.13.05 crs as against Rs.13.07 crs during the previous year. Profit before Tax stood at Rs.2.34 crs as compared to Rs.6.49 crs in the previous year and Net Profit after Tax was at Rs.2.25 crs as against a net profit of Rs.6.31 crs last year.

The financial year under review has been both challenging as well as imperative for your Company. The Brand's core strength of Deep Understanding of Product Positioning, Distribution Pattern and Supply Chain Advantage has enabled the Company to maintain the Operating Margins despite increase in raw material prices and excise duty levy. But the rise in interest costs and the incremental borrowings has taken a blow on the bottom line of your Company.

With the continued thrust on improved performance, the above strengths of the brand will get amplified and will result in better efficiencies in operations.

### Finance and Accounts

Your Company has a portion of Accumulated losses and unabsorbed depreciation transferred pursuant to Demerger and hence the Company is not liable to Current Tax. However, the Company has charged the Minimum Alternate Tax (MAT) of Rs.0.47 crores to Profit and Loss Account and has not considered MAT credit Entitlement as an asset as a matter of prudence.

The company has not availed any credit facility from any institutions during the year. The company has not accepted any deposits within the meaning of Section 58A and 58AA of the Companies Act 1956.

### Management's Discussion and Analysis Report

Management Discussion and Analysis is presented in a separate section and forms part of this Annual Report.

### Dividend

With a view to conserve the resources, the Board of Directors have not recommended any Dividend for the current financial year.

### Directors

Pursuant to Section 255 of the Companies Act, 1956, Mr. N.K. Ranganath and Mr. P.S. Raman retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

### Auditors

M/s Anil Nair & Associates, Chartered Accountants, Chennai and M/s CNGSN & Associates, Chartered Accountants, Chennai, the Joint Auditors of the Company, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

### Personnel

Employee relations have been very cordial during the year ended 31st March 2012. The Board wishes to place on record its appreciation to all the employees in the company for their sustained efforts and immense contribution to the high level of performance and growth of the business during the year. The Management team of your Company comprises of young passionate driven professionals committed to the organizational goals.

### Corporate Governance Report

Your Company is in compliance with the standards set out by Clause 49 of the Listing Agreement with the Stock Exchanges.

A separate report on Corporate Governance along with Auditors' Certificate on compliance with Corporate Governance is enclosed in the Annual Report and forms part of this report.

### Employee Stock Option Plan (ESOP)

Your Company has introduced Employee Stock Option Plan 2011 in accordance with SEBI ESOP guidelines. The Particulars of the plans are given in a separate statement attached to this report and forms part of it.

### Particulars as per Section 217 of the Companies Act, 1956

A) Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956 and based on the representations received, your Directors hereby confirm that:

- i. In the preparation of the Annual Accounts for the year ended 31st March 2012, the applicable Accounting Standards have been followed and there are no material departures;
- ii. The Directors have 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 and of the profit or loss of the Company for that period;



iii. The Directors have taken proper and sufficient care for 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;

iv. The Directors have prepared the Annual Accounts on a going concern basis.

B) Information in accordance with Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 and "The Companies (Particulars of Employees) Amendment Rules 2011"

None of the employees have drawn remuneration as specified in the Rules therein.

C) The information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given below:

i. Conservation of Energy:

The operations of the Company are not energy-intensive. However, wherever possible, the Company strives to curtail the consumption of energy on a continuing basis.

ii. Technology absorption:

Not applicable.

iii. Foreign Exchange Earning and Outgo:

|  |             |
|--|-------------|
| Total Foreign exchange earned<br>(FOB Value) | Rs.0.34 crs |
|--|-------------|

|                              |             |
|------------------------------|-------------|
| Total Foreign exchange outgo | Rs.0.16 crs |
|------------------------------|-------------|

## Appreciation

The Directors are sincerely thankful to you – the esteemed shareholders, customers, business partners, commercial banks and all its employees for the valuable support provided by them to the Company and its Management.

For and on Behalf of the Board  
**V. Rajagopal**

Chennai, 15th May 2012      Chairman & Managing Director

## REPORT ON CORPORATE GOVERNANCE

### Company's Philosophy on Code of Corporate Governance

Indian Terrain Fashions Limited focuses Corporate Governance as a key driver of sustainable corporate growth and a powerful medium to achieve the company's goal of maximizing value for all its stakeholders. A sound corporate governance strengthens investors' trust and enables the company to fulfill its commitment towards the customers, employees and the society in general. Indian Terrain Fashions Limited believes that the primary objective is to create and adhere to a corporate culture of conscience and consciousness, empowerment, accountability and independent monitoring.

The company philosophy is based on the key elements in corporate governance viz., transparency, disclosure, supervision and internal controls, risk management, internal and external communications, high standard of safety, health, accounting fidelity, product and service quality. The company has a strong legacy of fair and ethical governance practices.

### BOARD OF DIRECTORS

The Board of Directors of the Company possess highest personal and professional ethics, integrity and values, and provides leadership, strategic guidance and objective judgement on the affairs of the company. The Board is fully aware of its fiduciary responsibilities and is committed to represent the long-term interest of the Stakeholders. The Board adopted the principles of corporate governance and remains informed, participative, and independent to implement its broad policies and guidelines and has set up adequate review procedures.

The Key to good corporate governance is the optimum combination of the executive and non-executive directors on the board and the extent of their independence. The Board consists of seven members with knowledge and experience in diverse fields and professionally acclaimed to understand their role in addressing the issues raised by the management. The day-to-day affairs of the company are managed by the Managing Director and Executive Director under the supervision of the Board.

### Composition of the Board

The Board has constituted in the manner, which will result in an appropriate mix of Executive / non executive and independent directors to ensure proper governance and Management.

During the financial year 2011-12, the Board consists of Seven Directors. Mr.V.Rajagopal is the Chairman and Managing Director and Mrs. Rama Rajagopal, Executive Director and Mr. Surya Narayanan, Director and Chief Financial Officer.

Out of Seven Directors, four directors viz., Mr.P.S.Raman, Mr.N.K.Ranganath, Mr. Harsh Bahadur and Mr. Manoj Mohanka



are non executive Independent Directors. The number of independent directors on the Board is more than half of its strength. Thus the Company meets the requirements of composition of the Board according to the Listing agreement.

#### Board Meetings

During the financial year 2011-12, the Board met 4 times on 30th May 2011, 11th August 2011, 8th November 2011, and 14th February 2012.

**Details of attendance of each director at the Board Meetings and in the last Annual General Meeting and number of directorships / committee memberships held by them as on 31st March 2012 are as follows:**

| Name of the Director                                  | Category                     | Attendance at the Board Meetings | Attendance at the Last AGM | Number of other Director- ships held** | Other Committee Membership *** |          |
|---|------------------------------|----------------------------------|----------------------------|--|--------------------------------|----------|
|   |                              |                                  |                            |  | Member                         | Chairman |
| Mr. V. Rajagopal<br>Chairman and<br>Managing Director | Executive / Promoter         | 4/4                              | Yes                        | 2                                      | 2                              | -        |
| Mrs.Rama Rajagopal<br>Executive Director              | Executive / Promoter         | 4/4                              | Yes                        | 2                                      | -                              | -        |
| Mr.S.Surya Narayanan<br>Director & CFO                | Executive                    | 4/4                              | Yes                        | 3                                      | 2                              | -        |
| Mr.P.S.Raman<br>Director                              | Independent<br>Non Executive | 0/4                              | No                         | 1                                      | 2                              | -        |
| Mr.N.K.Ranganath<br>Director                          | Independent<br>Non Executive | 4/4                              | Yes                        | 3                                      | 3                              | 3        |
| Mr. Harsh Bahadur<br>Director                         | Independent<br>Non Executive | 2/3                              | N.A                        | 0                                      | 2                              | -        |
| Mr. Manoj Mohanka<br>Director                         | Independent<br>Non Executive | 1/1                              | N.A                        | 9                                      | -                              | -        |

#### Notes:

\*\* The Directorship held by the Directors, as mentioned above, includes the directorship held in Private Limited Companies

\*\*\* Only membership of audit committee and shareholders / investors grievance committee & Remuneration Committee has been taken into consideration.

#### Access to information and updation to Directors

The required information as enumerated in Annexure 1A to Clause 49 of the Listing Agreement is made available to the Board of Directors for discussions and consideration at Board Meetings. The Board also reviews significant strategic, financial, operational and compliance matters in the meeting.

#### COMMITTEES OF THE BOARD

The Board in order to be effective had constituted an Audit Committee, a Shareholder / Investor Grievance Committee and a Remuneration and Compensation Committee.

#### AUDIT COMMITTEE

The Audit Committee plays an important role in financial reporting of performance and review of internal control procedure.

The Company consists of qualified and independent Audit Committee. The committee consists of four members Mr.N.K.Ranganath, Non-executive independent director as its Chairman, Mr.S.Surya Narayanan, Mr.V.Rajagopal and Mr. Harsh Bahadur as its members. All the members of the Committee have excellent financial and accounting knowledge.

The role of the Audit Committee, in brief, is to review financial statements, internal controls, accounting policies and internal audit reports. The quarterly financial results are placed before the audit committee for its review, suggestions and recommendation(s), before taking the same to the Board. The Committee also reviews the management discussion and analysis of financial conditions and results of operations, related party transactions.



The Committee met 4 times on 30th May 2011, 11th August 2011, 8th November 2011, and 14th February 2012 during the financial year ended 31st March 2012, wherein all the Committee members were present except Mr. Harsh Bahadur was not present for the meeting dated 11th August 2011.

## REMUNERATION AND COMPENSATION COMMITTEE

The Board has set up Remuneration and Compensation Committee with a role to determine the remuneration payable to whole time directors and key managerial personnel of the Company, to recommend to the Board the appointment / reappointment of the Executive / Non-executive directors, to grant stock options and for framing of policies to attract, motivate and retain personnel.

The Committee consists of three non-executive independent directors, Mr. N K Ranganath as its Chairman, Mr.P.S.Raman and Mr.Harsh Bahadur as its members.

During the year ended 31st March 2012, the Remuneration and Compensation Committee met once on 08th November 2011.

### Remuneration Policy

The Remuneration policy of the company has been structured to match the market trends of the industry, qualifications and experience of the employee and responsibilities handled by them.

### Remuneration to Directors

The Non executive directors do not draw any remuneration from the Company other than the sitting fees for attending each meeting of the Board and committees thereof. The Company pays sitting fees of Rs. 10,000/- to all the non-executive directors for attending each meeting of the Board and Rs.1,500/- for each meeting of its committee thereof which is within the limits prescribed under the Companies Act, 1956.

During the financial year 2011-12, the sitting fee paid to Non - Executive Directors were as under:

| Name of the Director | Sitting Fees (includes the fees paid for Committee Meetings) Rs. |
|----------------------|--|
| Mr. N.K .Ranganath   | 34,000   |
| Mr. P.S.Raman        | Nil  |
| Mr. Harsh Bahadur    | 24,500   |
| Mr. Manoj Mohanka    | 10,000   |

There are no other particular pecuniary relationships or transactions of the non-executive directors' vis-à-vis of the Company.

The Company pays remuneration by way of Salary, perquisites

and allowances to the Managing Director and Executive Directors. Details of the remuneration and perquisites paid to the whole time directors are as under:

| Name of the Director | Salary (Rs. in Lakhs) | Retirement Benefits | Total (Rs. in Lakhs) |
|----------------------|-----------------------|---------------------|----------------------|
| Mr. V Rajagopal      | 24.00                 | Nil                 | 24.00                |
| Mrs.Rama Rajagopal   | 24.00                 | Nil                 | 24.00                |

In addition to the above, the whole time directors shall be entitled to suitable mediclaim policy for hospitalization and reimbursement of all actual medical expenses for themselves and their family to the extent not reimbursed under Mediclaim policy. They shall be entitled to telephone, fax and other communication facilities at their residence at company's cost. They are entitled to a fully maintained company car for company's business and the company shall pay the cost of vehicle, inclusive of driver. They shall also be entitled to reimbursement of all actual expenses or charges, including travel, entertainment and other out of pocket expenses incurred by them for and on behalf of the Company, in furtherance of its business and objects.

During the year 2011-12, Company had granted ESOP to the employees as per the approval of shareholders in the last AGM dated 30th September 2011. The following are the details:

| Name of the Employee | Total Options | Growth Options    | Thank you Options |
|----------------------|---------------|-------------------|-------------------|
| Charath Narasimhan   | 5,00,000      | 3,90,000/- @Rs.99 | 1,10,000/- @Rs.10 |
| Amitabh Suri         | 3,35,000      | 2,80,000/- @Rs.99 | 55,000/- @Rs.10   |
| Surya Narayanan      | 2,25,000      | 1,70,000/- @Rs.99 | 55,000/- @Rs.10   |
| John Dulip Kumar     | 56,000        | 46,000/- @Rs.99   | 10,000/- @Rs.10   |

### Growth Options:

The Options will vest over the next five years, subject to continuous employment with the Company and fulfillment of performance parameters as follows:

| Date of Vesting        | Vesting Percentage | Number of Options |
|------------------------|--------------------|-------------------|
| 31.10.2012-1st Vesting | 20%                | 177200            |
| 31.10.2013-2st Vesting | 20%                | 177200            |
| 31.10.2014-3rd Vesting | 20%                | 177200            |
| 31.10.2015-4th Vesting | 20%                | 177200            |
| 31.10.2016-5th Vesting | 20%                | 177200            |
| Total                  | 100%               | 886000            |





## Thank You Options:

The Options will vest over the next two years, subject to continuous employment with the Company as follows:

| Date of Vesting        | Vesting Percentage | Number of Options |
|------------------------|--------------------|-------------------|
| 31.10.2012-1st Vesting | 50%                | 115000            |
| 31.10.2013-2nd Vesting | 50%                | 115000            |
| Total                  | 100%               | 230000            |

## Shareholders/Investors Grievance Committee

The Committee oversees and reviews all matters connected with share transfers, issue of duplicate share certificates, etc. The Committee also looks into the redressal of investors' grievances pertaining to transfer of shares and dematerialization, non-receipt of balance sheet, non-receipt of declared dividends, etc.

The Committee consists of four members and Mr.N.K.Ranganath, Non executive independent director as its Chairman and Mr. P.S.Raman, Mr.V.Rajagopal and Mr.S.Suryanarayanan as its members. During the year, the committee met once on 08th November 2011.

Mr.J.Manikandan Company Secretary was appointed as Compliance Officer by the Board of Directors at their meeting held on 09th October, 2010 pursuant to Clause 47(a) of the Listing Agreement.

The Company received no complaints during the year and there were no complaints pending to be resolved as on 31st March 2012.

## Subsidiary Companies

The Company has no subsidiary Companies.

## General Meetings

The details of the last three Annual General Meetings (AGMs) held were as under:

| Financial year | Day and Date  | Time       | Venue   |
|----------------|---|------------|---|
| 2010-11        | Friday, 30th September 2011<br>SDF- IV & C 2,3rd Main Road, MEPZ - SEZ, Tambaram, | 11.00. A.M | Corporate Office, SDF- IV & C 2,3rd Main Road, MEPZ - SEZ, Tambaram, Chennai 600 045. |
| 2009-10        | Saturday, 18th September 2010   | 11.00 A.M  | Corporate Office, SDF- IV & C 2,3rd Main Road, MEPZ - SEZ, Tambaram, Chennai 600 045. |

The following special resolutions were passed by the members during the last 2 annual general meetings:

## AGM held on 30.09.2011

1. Employee Stock Option Scheme
2. Employee Stock Options equal or exceeding 1% of the issued Capital- Mr.Charath Narsimhan
3. Employee Stock Options equal or exceeding 1% of the issued Capital- Mr.Amitabh Suri
4. Employee Stock Options equal or exceeding 1% of the issued Capital-Mr.S.Surya Narayanan
5. Employee Stock Options equal or exceeding 1% of the issued Capital-Mr.John Dulip Kumar

## AGM held on 18.09.2010

1. INCREASE IN AUTHORISED SHARE CAPITAL
2. ALTERATION OF CAPITAL CLAUSE OF THE MEMORANDUM OF ASSOCIATION
3. ALTERATION OF ARTICLES OF ASSOCIATION

## Code of conduct

The Company has adopted a Code of Conduct for all board members and senior management of the Company. The Code has been communicated to the directors and the members of the Senior Management of the Company. The code has been displayed on the Company's website namely [www.indianterrain.com](http://www.indianterrain.com). All the members of the Board and senior management have confirmed compliance with the Code for the year ended, 31st March 2012. The annual report contains a declaration to this effect signed by the Chairman and Managing Director and the Company Secretary as Compliance Officer of the Code.

The Company has also framed a Code of Conduct for prevention of Insider Trading in compliance with SEBI (Prohibition of Insider Trading) Regulations, 1992. This code is applicable to all directors/officers and designated employees of the company. The code regulates dealing in shares by the persons having access to the unpublished price sensitive information.

## CEO/ CFO CERTIFICATION

CEO and CFO have given the certificate as given in Clause 49 of the Listing Agreement.

## DISCLOSURES

There were no materially significant related party transactions that may have potential conflict with the interest of company at large. The details of the related party transactions are disclosed