



TIMES GUARANTY LIMITED

21st ANNUAL REPORT

For the year ended March 31, 2011

REPORT AND ACCOUNTS

For the year ended March 31, 2011

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BOARD OF DIRECTORS

Dr. Bhaskar Das, *Chairman*
Mr. D. N. Shukla, *Director*
Mr. S. Sivakumar, *Director*
Mr. P. M. Rao, *Director*
(Upto 16/05/2011)
Mr. Avinash Jain, *Director*
Mr. Arun Arora, *Additional Director*
(w.e.f. 16/05/2011)

COMPANY SECRETARY

Mr. Vijay S. Devadiga *(Upto 31/05/2011)*
Ms. Swapna Ranade *(w.e.f. 01/06/2011)*

BANKERS

HDFC Bank Ltd.
United Bank of India

AUDITORS

M/s. V. B. Goel & Co.
Chartered Accountants

INTERNAL AUDITORS

M/s. Shrikant Kulkarni & Associates
Chartered Accountants

REGISTRAR & TRANSFER AGENTS

M/s. Sharepro Services (India) Pvt. Ltd.
13AB, Samhita Warehousing Complex,
IInd Floor, Sakinaka Telephone Exchange Lane,
Off Andheri Kurla Road, Sakinaka,
Andheri (E), Mumbai - 400 072.

REGISTERED OFFICE

Trade House 1st Floor, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai - 400 013. Tel. : 65131731

NOTICE OF THE ANNUAL GENERAL MEETING

TIMES GUARANTY LIMITED

Registered Office : Trade House, 1st Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013

NOTICE is hereby given that the twenty first Annual General Meeting of the members of Times Guaranty Limited will be held at 11.00 A.M. on Thursday, September 22, 2011, at Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce, Industry & Agriculture, 'Oricon House', 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai 400 001 to transact the following business :

Ordinary Business:

1. To receive, consider and adopt the Balance Sheet as at March 31, 2011 and the Profit & Loss Account for the financial year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Dr. Bhaskar Das, who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in place of Mr. S. Sivakumar, who retires by rotation and is eligible for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to authorise the Board of Directors to fix their remuneration. M/s. V.B. Goel & Co., Chartered Accountants, whose term expires at this Annual General Meeting, are eligible for re-appointment.

Special Business:

5. To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Arun Arora, who was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 and whose term of office expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director of the Company, be and is

hereby appointed as Director of the Company, liable to retire by rotation.

FURTHER RESOLVED THAT any of the Directors of the Company be and is hereby authorised to do all such acts deeds and things as may be required to give effect to the aforesaid Resolution."

By Order of the Board of Directors
For **TIMES GUARANTY LIMITED**

Mumbai
May 16, 2011

S. SIVAKUMAR
Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER. THE PROXY FORMS SHOULD BE LODGED WITH THE COMPANY AT ITS CORPORATE OFFICE NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE TIME OF THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Book of the Company will remain closed from September 12, 2011 to September 22, 2011 (both days inclusive).
3. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.

By Order of the Board of Directors
For **TIMES GUARANTY LIMITED**

Mumbai
May 16, 2011

S. SIVAKUMAR
Director

TIMES GUARANTY LIMITED

Brief Details of Directors Seeking Re-Appointment as required under the Listing Agreement

Item No. 2 & 3

Details of Directors Seeking Re-Appointment

Dr. Bhaskar Das, 58, has done his Masters in Business Administration with specialization in Marketing. He has been with Bennett, Coleman & Co. Ltd. for the last 31 years and has held several important positions and is currently the Executive President of Bennett, Coleman and Company Limited. He is Director of your Company from June 28, 2007 and is appointed as Chairman of your Company. He is also the Chairman of the Shareholder's Grievance Committee of your Company.

He is also the whole time Director of Bennett, Coleman and Company Limited and the Director of Times Global Broadcasting Co. Ltd, Worldwide Media Private Limited, Mind Games Shows Private Limited, Times VPL Limited, Zoom Entertainment Network Limited, Banhem Estates & IT Parks Limited, Surge Enterprises Limited, Vardhaman Publishers Limited, Bennett Broadcasting & Distribution Services Ltd., Media Research Users Council, Brand Equity Treaties Ltd, Aryabhata Properties Limited. He is Member – Managing Committee in Centre for Excellence in Management Training & Development and Member – Executive Committee in The Indian Newspaper Society. He is also the member of the Investment & Loan Committee of Bennett Coleman & Co. Limited, member of the Audit Committee of Vardhaman Publishers Limited and Zoom Entertainment Network Limited.

Mr. S. Sivakumar, 44, M.Com. F.C.A., FICWA has 19 years of experience in Finance and Accounts and is at present Director, Private Treaties in Bennett, Coleman & Co. Ltd. He is Director of your Company from July 30, 1998. He is also Director of Aegon Religare Life Insurance Company Ltd., Alternate Brand Solutions (India) Limited, Bennett Property Holdings Company Limited, Brand Equity Treaties Limited, Mirchi Movies (India) Limited, Bennett Broadcasting & Distribution Services Ltd., Times Infotainment Media Limited, Times Innovative Media Limited, Times of Money Inc, Times of Money Financial Services Limited, Timesofmoney Limited, Times of Money UK. He is Member – Managing Committee in Centre for Excellence in Management Training & Development. He is a member of Audit Committee of Times Innovative Media Limited and Times Infotainment Media Ltd. He is a member of the Audit Committee and Shareholders Grievances' Committee of your Company.

Item No. 5

Details of Additional Director to be appointed as Director

Mr. Arun Arora : Mr. Arun Arora was appointed as an Additional Director of the Company in the meeting of the Board of Directors held on May 16, 2011. His term of office expires at the ensuing Annual General Meeting of the Company. The Company has received notice under Section 257 of the Act, proposing his appointment as a Director of the Company along with the requisite deposit.

Mr. Arun Arora is a Harvard alumnus, a Chemical Engineer, fellow of Indian Institute of Chemical Engineers, and is currently the Chairman Emeritus – World HR Congress and Founder Chairman – Edvance Pre-schools Pvt. Ltd. He is also Director of Setco Automotive Limited, Worldwide Media Private Limited, Edvance Learning Private Limited, Edvance Online Private Limited and SE TransStadia Private Limited. He is also the member of the Remuneration Committee and Shareholders/Investors' Grievance Committee of Setco Automotive Limited.

Mr. Arun Arora is the former President and Executive Director of Bennett, Coleman & Co. Ltd. (The Times of India Group) and CEO of The Economic Times. He has had a thirty-five year long illustrious career in media and is on the boards of several companies.

Mr. Arun Arora was involved in setting up many new businesses across media platforms in print, radio, television, music and home entertainment. Brands launched by him include Times Music, Zoom, Times Multimedia and Planet M.

He spearheaded the formation of various joint ventures of Bennett, Coleman & Co. Ltd. Worldwide Media Pvt. Ltd. was formed as a JV with BBC Worldwide to become the dominant magazine publishing company in India. Times Global Broadcasting Pvt. Ltd. was established as a JV with Reuters to launch Times Now.

In the past, Mr. Arun Arora was CEO of The Times of India, founder CEO of Sony Entertainment Television, Chairman – United News of India, Vice-Chairman – Radio Mirchi and Vice-Chairman – Times of Money Ltd.

By Order of the Board of Directors
For **TIMES GUARANTY LIMITED**

Mumbai
May 16, 2011

S. SIVAKUMAR
Director

DIRECTORS' REPORT

Your Directors are pleased to present the 21st Annual Report along with the audited accounts for the financial year ended March 31, 2011.

Management Discussion & Analysis

The summary of financial results, as indicated below, compares the financial performance of your Company for the year ended March 31, 2011 with the results for the year ended March 31, 2010:

[Rs. in lacs]

| Particulars | Year ended March 31, 2011 | Year ended March 31, 2010 |
|---------------------------------------|------------------------------------------|------------------------------------------|
| Total Income | 61.19 | 211.91 |
| Total Expenses | 34.06 | 38.05 |
| Depreciation | (0.14) | (0.14) |
| Gross Profit | 26.99 | 173.72 |
| Prior Period Income and expenses | 0.00 | 0.54 |
| Profit Before Tax | 26.99 | 174.26 |
| Provision for Taxation | 3.24 | (4.45) |
| Profit for the Year after Tax | 30.23 | 169.81 |
| Profit for the Year after Adjustments | 30.23 | 169.81 |

Total Income decreased to Rs.61.19 lacs for the year ended March 31, 2011 as compared to Rs. 211.91 lacs. This is mainly because your Company has adopted a very conservative approach towards investing its funds only in debt funds through fixed maturity plans which was discontinued for a period of almost three to six months by Mutual Fund Industry, which resulted in low income during this financial year.

For the year ended March 31, 2011 expenses were Rs. 34.06 lacs as compared to Rs. 38.05 lacs for the previous year and the Management is trying to reduce the cost of operation to the maximum possible extent.

From last few years, your Company has concentrated on recovery of the asset portfolio. Your Company was successful in recovering amounts to the tune of Rs. 22 Crores due to favorable results in various legal and remedial actions. Now since almost all the recoverable portfolio is recovered, your Company is examining various options of commencing new

activities but the current condition of the economy like increase in interest rates, inflation and political factors compel the management to give second thought before starting any new activity.

Your Company continuously reviews the internal control systems and thereby ensures adequate and appropriate checks and balances in transaction risk management.

In view of the volume of your Company's business, the current employee strength is considered adequate.

Change of Registered Office of the Company:

Your Company has shifted its registered office from Ground Floor. Matulya Mills Compound, S.B. Marg, Lower Parel (West), Mumbai- 400 013 to Trade House, 1st Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400 013, a place situated within the jurisdiction of the Registrar of Companies, Mumbai, Maharashtra with effect from June 29, 2010 for operational convenience and efficiency.

Auditor's Observations

There are no adverse observations made by the Auditors in their Report to the Members.

Subsidiary Company

There are no subsidiaries of your Company.

Particulars of conservation of energy, technology absorption and foreign exchange earnings

As your Company is not engaged in any manufacturing activities, there are no particulars to be furnished for conservation of energy and technology absorption. There were no foreign exchange earnings or outgo during the year.

Personnel

There are no employees covered by Section 217 (2A) of the Companies Act, 1956.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed.
- The Directors had selected such accounting policies and applied them consistently and made

TIMES GUARANTY LIMITED

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 as on March 31, 2011 and of the profit of the Company for the year ended March 31, 2011

- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Directors have prepared the annual accounts on a 'going concern' basis.

Stock Exchanges

The Equity Shares of your Company are currently listed with the Bombay Stock Exchange Ltd. and The National Stock Exchange of India Ltd. The listing fees for the financial year 2011-12 have been paid to both the Stock Exchanges.

Corporate Governance

Your Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under the Listing Agreement of the Stock Exchanges, are complied with.

A separate report on Corporate Governance is attached as annexure to this Report.

Directors

Mr. P.M. Rao, Director of the Board of Directors of your Company resigned from the Board on May 16, 2011. The Board has accepted his resignation and placed on record its appreciation of the sterling contribution made by Mr. P.M. Rao during his tenure as a Director of your Company.

Dr. Bhaskar Das and Mr. S. Sivakumar, Directors of your Company, retire by rotation at the forthcoming

Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

Mr. Arun Arora, was appointed as Additional Director of your Company, whose term of office expires at the ensuing Annual General Meeting of the Members. Your Company has received notice under Section 257 of the Companies Act, 1956 along with the requisite deposit in respect of Mr. Arun Arora, proposing his appointment as a Director of the Company. The Board recommends that Members confirm his appointment as Director of your Company, liable to retire by rotation.

Appointment of Auditors

M/s. V.B. Goel & Co., Chartered Accountants, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Appointment of Internal Auditors

M/s. Shrikant Kulkarni & Associates, Chartered Accountants, have been re-appointed as Internal Auditors of the Company.

Acknowledgments

The Board of Directors thank the Company's promoters, customers, bankers and employees for their continued support.

For and on behalf of the Board of Directors

Mumbai
May 16, 2011

AVINASH JAIN
Director

S.SIVAKUMAR
Director

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

1 COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company is committed to the adoption of best governance practices and its adherence in the true spirit, at all times. Our governance practices stem from an inherent desire to improve and innovate and reflect the culture of trusteeship that is ingrained in our value system and forms part of the strategic thought process. Our governance philosophy rests on five basic tenets: Board accountability to the Company and shareholders; strategic guidance and effective monitoring by the Board; protection of minority interests and rights; equitable treatment of all shareholders as well as superior transparency; and, timely disclosure.

In line with this philosophy, your Company continuously strives for excellence through adoption of best governance and disclosure practices. Your Company is fully compliant with all the provisions of the revised Clause 49 of the Listing Agreement with the Stock Exchanges dealing with the Code of Corporate Governance.

2 BOARD OF DIRECTORS

Composition and Size of the Board

Mr. P.M. Rao has resigned from the directorship with immediate effect in the meeting held on 16th May, 2011 and Mr. Arun Arora has been inducted in the Board of your Company as an Additional Director w.e.f 16th May, 2011. The present strength of the Board is five. All the Directors are non-executive Directors. Three Directors are independent Directors.

| Director | Executive / Non-Executive/ Independent | No. of Outside Directorship(s)/Board Committees (Other than Times Guaranty Ltd.) | |
|-----------------------------------------|----------------------------------------|----------------------------------------------------------------------------------|------------|
| | | Directorships | Committees |
| Dr. Bhaskar Das | Chairman, Non-Executive | 15 | 3 |
| Mr. S. Sivakumar | Non-Executive | 13 | 2 |
| Mr. P.M. Rao (Upto May 16, 2011) | Non-Executive | 14 | 5 |
| Mr. D.N. Shukla | Non-Executive and Independent | 5 | - |
| Mr. Avinash Jain | Non-Executive and Independent | - | - |
| Mr. Arun Arora (w.e.f. May 16, 2011) | Non-Executive and Independent | 6 | 1 |

Number of Board Meetings

Five Board Meetings were held during the financial year 2010-2011. The dates on which the Board Meetings were held were as follows:

May 28, 2010, June 29, 2010, July 29, 2010, October 29, 2010 and January 28, 2011.

Attendance of each Director at the Board Meetings held during the financial year 2010-2011 and at the last Annual General Meeting:

| Directors | No. of Board Meetings held after the appointment of respective Directors / till resignation of the Directors | | Attendance at the Last AGM |
|-------------------------------------|--------------------------------------------------------------------------------------------------------------|----------|----------------------------|
| | Held | Attended | |
| Dr. Bhaskar Das | 5 | 4 | No |
| Mr. S. Sivakumar | 5 | 3 | Yes |
| Mr. P.M. Rao (Upto May 16, 2011) | 5 | 5 | Yes |
| Mr. D.N. Shukla | 5 | 4 | Yes |
| Mr. Avinash Jain | 5 | 5 | Yes |

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Details of Directors Seeking Re-Appointment

Dr. Bhaskar Das, 58, has done his Masters in Business Administration with specialization in Marketing. He has been with Bennett, Coleman & Co. Ltd. for the last 31 years and has held several important positions and is currently the Executive President of Bennett, Coleman and Company Limited. He is Director of your Company from June 28, 2007 and is appointed as Chairman of your Company. He is also the Chairman of the Shareholders' Grievance Committee of your Company.

He is also the whole time Director of Bennett, Coleman and Company Limited and the Director of Times Global Broadcasting Co. Ltd, Worldwide Media Private Limited, Mind Games Shows Private Limited, Times VPL Limited, Zoom Entertainment Network Limited, Banhem Estates & IT Parks Limited, Surge Enterprises Limited, Vardhaman Publishers Limited, Bennett Broadcasting & Distribution Services Ltd., Media Research Users Council, Brand Equity Treaties Ltd, Aryabhata Properties Limited. He is Member – Managing Committee in Centre for Excellence in Management Training & Development and Member – Executive Committee in The Indian Newspaper Society. He is also the member of the Investment & Loan Committee of Bennett Coleman & Co. Limited, member of the Audit Committee of Vardhaman Publishers Limited and Zoom Entertainment Network Limited.

Mr. S. Sivakumar, 44, M.Com. F.C.A., FICWA has 19 years of experience in Finance and Accounts and is at present Director, Private Treaties in Bennett, Coleman & Co. Ltd. He is Director of your Company from July 30, 1998. He is also Director of Aegon Religare Life Insurance Company Ltd., Alternate Brand Solutions (India) Limited, Bennett Property Holdings Company Limited, Brand Equity Treaties Limited, Mirchi Movies (India) Limited, Bennett Broadcasting & Distribution Services Ltd., Times Infotainment Media Limited, Times Innovative Media Limited, Times of Money Inc, Times of Money Financial Services Limited, Timesofmoney Limited, Times of Money UK. He is Member – Managing Committee in Centre for Excellence in Management Training & Development. He is a member of Audit Committee of Times Innovative Media Limited and Times Infotainment Media Ltd. He is a member of the Audit Committee and Shareholders' Grievance Committee of your Company.

Details of Additional Director to be appointed as Director

Mr. Arun Arora : Mr. Arun Arora was appointed as an Additional Director of the Company in the meeting of the Board of Directors held on May 16, 2011. His term of office expires at the ensuing Annual General Meeting of the Company. The Company has received notice under Section 257 of the Act, proposing his appointment as a Director of the Company along with the requisite deposit.

Mr. Arun Arora is a Harvard alumnus, a Chemical Engineer, fellow of Indian Institute of Chemical Engineers, Chairman Emeritus – World HR Congress and Founder Chairman – Edvance Pre-schools Pvt. Ltd. He is also Director of Setco Automotive Limited, Worldwide Media Private Limited, Edvance Learning Private Limited, Edvance Online Private Limited and SE TransStadia Private Limited. He is also the member of the Remuneration Committee and Shareholders/Investors' Grievance Committee of Setco Automotive Limited.

Mr. Arun Arora is the former President and Executive Director of Bennett, Coleman & Co. Ltd. (The Times of India Group) and CEO of The Economic Times. He has had a thirty-five year long illustrious career in media and is on the boards of several companies.

Mr. Arun Arora was involved in setting up many new businesses across media platforms in print, radio television, music and home entertainment. Brands launched by him include Times Music, Zoom, Times Multimedia and Planet M.

He spearheaded the formation of various joint ventures of Bennett, Coleman & Co. Ltd. Worldwide Media Pvt. Ltd. was formed as a JV with BBC Worldwide to become the dominant magazine publishing company in India. Times Global Broadcasting Pvt. Ltd. was established as a JV with Reuters to launch Times Now.

In the past, Mr. Arun Arora was CEO of The Times of India, founder CEO of Sony Entertainment Television, Chairman – United News of India, Vice-Chairman – Radio Mirchi and Vice-Chairman – TimesofMoney Ltd.

3. CODE OF CONDUCT

The Board of Directors plays an important role in ensuring good governance and has laid down the following Code of Conduct applicable to all Board members and senior executives of your Company.

The Board of Directors vide its Resolution dated January 24, 2006 adopted and approved the Code of Conduct. All Board members and senior executives have confirmed compliance of the Code of Conduct.

The Board Members and Senior Managers shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgment.

In particular, the Board Members and the Senior Managers shall:

- i. Maintain and help the Company in maintaining the highest degree of Corporate Governance practices;
- ii. Act in utmost good faith and exercise due care, diligence and integrity in performing their official duties;
- iii. Ensure that they use the Company's assets, properties, information and intellectual rights for official purposes only or as per the terms of their appointment;
- iv. Not seek, accept or receive, directly or indirectly, any gift, payment or favour in whatsoever form from the Company's business associates, which can be perceived as being given to gain favour in dealings with the Company and shall ensure that the Company's interests are never compromised;
- v. Maintain confidentiality of information entrusted by the Company or acquired during performance of their duties and shall not use it for personal gain or advantage;
- vi. Not commit any offence involving moral turpitude or any act contrary to law or opposed to public policy;
- vii. Not communicate with any member of the press or publicity media or any other outside agency on matters concerning the Company except through the designated spokesman or as authorised otherwise;
- viii. Not, without the prior approval of the Board, accept employment or a position of responsibility with any other organisation for remuneration or otherwise that are prejudicial to the interests of the Company and shall not allow personal interests to conflict with the interests of the Company;
- ix. In conformity with applicable legal provisions, disclose personal and/or financial interests in any business dealings concerning the Company and shall declare information about their relatives (spouse, dependent children, dependent parents) including transactions, if any, entered into with them;
- x. Ensure compliance of the prescribed safety and environmental related norms and other applicable codes, laws, rules, regulations and statutes, which if not complied with may, otherwise, disqualify him/her from his/her association with the Company; and
- xi. Ensure compliance with all SEBI Regulations as also regulations issued and set by other statutory and regulatory bodies as may be applicable to them from time to time.

The Chairman of the Company has confirmed and certified that all the members of the Board of Directors and Senior Management have affirmed that they have complied with the Code of Conduct for Directors and Senior Managers in respect of the financial year 2010-11.

4. AUDIT COMMITTEE

Audit Committee comprises of Mr. D.N. Shukla, Mr. S. Sivakumar and Mr. Avinash Jain.

Terms of Reference and Composition:

The terms of reference of this Committee cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as under Section 292A of the Companies Act, 1956.

During Financial Year 2010-11, the Audit Committee met four times. The Statutory auditors and Internal auditors were invitees to the Meeting. Details of members of the Committee and their attendance are given below:

| Name | Number of meetings attended |
|-----------------------------------------------------------------------------------------------|------------------------------------|
| Mr. D. N. Shukla, Chairman of the Audit Committee (Non-executive and Independent Director) | 4 |
| Mr. Avinash Jain (Non-executive and Independent Director) | 4 |
| Mr. S. Sivakumar (Non-executive Director) | 2 |

5. REMUNERATION COMMITTEE

No remuneration has been paid to any of the Directors, except sitting fees paid to Mr. D. N. Shukla. Hence, Remuneration Committee, being a non-mandatory requirement, has not been constituted.

6 SHAREHOLDERS' GRIEVANCE COMMITTEE

Composition

Shareholders' Grievance Committee comprised of its Directors, Dr. Bhaskar Das, Mr. S. Sivakumar and Mr. P. M. Rao to consider transfer of shares and redressing shareholders' and investors' complaints. Dr. Bhaskar Das, a Non-executive Director, is the Chairman of the Committee.

Mr. P.M. Rao has resigned from the Board w.e.f 16th May, 2011 and consequently has ceased to be the member of the Shareholders' Grievance Committee. Presently, the Shareholders' Grievance Committee comprises of Dr. Bhaskar Das as the Chairman and Mr. S. Sivakumar as the member of the Committee.

Name and Designation of Compliance Officer:

Mr. Vijay S. Devadiga, Company Secretary of your company resigned from the post of Company Secretary with effect from 31/05/2011, in the Board Meeting held on 16/05/2011. Consequently it was proposed to appoint Ms. Swapna Ranade as the Company Secretary of your company with effect from 01/06/2011.

Mr. Vijay S. Devadiga, Company Secretary (*upto 31/05/2011*)

Ms. Swapna Ranade, Company Secretary (*w.e.f. 01/06/2011*)

Number of Complaints:

During the year 2010-11, Company's Registrar & Share transfer agent, M/s. Sharepro Services (India) Pvt. Ltd. received 25 complaints, and all have been resolved. There was no transfer of shares pending as on March 31, 2011.

7. DISCLOSURES

- (A) There are no materially significant related party transactions made by the Company with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large. The transactions with the related parties are disclosed to Note No.10 of Schedule 13 to the Accounts.
- (B) Your Company has followed all relevant Accounting Standards while preparing the financial statements.
- (C) Your Company has a comprehensive risk management policy and the Board of Directors periodically reviews the same.
- (D) During the last three years no penalty/strictures have been imposed on the Company by either SEBI or the Stock Exchanges or any statutory authority on any matter relating to the capital markets for non-compliance of any laws.

8. FINANCE FUNCTION HEAD'S CERTIFICATE

Senior Manager, Accounts & Finance of your Company has certified to the Board of Directors that:

- a) She has reviewed the financial statements and the cash flow statement for the year and to the best of her knowledge and belief :
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of her knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) She accepts responsibility for establishing and maintaining internal controls for financial reporting and that she has evaluated the effectiveness of the internal control systems of the Company, pertaining to financial reporting and she has disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation or internal controls, if any, of which she is aware and the steps she has taken or proposes to take to rectify these deficiencies.