

37th

ANNUAL REPORT 2011-2012



**MAHARASHTRA SCOOTERS LTD.**



# MAHARASHTRA SCOOTERS LTD.

37th ANNUAL REPORT 2011-2012

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37th Annual General Meeting:

Monday, the 16th day of July, 2012 at 12.00 noon at the Registered Office.

The Company is arranging local transport for shareholders / proxies attending the meeting.  
For further details, please contact Share Department at Registered Office on  
Phone No. 020 27475811/12/13.

**Board of Directors****Madhur Bajaj***Chairman***D. S. Mehta** (upto 31-10-2011)**Jayant H. Shah** (upto 18-10-2011)**Sanjiv Bajaj****Shirish N. Karle** (upto 05-10-2011)**R. K. Nikharge****M. V. Bhagat****Smt. Kanchan Vijayan****G. R. Jangda****S. B. Patil** (from 05-10-2011)**Yogesh J. Shah** (from 18-10-2011)**Naresh Patni** (from 17-01-2012)**Audit Committee****Yogesh J. Shah***Chairman***R. K. Nikharge****Naresh Patni****Shareholders'/Investors'  
Grievance Committee****Yogesh J. Shah***Chairman***Sanjiv Bajaj****R. K. Nikharge****Company Secretary****N. S. Kulkarni****Chief Executive****Ranjit Gupta****Dy. General Manager (Satara)****R. D. Haware****Dy. General Manager (Finance)****R. B. Laddha****Auditors****P. C. Parmar & Co., Pune****Cost Auditor****A. P. Raman, Pune****Registered Office****C/o. Bajaj Auto Limited**

Mumbai-Pune Road

Akurdi, Pune-411 035.

**Works**

Plot No. C-1, M.I.D.C. Area

Satara-415 004, Maharashtra.

**Website****[www.mahascooters.com](http://www.mahascooters.com)**



**Registered office:**

C/o. Bajaj Auto Limited,  
Mumbai-Pune Road, Akurdi,  
Pune 411 035.

**NOTICE**

**NOTICE** is hereby given that the Thirty Seventh Annual General Meeting of the shareholders of **MAHARASHTRA SCOOTERS LIMITED** will be held on Monday, the **16th day of July, 2012 at 12.00 noon** at the Registered Office of the Company at C/o. Bajaj Auto Limited, Mumbai-Pune Road, Akurdi, Pune- 411 035 to transact the following business:

**ORDINARY BUSINESS:**

1. To consider and adopt the audited Balance Sheet as at 31st March, 2012 and Statement of Profit and Loss for the year ended on that date and the Directors' and Auditors' Reports thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Shri Sanjiv Bajaj, who retires by rotation and being eligible, offer himself for re-appointment.
4. To appoint a Director in place of Shri R.K.Nikharge, who retires by rotation and being eligible, offer himself for re-appointment.
5. To consider and, if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution:-**  
"RESOLVED that pursuant to Section 224-A of the Companies Act, 1956, M/s. P.C. Parmar & Company, Chartered Accountants, Pune, (ICAI Firm Registration No.107604W) the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on a remuneration of Rs.5,00,000/- (Rupees five lacs only) plus Taxes as applicable and out-of-pocket, travelling and living expenses."

**SPECIAL BUSINESS:**

6. To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution:-**  
"RESOLVED that Shri Yogesh J.Shah, who was appointed by the Board of Directors of the Company as a Director with effect from 18th October, 2011, in the casual vacancy caused by the withdrawal of nomination of Shri Jayant H.Shah by Bajaj Holdings and Investment Limited and who vacates office at this annual general meeting under section 262 of the Companies Act, 1956 and is eligible for reappointment and in respect of whom the company has, as required by section 257 of the Companies Act, 1956, received a notice in writing from a member signifying his intention to propose his candidature for the office of Director, be and is hereby appointed a Director of the Company, liable to retire by rotation."

By Order of the Board  
For MAHARASHTRA SCOOTERS LTD.

**N.S. Kulkarni**  
Company Secretary

Pune, 15th May, 2012

**NOTES:**

1. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item Nos.5 & 6 is annexed.
2. As required by Clause 49 of the Listing Agreement, brief details of the retiring Directors seeking re-appointment are annexed hereto.
3. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. **THE PROXY FORM SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
4. Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 7th day of July, 2012 to Monday, the 16th day of July, 2012 both days inclusive for the purpose of Annual General Meeting and payment of dividend.
5. If Dividend on shares as recommended by the Directors is approved at the meeting, payment of such dividend will be made from 20th July, 2012 to 21st July, 2012 to those shareholders, whose names appear (a) As Beneficial Owners as at the end of the business of 6th July 2012, as per the list to be furnished by National Securities Depository Ltd., and Central Depository Services (I) Ltd., in respect of the shares held in electronic form and (b) As Members in the Register of Members of the Company, after giving effect to all valid share transfers lodged with Karvy Computershare Pvt. Ltd., 17-24, Vitthalrao Nagar, Madhapur, Hyderabad-500 081, Share Transfer Agents (STA) of the Company on or before 7th July, 2012.
6. Shareholders holding shares in physical form are requested to notify change of address, if any, to the STA of the Company, Karvy Computershare Pvt. Ltd., 17-24, Vitthalrao Nagar, Madhapur, Hyderabad-500 081 immediately, preferably along with their bank/ECS/NECS details, unless already notified, so as to reach the STA on or before 7th July, 2012.  
Beneficial Owners holding shares in electronic form are requested to notify any change in address, bank particulars, ECS/NECS particulars etc., to their respective Depository Participants and make sure that such changes are recorded by them correctly on or before 6th July, 2012. The particulars recorded with the Depository Participants will be considered for making the payment of dividend either by issuing payment instruments or by ECS/NECS. Shareholders are requested to take appropriate action in the matter, in their own interest, to avoid delay in receiving the payment of dividend.  
Where dividend payments are made through ECS/NECS, intimations regarding such remittances would be sent separately to the concerned shareholders.
7. In compliance of the provisions of Section 205-A of the Companies Act, 1956, all unclaimed dividends upto the financial year 1995-96 have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not encashed the Dividend Warrants for the said period, are requested to claim the amount from the Registrar of Companies, Maharashtra, Pune.  
In terms of the provisions of Section 205C of the Companies Act, 1956 as amended, the amount of dividend remaining unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund and in due compliance thereof, the Company had transferred the unclaimed dividend amounts for the years 1996-97 to 2003-04 to the Investor Education and Protection Fund within the prescribed time limit and now no claim in respect thereof lies either against the Fund or the Company.  
The unclaimed dividend for the financial year 2004-05 will become due for transfer by the Company to the Investor Education and Protection Fund on 13th September, 2012. Shareholders, who have not encashed the Dividend Warrants for the said year are, therefore, requested to immediately forward the same to the STA of the Company for payment.
8. Register of Contracts with Companies and Firms in which Directors are interested under Section 301 of the Companies Act, 1956 is open for inspection to the Members at the Registered Office of the Company on all working days, except on Saturdays and Sundays, between 11.00 a.m. and 2.00 p.m.
9. Register of Directors' shareholding under Section 307 of the Companies Act, 1956 will be open for inspection to the Members at the Registered Office of the Company during the period beginning fourteen days before the date of Annual General Meeting and ending three days after the date of its conclusion, during office hours.
10. SEBI, vide circular dated 20th May, 2009, has made it mandatory, for transactions, involving transfer / transmission of shares in physical form, for the transferee/s to furnish copy of PAN card to the STA / Company for registration of such transfer / transmission of shares.
11. Shareholders holding shares in physical mode are requested to:-
  - a) opt for dematerialization of their shareholding through any of the SEBI registered Depository Participant.
  - b) avail nomination facility in respect of their shareholding in the Company by submitting Nomination Form, available for download on the website of the company.
  - c) contribute to the cause of Green Initiative by registering their e-mail addresses, by submitting the Consent Form, available for download on the website of the Company.
  - d) submit a notarized copy of their PAN Card, with a view to comply with KYC norms.



## Annexure to Notice

### BRIEF RESUME OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT AND EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

#### Item No.3

##### Re-appointment of Shri Sanjiv Bajaj as Director

Brief resume of Shri Sanjiv Bajaj, who retires by rotation and is seeking re-appointment and his other details are given below for the information of Shareholders.

Shri Sanjiv Bajaj has done B.E. Mechanical, first class with distinction from the University of Pune, M.Sc. (Manufacturing Systems Engineering), with distinction from the University of Warwick, U.K., and M.B.A. from Harvard Business School, U.S.A.

Since 2008, Shri Sanjiv Bajaj is the Managing Director of Bajaj Finserv Ltd., which operates in the insurance business through Bajaj Allianz Life Insurance Co. Ltd., and Bajaj Allianz General Insurance Co. Ltd., as well as in the consumer lending business through Bajaj Finance Ltd. His role includes guiding the current businesses and building new ones in the financial services space.

Effective 1st April, 2012, Shri Sanjiv Bajaj is also appointed as Managing Director of Bajaj Holdings and Investment Ltd., wherein his role includes building the strategy and team and guiding this investment company, which has over Rs.20,000 crores in cash and investments.

Shri Bajaj was awarded Business Today Magazine's Best CFOs Awards 2005 as one of the top CFOs of India for 2005.

Shri Bajaj was selected as India Inc's one of the top hundred most powerful CEOs in India by Economic Times' Corporate Dossier magazine in its 2009 survey conducted by IMRB International.

Besides being on the Board of the Company for over 6 years and also a Member of its Shareholders'/Investors' Grievance Committee, he holds directorships, committee positions in the following companies:-

#### Directorships:

- |   |   |
|---|---|
| 1. Bajaj Allianz General Insurance Co.Ltd.              | 9. Jeevan Ltd.                                |
| 2. Bajaj Allianz Life Insurance Co.Ltd.                 | 10. Hindustan Housing Co. Ltd.                |
| 3. Bachhraj Factories Pvt. Ltd.                         | 11. Bachhraj & Co. Pvt. Ltd.                  |
| 4. Bajaj Holdings & Investment Ltd. – Managing Director | 12. Bajaj Sevashram Pvt. Ltd.                 |
| 5. Bajaj Finance Ltd.                                   | 13. Kamalnayan Investment & Trading Pvt. Ltd. |
| 6. Bajaj Auto Holdings Ltd.                             | 14. Sanraj Nayan Investment Pvt. Ltd.         |
| 7. Bajaj Finserv Ltd. – Managing Director               | 15. Rupa Equities Pvt. Ltd.                   |
| 8. Bajaj Auto Ltd.                                      |   |

#### Committee Positions:

##### Audit Committee

1. Bajaj Allianz General Insurance Co.Ltd.
2. Bajaj Allianz Life Insurance Co.Ltd.
3. Bajaj Finance Ltd.

##### Shareholders' / Investors' Grievance Committee

1. Bajaj Finserv Ltd.
2. Bajaj Finance Ltd.

Shri Sanjiv Bajaj does not hold any shares in the Company.

None of the Directors except Shri Sanjiv Bajaj is concerned or interested in the resolution.

The Board commends the resolution for the approval of Shareholders.

#### Item No.4

##### Re-appointment of Shri R.K. Nikharge as Director

Brief resume of Shri R.K.Nikharge, who retires by rotation and is seeking re-appointment and his other details are given below for the information of Shareholders.

Shri R.K.Nikharge, aged about 53 years, has over 19 years' experience in various Departments of Mantralaya, Govt. of Maharashtra and is currently occupying the position as Desk Officer, Industries, Energy and Labour Department, Mantralaya, Mumbai.

Apart from being on the Board of the Company as also a Member of its Audit Committee and Shareholders'/Investors' Grievance Committee, Shri R.K. Nikharge holds the position of Director in (i) Western Maharashtra Development Corporation Ltd., (ii) Konkan Development Corporation Ltd. and (iii) Vidharbha Development Corporation Ltd.

Shri R.K. Nikharge does not hold any shares in the Company.

None of the Directors except Shri R.K. Nikharge is concerned or interested in the resolution.

The Board commends the resolution for the approval of Shareholders.

#### **Item No. 5**

##### **Appointment of Auditors**

Section 224-A of the Companies Act, 1956 mandates that in a company in which not less than 25% of the subscribed share capital is held by the Government, Government Companies, nationalised banks and public financial institutions referred to therein, either singly or in any combination, the appointment of auditors shall be made by a special resolution. Since Western Maharashtra Development Corporation Limited, a Government Company, holds more than 25% of the subscribed share capital of the Company, the appointment of the Auditors and payment of remuneration to them requires approval of the shareholders by a Special Resolution.

Directors recommend the resolution as a Special Resolution for the approval of Shareholders.

None of the Directors of the Company is concerned or interested in the Special Resolution aforesaid.

#### **Item No. 6**

##### **Re-appointment of Shri Yogesh J. Shah as Director**

Shri Yogesh J. Shah, who was appointed as Director in the vacancy caused by the withdrawal of nomination of Shri Jayant H. Shah by Bajaj Holdings and Investment Limited, holds office until ensuing Annual General Meeting and is eligible for re-appointment. In terms of the provisions of Section 257 of the Companies Act, 1956, the Company has received a Notice in writing from a member signifying his intention to propose the name of Shri Yogesh J. Shah as a Director of the Company.

Brief resume of Shri Yogesh J. Shah, who is seeking re-appointment and his other details are given below for the information of Shareholders.

Shri Yogesh J. Shah, aged about 59 years, is a Chartered Accountant and one of the pioneers Pune based professional Share Broker since 1977 and is acknowledged for the trust of his clients and his fair dealings. He actively participated in the formation of Pune Stock Exchange Ltd. and was its Vice-President for 1982-83 and acted as its Director for several years. He also acted as Manager / Associate Manager to the Fixed Deposit Schemes of various reputed Public Limited companies. Shri. Yogesh J. Shah is one of the largest Pune based Distributor of Mutual Fund Products and one of the top Mutual Fund Distributor in India.

Besides on the Board of the Company as also the Chairman of its Audit Committee and Shareholders' / Investors' Grievance Committee, Shri Yogesh J. Shah is a Director of following closely held companies:-

Directorships:

- |   |                                    |
|---|------------------------------------|
| 1. Yogesh Financial Consultants Pvt. Ltd. | 3. Ashwamegh Enterprises Pvt. Ltd. |
| 2. Yogesh Distribution Pvt. Ltd.          | 4. Adonis Laboratories Pvt. Ltd.   |

Shri Yogesh J. Shah together with his family members holds 2,874 shares in the Company.

None of the Directors of the Company, except Shri Yogesh J. Shah is interested or concerned in the resolution.

Directors recommend the resolution for approval of the shareholders

By Order of the Board  
For MAHARASHTRA SCOOTERS LTD.



**N.S. Kulkarni**  
Company Secretary

Pune, 15th May, 2012.



## DIRECTORS' REPORT

### INTRODUCTION:

The Directors present their Thirty Seventh Annual Report and Audited Statement of Accounts for the year ended 31st March, 2012.

### PRESENTATION OF FINANCIAL RESULTS:

Notification dated 28th February, 2011 issued by the Ministry of Corporate Affairs has stipulated a revised format for disclosure of financial statements under Schedule VI to the Companies Act, 1956. The financial results of the Company for the year ended 31st March, 2012 are, therefore, disclosed as per the revised Schedule VI and the previous years' figures have been restated to align with the current year's presentation.

### OPERATIONS:

Having ceased production of geared scooters from April, 2006, the Company continues to manufacture pressure die casting dies, jigs and fixture, primarily meant for the two and three wheeler industry.

The significant development during the year has been the implementation of Voluntary Retirement Schemes (VRS) by the Company for its permanent daily rated workmen and for the permanent monthly rated staff, resulting in exceptional expenditure amounting to Rs.5839.45 lacs towards the compensation paid to them.

### FINANCIAL HIGHLIGHTS AND DIVIDEND:

For the Financial Year ended 31st March, 2012, the gross revenue of the Company was Rs.7048.38 lacs as against Rs.4109.31 lacs during the previous year, inclusive of other income amounting to Rs.6380.55 lacs as compared to Rs.3489.69 lacs during the previous year. The Company has incurred a net loss amounting to Rs.649.09 lacs during the financial year mainly on account of the exceptional item of voluntary retirement compensation as against profit after tax of Rs.2172.54 lacs in the previous year. Profit before accounting of the exceptional item of expenditure viz., VRS compensation incurred during the financial year, amounted to Rs.5190.33 lacs as against Rs.2112.89 lacs during the previous year.

In view of above and the fact that ever since it went public in the year 1977-78, the Company has been uninterruptedly rewarding the Shareholders by way of dividend, the Directors propose to declare dividend out of reserves, being eligible to do so in due compliance with the conditions stipulated in the Companies (Declaration of Dividend Out of Reserves) Rules, 1975. Accordingly, a sum of Rs.781.92 lacs is proposed to be withdrawn from the General Reserve, first to be utilised to set off losses incurred during the financial year amounting to Rs.649.09 lacs and the balance amount of Rs.132.83 lacs to be utilised for payment of dividend @ 10% i.e. (Re.1 per share) inclusive of dividend distribution tax thereon. During the previous year the Company had paid a dividend of Rs.9 per share (90%) amounting to Rs.1195.43 lacs inclusive of tax thereon.

### FINANCIAL RESULTS:

	(Rs. in lacs)	
	2011-12	2010-11
Net Sales and Other Income	7048.38	4109.31
Gross Profit/(Loss) before Finance costs, Depreciation and Exceptional Items	5286.35	2214.33
Finance Costs	0.07	0.09
Depreciation	95.95	101.35
Profit / (Loss) before exceptional items and Tax	5190.33	2112.89
Exceptional Items – VRS Compensation	5839.45	-
Profit/(Loss) before tax	(649.12)	2112.89
Provision for Taxation	-	-
Net Profit / (Loss)	(649.12)	2112.89
Debit / (Credit) relating to earlier year – Taxation	(0.03)	(59.65)
Disposable Surplus/(Loss)	(649.09)	2172.54
Withdrawal from General Reserve	781.92	-
Provision for Proposed Dividend (inclusive of Dividend Distribution Tax)	132.83	1195.43
Balance carried to General Reserve	-	977.11

### RESEARCH, DEVELOPMENT AND TECHNOLOGY ABSORPTION:

No expenditure is incurred by the Company attributable to Research, Development and Technology Absorption during the year under review.

### CONSERVATION OF ENERGY:

During the year under review, the Company (i) maintained power factor to Unity throughout the year resulting in getting maximum rebate in electricity bills (ii) biogas plant, wormy composting, solar water heaters and Effluent treatment plant were effectively in operation (iii) idle manpower and land was effectively used for cultivation of vegetables, food grains & fruits for in house consumption.

### SAFETY, HEALTH AND ENVIRONMENT:

There were zero reportable accidents during the year, while the Company has taken adequate measures to reduce noise pollution inside the factory, by use of screw compressor, reduction in the volume / timing of siren etc.

Environment Audit was carried out as stipulated.

The Company has formulated Policy on AIDS, Safety and Health and has displayed the same at prominent locations at the factory premises.



**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

During the year under review, foreign exchange earnings and outgo were NIL.

**CASH FLOW STATEMENT:**

A Cash Flow Statement for the year 2011-12 is included in the annexed Statement of Accounts.

**INDUSTRIAL RELATIONS:**

During the year, the industrial relations remained cordial, culminating in signing of wage agreement with the workmen for a period of 5 years, valid till 31st March, 2016 and the implementation of two Voluntary Retirement Schemes for the permanent daily rated workmen, which was accepted by 376 workmen. Further, the company also implemented a Voluntary Retirement Scheme for monthly rated staff / employees and 61 of them opted for the same. The current manpower strength of the Company consists of 81 permanent daily rated workmen and 45 permanent monthly rated staff, inclusive of those deployed in tool room facilities.

**DIRECTORS:**

- During the year under review, Western Maharashtra Development Corporation Limited (WMDC) nominated Shri S.B.Patil as a Director, not liable to retire by rotation, in place of Shri Shirish N.Karle, while Shri Yogesh J.Shah and Shri Naresh Patni were nominated by Bajaj Holdings and Investment Limited as Directors liable to retire by rotation in place of Shri Jayant H. Shah and Shri D. S. Mehta respectively.
- Shri Yogesh J.Shah holds office until the ensuing Annual General Meeting and is eligible for re-appointment.
- Shri Sanjiv Bajaj and Shri R.K.Niharge, retire by rotation and being eligible, offer themselves for re-appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

As required by sub-section (2AA) of Section 217 of the Companies Act, 1956, the Directors confirm:

- that in the preparation of annual accounts the applicable accounting standards have been followed.
- that the Directors have selected such accounting policies and have applied them consistently and made judgements 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 of the Company for that period.
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that the Directors have prepared the annual accounts on a going concern basis.

**PARTICULARS OF EMPLOYEES:**

None of the employees of the Company was in receipt of remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended.

**CORPORATE GOVERNANCE:**

Pursuant to clause 49 of the Listing Agreement with Stock Exchanges, a report on Corporate Governance together with the Auditors Certificate regarding compliance of the conditions of Corporate Governance, Management Discussion and Analysis statement forms part of the Annual Report.

**AUDITORS' REPORT**

The observations made in the Auditors' Report, read with the relevant notes thereon are self-explanatory and therefore do not call for any further comments under Section 217 of the Companies Act, 1956.

**STATUTORY AUDITORS:**

The Statutory Auditors, M/s. P.C. Parmar & Co., Chartered Accountants, Pune, (ICAI Firm Regn.No.107604W) who retire at the conclusion of the ensuing Annual General Meeting, are eligible for re-appointment. Since Western Maharashtra Development Corporation Limited, a Government Company, holds more than 25% of the subscribed capital of the Company, the appointment of Auditors and the payment of remuneration to them is required to be made by a Special Resolution, pursuant to Section 224-A of the Companies Act, 1956. The Shareholders are requested to appoint the Auditors and fix their remuneration.

**COST AUDITORS:**

The Company has appointed Shri A.P.Raman, Cost Accountant, Pune as Cost Auditor to conduct the audit of cost accounts maintained by the Company, for the financial year 2012-13, subject to the approval of Central Govt. thereto. As mandated by Circular No.15/2011 dated 11th April, 2011 issued by the Ministry of Corporate Affairs, Govt. of India, full particulars of Cost Auditor are given herein below:-

Name	Shri A.P.Raman
ICWA Membership No.	837
Address	Golok, Plot No.13, Sector No.28 Pradhikaran, Nigdi, Pune – 411 044
Details of Cost Audit Report for the financial year ended 31st March, 2011	
(a) Due date of filing	30th September, 2011
(b) Actual date of filing	3rd August, 2011

On behalf of the Board of Directors



Madhur Bajaj  
Chairman

Pune, 15th May, 2012.



## CORPORATE GOVERNANCE

Maharashtra Scooters Limited (MSL) believes in and has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders on the four key elements of Corporate Governance – transparency, fairness, disclosure and accountability.

### BOARD OF DIRECTORS:

The Company is managed by a Board of Directors comprising a non-executive Chairman and eight non-executive Directors. Of these Directors, six are independent Directors.

Composition of the Board of Directors and the number of other Directorships and committee positions held by the Directors during the year ended 31st March, 2012:

Name	Executive/ Non-executive/ Independent	Other Directorships held *	Other Committee positions	
			As Chairman	As Member
Madhur Bajaj	Non-executive, Chairman	6	-	-
D.S. Mehta [upto 31-10-2011]	Non-executive, Independent	4	-	5
Jayant H. Shah [upto 18-10-2011]	Non-executive, Independent	-	-	-
Sanjiv Bajaj	Non-executive	9	1	5
Shirish N. Karle [upto 05-10-2011]	Non-executive	1	-	-
R.K. Nikharge	Non-executive, Independent	3	-	-
M.V. Bhagat	Non-executive, Independent	1	-	-
Smt. Kanchan Vijayan	Non-executive, Independent	2	-	-
G.R. Jangda	Non-executive, Independent	3	-	-
S.B. Patil [from 05-10-2011]	Non-executive	1	-	-
Yogesh J. Shah [from 18-10-2011]	Non-executive, Independent	-	-	-
Naresh Patni [from 17-01-2012]	Non-executive, Independent	-	-	-

\* Directorships as stipulated under section 275 of the Companies Act, 1956.

Attendance of Directors at the Board Meetings during the year ended on 31st March, 2012 and at the last AGM:

Name	Number of Board meetings		Attendance at the last AGM held on 12-07-2011
	Held	Attended	
Madhur Bajaj	4	4	Yes
D.S. Mehta [upto 31-10-2011]	3	2	Yes
Jayant H. Shah [upto 18-10-2011]	2	2	Yes
Sanjiv Bajaj	4	4	Yes
Shirish N. Karle [upto 05-10-2011]	2	-	No
R.K. Nikharge	4	4	Yes
M.V. Bhagat	4	2	No
Smt. Kanchan Vijayan	4	3	No
G.R. Jangda	4	4	Yes
S.B. Patil [from 05-10-2011]	2	-	Not applicable
Yogesh J. Shah [from 18-10-2011]	2	2	Not applicable
Naresh Patni [from 17-01-2012]	1	1	Not applicable

The Board met four times during the year on 16th May, 2011, 12th July, 2011, 18th October, 2011 and 17th January, 2012.

### Information placed before the Board of Directors:

The Board of the Company was presented with all the relevant and necessary information at their meetings as specified under covenants contained in the Listing Agreement and as stipulated under the Companies Act, 1956 and other enactments as applicable.

The Board also reviewed, periodically, the legal compliance report presented by the Chief Executive of the Company.

### Code of Conduct:

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code as on 31st March, 2012. Declaration from Chief Executive to this effect forms part of this report.