

## Board of Directors

<b>Mr. Chintan V. Valia</b>	Director
<b>Mr. Manoj G. Patel</b>	Director
<b>Mr. Pankaj R. Bhuta</b>	Director ( <i>w.e.f. 31.7.2013</i> )
<b>Mr. Nishit M. Dhruva</b>	Director ( <i>w.e.f. 31.7.2013</i> )
<b>Mr. J.T. Poonja</b>	Chairman ( <i>Resigned w.e.f. 7.10.2013</i> )
<b>Mr. Nimish C. Shah</b>	Managing Director ( <i>Resigned w.e.f. 10.4.2014</i> )
<b>Mr. H. R. Prasad</b>	Director ( <i>Resigned w.e.f. 30.5.2013</i> )
<b>Mr. Ramesh Venkat</b>	Director ( <i>Resigned w.e.f. 9.7.2013</i> )
<b>Mr. Sohan C. Mehta</b>	Director ( <i>Resigned w.e.f. 15.7.2013</i> )

## Group Information

### Fortune's Leadership Team

<b>Mr. Yashpal Madan</b>	Manager Under Companies Act
<b>Mr. Nadeem Akbarali Karmali</b>	Chief Executive Officer – Institutional Business
<b>Mr. B. B. Tantri</b>	Chief Operating Officer – Broking & Distribution
<b>Mr. S. G. Muthu Kummar</b>	Head – Corporate Affairs
<b>Mr. Naveen Sharma</b>	National Head Sales – Broking & Distribution
<b>Mr. Pranav Shah</b>	Head - Accounts, Compliance & Taxation

### Company Secretary

Mr. Haroon Mansuri

### Statutory Auditors

M/s. Nipun Sudhir & Associates  
Chartered Accountants

### Bankers

Andhra Bank  
Axis Bank Ltd.  
HDFC Bank Ltd.  
Karur Vysya Bank Ltd.  
Union Bank of India  
Vijaya Bank

### Registrar & Share Transfer Agent

Purva Shareregistry (India) Pvt. Ltd.  
Unit No. 9, Ground Floor  
Shivshakti Industrial Estate  
7-B Sitaram Mills Compound  
J R Boricha Marg  
Lower Parel, Mumbai - 400 011

### Registered Office

Naman Midtown, "A" Wing, 21<sup>st</sup> Floor  
Senapati Bapat Marg  
Elphinstone Road  
Mumbai 400 013  
CIN : L65910MH1991PLC062067  
Email : cosecretary@ffsil.com  
Website : www.fortune.co.in

## DIRECTORS' REPORT

### Dear Shareholders

Your Directors have pleasure in presenting the Twenty Third Annual Report and Audited Accounts for the year ended 31<sup>st</sup> March, 2014.

### Financial Results

	(Rupees in lakhs)			
	Stand-alone		Consolidated	
	2013-14	2012-13	2013-14	2012-13
<b>Total Income</b>	<b>828.65</b>	247.76	<b>6,101.48</b>	6,289.02
Profit/(Loss) before depreciation and tax	<b>(1.48)</b>	(412.58)	<b>288.97</b>	(1,152.01)
Depreciation	<b>2.99</b>	6.91	<b>305.94</b>	172.83
Profit/(Loss) before tax	<b>(4.47)</b>	(419.49)	<b>(16.97)</b>	(1,324.84)
Provision for tax				
- Current tax	<b>–</b>	–	<b>34.80</b>	25.08
- Current tax relating to prior years (Net)	<b>0.13</b>	5.16	<b>1.80</b>	(2.11)
- Deferred tax	<b>19.46</b>	(21.52)	<b>70.64</b>	(85.94)
Profit/(Loss) after tax	<b>(24.06)</b>	(403.12)	<b>(124.21)</b>	(1,261.87)
Balance brought forward from the previous year	<b>2,212.23</b>	2,615.35	<b>2,122.06</b>	3,390.21
Balance available for appropriations	<b>2,188.17</b>	2,212.23	<b>1,997.85</b>	2,128.34
Transfer to statutory reserve	<b>–</b>	–	<b>20.27</b>	6.28
Balance carried to balance sheet	<b>2,188.17</b>	2,212.23	<b>1,977.58</b>	2,122.06
Weighted average number of equity shares				
- Basic	<b>1,28,79,290</b>	1,28,79,290	<b>1,28,79,290</b>	1,28,79,290
- Diluted	<b>1,30,32,715</b>	1,28,79,290	<b>1,30,32,715</b>	1,28,79,290
Nominal value per share (in rupees)	<b>10.00</b>	10.00	<b>10.00</b>	10.00
Basic and diluted earnings per share				
- Basic (in rupees)	<b>(0.19)</b>	(3.13)	<b>(0.96)</b>	(9.80)
- Diluted (in rupees)	<b>(0.18)</b>	(3.13)	<b>(0.95)</b>	(9.80)

### Working Results

#### Standalone

The total income during the year 2013-14 stood at Rs. 828.65 lakhs as against Rs. 247.76 lakhs during the previous year. The company has incurred a loss of Rs. 4.47 lakhs as compared to a loss of Rs. 419.49 lakhs in the previous year. The loss after tax stood at Rs. 24.06 lakhs as against a loss of Rs. 403.12 lakhs in the previous year. During the year the total income increased considerably and also the losses have been reduced to a substantial extent as against those in the previous year.

#### Consolidated

The consolidated income during the year 2013-14 stood at Rs.6,101.48 lakhs as against Rs.6,289.02 lakhs during the previous year. The consolidated income has been marginally reduced as compared to that of the previous year. During the year under review, the company has on consolidated basis incurred a loss of Rs. 124.21 lakhs after tax as against a loss of Rs 1,261.87 lakhs in the previous year. The consolidated loss after tax has been substantially reduced as compared to that of the previous year.

#### Dividend

In view of the loss incurred by the company, the Directors do not recommend any dividend for the financial year 2013-14.

## **Consolidated Financial Statements**

The Board of Directors of your company at its meeting held on May 28, 2014 approved the consolidated financial statements for the financial year 2013-14 in accordance with the Accounting Standard (AS-21) and other applicable Accounting Standards issued by the Institute of Chartered Accountants of India as well as Clause 32 of the listing agreement, which includes financial information of all its subsidiaries.

## **The Companies Act, 2013**

The MCA vide its circular dated 4<sup>th</sup> April, 2014 has clarified that the financial statements, Notes forming part of accounts, Directors report, Auditors' Report and other documents annexed thereto for the financial year commencing prior to 1<sup>st</sup> April, 2014 shall be governed by the applicable provisions of the Companies Act, 1956.

## **Surrender of Merchant Banking & Portfolio Management Services (PMS) Registration Certificates**

During the year under review, the company has surrendered the Merchant Banking and Portfolio Management Services Registration Certificates to SEBI for cancellation. The company has received confirmation for cancellation of Portfolio Management Services Registration Certificate and a confirmation for Merchant Banking Registration Certificates is awaited from SEBI.

## **Investment for acquisition of a company**

During the year under review, the company has acquired 100% equity shares of Antique Stock Broking Limited, whereby it became a subsidiary of the company effective from 31<sup>st</sup> March, 2014.

## **Agreement for acquisition of a company**

On 2<sup>nd</sup> May, 2014 the company has entered in to share purchase agreement for acquisition of 100% stake of Inga Capital Private Limited, subject to applicable regulatory approvals. Inga Capital Private Limited is engaged in the business of Investment Banking and is a Merchant Banker registered with SEBI.

## **Change in control**

During the year, the then existing promoters have entered in to Share Purchase Agreements with Sharyans Resources Limited, Fine Estates Private Limited, Neostar Developers LLP and Aditya InfoTech Private Limited to dispose of their shares held in the company. Acquisition of the existing promoters' shares by the Acquirers and persons acting in concert with them triggered the mandatory requirements for Open Offer under the provisions of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011. The Acquirers along with the persons acting in concert with them have made the Open Offer to the public for acquisition of equity shares of the company. The entire process of Open Offer completed on 10<sup>th</sup> April, 2014, when payment was dispatched to those public shareholders of the company who tendered their shares in the open offer and from that date onwards, the existing promoters ceased to be the promoters of the company and the Acquirers along with persons acting in concert acquired control over the company and also became its new promoters.

## **Corporate Governance**

A report on the corporate governance along with a certificate from the auditors of the company regarding the compliance of conditions of the corporate governance as stipulated under Clause 49 of the listing agreement is included and forms part of this annual report.

All Board members and senior management personnel of the company have affirmed compliance with code of conduct for the year 2013-14. A declaration to this effect certified by the Director of the company is also attached in the annual report.

The Director and the Chief Financial Officer (CFO) of the company have certified to the Board with regard to the financial statements and other matters as required under clause 49 of the listing agreement and the said certificate is attached in the annual report.

## **Management Discussion and Analysis**

A detailed review of operations, performance and future outlook of your company and its businesses is given in the Management Discussion and Analysis, which forms part of this annual report.

## **Accounts of subsidiary companies**

In terms of Circular No. 51/12/2007-CL III dated 8<sup>th</sup> February, 2011 issued by the Ministry of Corporate Affairs, a general exemption has been granted under section 212(8) of the Companies Act, 1956 to companies for attaching the accounts of subsidiaries in the annual report subject to the conditions prescribed. In view of the above referred circular, the Board of Directors of the company has in its meeting held on 28<sup>th</sup> May, 2014 passed the required resolution for not attaching the annual accounts and other reports of the subsidiary companies with the annual report of the holding company for the financial year ended 31<sup>st</sup> March, 2014.

However, the audited annual accounts of the subsidiary companies will be made available for inspection by the members of the holding and subsidiary companies at the registered office of the company and will also be uploaded on the website of the company. The audited annual accounts of the subsidiary companies will be made available to members of the company and subsidiary companies, seeking such information at any point of time.

The following information in aggregate for each of the subsidiary companies are disclosed in annual report as stipulated in the circular issued by the Ministry of Corporate Affairs, New Delhi:

(a) capital (b) reserves (c) total assets (d) total liabilities (e) investments (f) turnover/total income (g) profit before taxation (h) provision for taxation (i) profit after taxation and (j) proposed dividend.

Statement pursuant to Section 212 (3) of the Companies Act, 1956 relating to the subsidiary companies is annexed as Annexure I and forms part of the annual report.

#### **Fixed Deposits**

The company has not accepted any deposit from the public during the year under review, within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under.

#### **Committees**

The company has four committees of the Board of Directors. These committees are – Audit Committee, Remuneration/Compensation Committee, Shareholders Grievances Committee and Internal Finance Committee.

The terms of reference, composition and the details of the meetings held during the year under review are provided in corporate governance report.

The Remuneration/Compensation Committee has been renamed as Nomination and Remuneration Committee.

The Shareholders Grievances Committee has been renamed as Stakeholders Relationship Committee.

#### **Internal Control Systems & their adequacy**

The company has in place adequate systems of internal control that are commensurate with its size and nature of the business and documented procedures covering all financial and operating functions. The company being in service industry, it has in place clear processes and well-defined roles and responsibilities for its staff at various levels. The Management has a defined reporting system, which facilitates monitoring and adherence to the process and systems in place.

#### **Auditors**

M/s. Nipun Sudhir & Associates Chartered Accountants (Firm Registration No.: 0126168W), Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting have expressed their unwillingness for re-appointment as Statutory Auditors of the company at the ensuing Annual General Meeting. Your directors recommend the appointment of M/s. S. H. Bathiya & Associates Chartered Accountants (Firm Registration No.: 101046W) as Statutory Auditors of the Company, subject to approval of the members at the ensuing Annual General Meeting. The Company has received letter from M/s. S. H. Bathiya & Associates, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under section 141 of the Companies Act, 2013 and that they are not disqualified for such appointment. The necessary resolution seeking your approval for appointment of Statutory Auditors has been incorporated in the Notice convening the Annual General Meeting.

#### **Auditors' Report**

Your Directors refer to the observations made by the Auditors in their report and wish to state that the notes forming part of accounts are self explanatory and hence do not require any further comments.

#### **Directors**

During the year under review, Mr. H. R. Prasad, Mr. Ramesh Venkat, Mr. Sohan Mehta and Mr. J. T. Poonja have resigned as Directors of the company with effect from 30<sup>th</sup> May, 2013, 9<sup>th</sup> July, 2013, 15<sup>th</sup> July, 2013 and 7<sup>th</sup> October, 2013 respectively.

The Board of Directors wishes to take on record the valuable contributions given by the Directors during their tenure as Directors of the company.

Mr. Manoj Patel, Director of the company retires by rotation and being eligible offers himself for re-appointment.

In terms of the applicable provisions of the Companies Act, 2013 which have been made effective from 1<sup>st</sup> April, 2014 shareholders approval is required for appointment of all Independent Directors of the company viz. Mr. Pankaj Bhuta and Mr. Nishit Dhruva.

Brief profiles of the Directors to be appointed/re-appointed in the ensuing annual general meeting of the members of the company have been provided as an annexure to the notice.

The company has received declarations from all the independent directors of the company confirming that they meet with the criteria of independence as prescribed under section 149 (6) of the Companies Act, 2013 and Clause 49 of the listing agreement.

#### **Appointment of Manager**

The Board of Directors at their meeting held on 4<sup>th</sup> February, 2014 has subject to the approval of the members in the ensuing annual general meeting, appointed Mr. Yashpal Madan as a Manager under the Companies Act for a period of three years commencing from 4<sup>th</sup> February, 2014 on the terms and conditions has mutually agreed.

### Preferential issue of equity shares

During the year under review the company has issued a Postal Ballot Notice to the members of the company for obtaining their approval for issue and allotment of 1,54,66,700 equity shares of Rs. 10 each on a preferential basis to Fine Estates Private Limited, Aditya Infotech Private Limited and Neostar Developers LLP along with the other resolutions.

The results of the Postal Ballot were declared on 30<sup>th</sup> December, 2013 at the registered office of the company and accordingly the company has on 11<sup>th</sup> April, 2014 issued 1,54,66,700 equity shares of Rs.10 each fully paid at the premium of Rs. 65 per share. On issue of these equity shares, the paid up capital of the company increased to Rs.2,834.60 lakhs divided in to 2,83,45,990 equity shares of Rs.10 each fully paid.

During the year under review the authorised capital of the company has been increased from Rs. 15 crores divided in to 1,50,00,000 equity shares of Rs.10 each to Rs.40 crores divided in to 4,00,00,000 equity shares of Rs. 10 each.

### Conservation of Energy, Technology Absorption

The information required under section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988 with respect to the matters specified therein are not applicable to your company.

### Foreign Exchange earnings and outgo

(Rupees in Lakhs)

Particulars	2013 - 2014	2012 - 2013
<b>Earnings:</b>		
Investment Banking income	–	55.95
<b>Outgo:</b>		
Travelling & Business Promotion	–	2.46
Dividend	–	21.67

### Particulars of employees

Statement under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particular of Employees) Rules, 1975, as amended is annexed as Annexure II and forms part of the Annual Report.

### Transfer of unclaimed dividend to the Investor Education & Protection Fund (IEPF)

As required under section 205A (5) of the Companies Act, 1956 the company has transferred Rs. 96,826 & Rs.1,68,629 to the Investor Education and Protection Fund (IEPF) during the year under review on 24<sup>th</sup> October, 2013 and 18<sup>th</sup> March, 2014 respectively towards unclaimed dividend.

### Directors' Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, to the best of their knowledge and belief confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- appropriate accounting policies had been selected and applied 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 loss of the company for that period;
- proper and sufficient care has been taken 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
- The annual accounts have been prepared on a going concern basis.

### Acknowledgement

Your Directors are pleased to place on record their deep appreciation towards the sincere services and co-operation extended by employees of the organization at all levels. They also wish to place on record their gratitude for the confidence placed in them by the banks & financial institutions they are associated with. Further, your Directors wish to thank the various regulatory authorities, business associates and clients for their valued co-operation.

On behalf of the Board

**Chintan V. Valia**  
Director

**Pankaj R. Bhuta**  
Independent Director

Mumbai, 18<sup>th</sup> August, 2014

## Statement pursuant to Section 212 (3) of the Companies Act, 1956 relating to subsidiary companies as on March 31, 2014

1.	Name of the subsidiary Companies	Intime Equities Limited	Intime Multi Commodity Company Limited	Fortune Credit Capital Limited	Fortune Financial India Insurance Brokers Limited	Fortune Integrated Home Finance Limited	Fortune Integrated Assets Finance Limited	Antique Stock Broking Limited
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
2.	The financial years of the subsidiary companies	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
3.	Shares of the subsidiary companies held by Fortune Financial Services (India) Limited							
	a) No. of shares & face value	1,66,50,000 equity shares Rs.10 each.	30,00,000 equity shares Rs.10 each	2,76,00,000 equity shares Rs.10 each	6,00,000 equityshares Rs.10 each	2,50,000 equityshares Rs.10 each	30,00,000 equityshares Rs.10 each	2,66,66,658 equityshares Rs.10 each
		5,00,000 10% & 9,00,000 12.50% Redeemable cumulative preference shares Rs. 10 each	-	-	-	-	-	-
	b) extent of holding (%)	100	100	100	100	100	100	100
4.	The net aggregate of profit/(loss) of the subsidiary companies so far as it concerns the members of Fortune Financial Services (India) Limited							
	a) Not dealt in the accounts of Fortune Financial Services (India) Ltd for the year ended March 31, 2014, amounted to :- <b>(Amount Rs. in lakhs)</b>							
	● For the subsidiaries' financial year ended March 31, 2014	(180.28)	19.24	101.35	3.88	(0.09)	(44.24)	-
	● For the previous financial years of the subsidiaries since they became the holding company's subsidiaries	605.76	37.64	723.89	11.06	(0.43)	(61.29)	-
	b) Dealt in the accounts of Fortune Financial Services (India) Ltd for the year ended March 31 2014, amounted to :- <b>(Amount Rs. in lakhs)</b>							
	● For the subsidiaries financial year ended March 31, 2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	● For the previous financial years of the subsidiaries since they became the holding company's subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**Annexure II**

**Information under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended March 31, 2014**

Sr.No.	Name & Designation	Gross Remuneration (Rs.)	Qualification	Experience in years	Date of commencement of employment	Age	Last employment, Designation/ No. of years & No. of shares held & % of holding
<b>Employed throughout the year :</b>							
1.	Mr. Nimish C. Shah Managing Director	51,12,018	MBA (USA)	25	01.07.2008	50	Intime Equities Limited (formerly known as Fortune Equity Brokers (India) Limited) Managing Director 4 years 4,27,504 (3.32%) as on 31 <sup>st</sup> March, 2014.

**Notes:**

- 1) The above employment is contractual.
- 2) The above employment is subject to the rules and regulations of the company as in force from time to time.
- 3) Mr. Nimish C. Shah is a relative of Mr. Sohan C. Mehta, who was a Director of the company till 15<sup>th</sup> July, 2013.
- 4) Remuneration shown above includes salary, dearness allowances, house rent allowances, bonus, medical reimbursements, incentive and company's contribution to provident fund but does not include contribution to the gratuity fund, which is on the basis of actuarial valuation and for which individual figures are not available.



# REPORT ON CORPORATE GOVERNANCE

## Corporate Philosophy

Your company converge good corporate governance, focus on enhancement of long term value creation for all stakeholders and conduct the business in accordance with the highest ethical standards and sound corporate governance practice. Clause 49 of the listing agreement, which relates to corporate governance, was revised from time to time making far reaching amendments in the code.

The primary purpose of corporate leadership is to create wealth legally and ethically. This translates to bring a high level of satisfaction to five constituents - customers, employees, investors, vendors and the society-at-large. The raison d'être of every corporate body is to ensure predictability, sustainability and profitability & revenues of the Company year after year.

Your Company confirms the compliance of corporate governance, in all material aspects, with the revised clause 49 of the listing agreement, the details of which are given below:

## I Board of Directors:

### Composition of the Board

The Board comprises of eminent persons with considerable professional experience from varied disciplines. The present strength of the Board as on 31<sup>st</sup> March, 2014 is Five Directors. Out of five Directors as on 31<sup>st</sup> March, 2014, two are Independent Directors, thus comply with the requirement of the clause 49 of the listing agreement .

**Table 1: Composition of the Board, attendance record, membership of Board Committees**

Name	Category	Attendance		Other Directorships (other than Pvt. Ltd. Cos.)	Committees (as on March 31, 2014)	
		Board Meetings	Last AGM		Membership	Chairmanship
Mr. Nimish C. Shah DIN : 00233136	MD	3	No	6	3	4
Mr. Chintan V. Valia DIN : 05333936	NED	5	Yes	6	11	1
Mr. Pankaj Bhuta DIN : 00171570	NE-ID	3	No	2	4	4
Mr. Nishit Dhruva DIN : 01641751	NE-ID	1	No	2	3	3
Mr. Manoj G. Patel DIN : 02566288	NED	–	No	–	–	–

MD – Managing Director

NED – Non Executive Director

NE – ID – Non Executive Independent Director

### Changes in Directorate during the financial year :

- Mr. H. R Prasad resigned as a Director w. e. f. 30<sup>th</sup> May, 2013.
- Mr. Ramesh Venkat resigned as a Director w. e. f. 9<sup>th</sup> July, 2013
- Mr. Sohan Mehta resigned as a Director w. e. f. 15<sup>th</sup> July, 2013
- Mr. Pankaj Bhuta and Mr. Nishit Dhruva have been appointed as Additional Directors w. e. f. 31<sup>st</sup> July, 2013.
- Mr. J. T. Poonja resigned as a Chairman and Director w. e. f. 7<sup>th</sup> October, 2013

### Notes:

- As on March 31, 2014 the company had 5 (Five) Directors. The Chairman of the Company was non executive and resigned from Directorship w e f 7<sup>th</sup> October, 2013. Thereafter, no Director of the company has been appointed as a Chairman of the company.
- None of the Directors on the Board holds memberships of more than ten mandatory committees or Chairmanship of more than five committees. The company has received the necessary declarations from the Directors.

- Other directorships do not include directorships in private limited companies, section 25 companies, companies incorporated outside India and alternate directorships.
- Memberships and/or Chairmanships of the Board Committees include Audit Committee Shareholders' Grievance Committees and Remuneration Committee.
- The Company did not have any pecuniary relationship or transactions with Non- Executive Directors during the year ended 31<sup>st</sup> March, 2014 except for the payment of sitting fees.

#### Number of Board Meetings

During the year 2013-2014, the Board of Directors met five times:

29<sup>th</sup> May, 2013; 31<sup>st</sup> July, 2013; 15<sup>th</sup> November 2013;

27<sup>th</sup> November, 2013 and 4<sup>th</sup> February, 2014.

The maximum gap between any two meetings had been not more than four months. All meetings were well attended.

**Table 2 – Attendance in the Board meetings**

Sr. No.	Date of Board meetings	Total strength of the Board	No. of Directors present
1.	29 <sup>th</sup> May, 2013	7	5
2.	31 <sup>st</sup> July, 2013	4	3
3.	15 <sup>th</sup> November, 2013	5	2
4.	27 <sup>th</sup> November, 2013	5	4
5.	4 <sup>th</sup> February, 2014	5	2

**Table – 3 Remuneration to Directors**

Name of Directors	Remuneration	Sitting fees of the Board & Committee meetings
	(Rupees)	
Mr. J. T. Poonja	–	80,000
Mr. Nimish C. Shah	51,12,018	–
Mr. Chintan V. Valia	–	1,80,000
Mr. Pankaj Bhuta	–	1,00,000
Mr. Nishit Dhruva	–	20,000
Mr. Sohan C. Mehta	–	20,000
Mr. H. R. Prasad	–	40,000
Mr. Ramesh Venkat	–	–
Mr. Manoj Patel	–	–

No stock options as on date have been granted to any non-executive Directors of the Company.

Number of shares held by non promoter Directors :

Mr. Pankaj Bhuta - 4,000 equity shares

#### Code of Conduct :

The company has adopted a 'Code of Conduct' for the members of the Board of Directors and the senior management. All Board members have affirmed compliance with the code. A declaration to this effect signed by the Chairman is given in this report.

## II Committees of the Board

The Board has four major Board level committees **a)** Audit Committee **b)** Nomination and Remuneration Committee **c)** Stakeholders Relationship Committee and **d)** Internal Finance Committee. The quorum for meeting is either two members or one-third of the members of the committee, whichever is higher. All decisions pertaining to the constitution of the committees, appointment of members and fixing of terms of reference for the committee is taken by the Board of Directors.