

## Transwarranty Finance Limited

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Investment Banking

Corporate Finance

Trade Finance

Real Estate & Infrastructure

Project Finance

Wealth Management

Merchant Banking

Retail Broking

Institutional Broking

Inter Bank Forex Broking

*14th Annual Report 2008*

## BOARD OF DIRECTORS



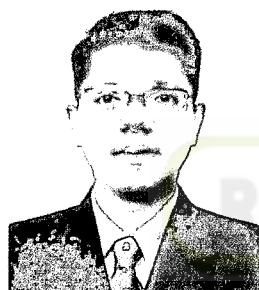
**Mr. Suresh N. Talwar**  
Chairman



**Mr. Kumar Nair**  
Managing Director



**Raghu R. Palat**  
Director



**Mr. Jay Chandran**  
Director



**Mr. N. R. Achan**  
Director



**Mr. Pravin Khatau**  
Director

**Mr. Suresh Talwar**, the Chairman is a distinguished and reputed Solicitor & Advocate and Senior Partner of Talwar Thakore and Associates, one of the leading firm of Solicitors in India. He is the legal counsel to many large Indian and Multinational Companies, Indian and foreign banks and is on the board of several leading companies such as Merck, Cadbury, Sandvik Asea, Esab India, Johnson & Johnson, Madura Coats, Uhde India, Wyeth, Blue Star, etc.

**Mr. Kumar Nair**, A.C.A., the Managing Director has over two decades of experience in Financial Services, Capital Market and Investment Banking. Prior to this he was a key member of the core senior management team in Kotak Mahindra Finance Limited with wide experience in Financial Services.

**Mr. Raghu Palat**, F.C.A. from England and Wales, Director is an eminent Banker, Professional Trainer, Investment Advisor and Author. He was with the American Express Bank and Bank Internasional Indonesia in senior management positions. He has authored several books in finance and investments. He is the faculty at Bankers Training College and I.C.F.A.I.

**Mr. K Jay Chandran**, MBA, is a principal consultant with Frost & Sullivan, Singapore, reputed international firm of Management, Business & Technology Consultants.

**Mr. Pravin Khatau**, MBA from Wharton was a senior director in Goldman Sachs & Co., and Barings in London. Presently he is a private equity investor through his company LRM Holdings, Monaco.

**Mr. N. R. Achan**, B.Com, CAIIB is the former Chairman & Chief Executive Officer of Catholic Syrian Bank (CSB) and General Manager in Bank of India with 42 years experience in Banking and Finance .

## Corporate information

### Board of Directors

Mr. Suresh N. Talwar *Chairman*  
 Mr. Kumar Nair *Managing Director*  
 Mr. Raghu R. Palat  
 Mr. Pravin Khatau  
 Mr. N. R. Achan  
 Mr. K. Jay Chandran

### Company Secretary

Mr. G. K. Prem Kumar

### Auditors

M/s Haridas Associates,  
 Chartered Accountants,  
 3, Air View Society, Off. Nanda Patkar Road,  
 Opp. Rane Hospital, Vile - Parle (E),  
 Mumbai - 400 057.

### Solicitors & Advocates

Talwar Thakore & Associates  
 Hague Building, 9, Spratt Road,  
 Ballard Estate, Mumbai - 400 001.

### Bankers

ICICI Bank Limited  
 The Catholic Syrian Bank Ltd.  
 The Federal Bank Limited

### Registered and Corporate Office

403, Regent Chambers,  
 Nariman Point,  
 Mumbai - 400021.  
 Tel. No. : 91-022-22047965/66  
 Fax No. : 91-022-66306655  
 Website : www.transwarranty.com  
 e-mail id : mail@transwarranty.com

### Registrar & Share Transfer Agent

Intime Spectrum Registry limited,  
 C-13, Pannalal Silk Mills Compound,  
 L B S Marg, Bhandup (West),  
 Mumbai - 400 078.  
 Tel. No. 91-022-25963838  
 Fax No. 91-022-25946969  
 e-mail : isrl@intimespectrum.com

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## TRANSWARRANTY FINANCE LIMITED

## NOTICE

**NOTICE** is hereby given that, the 14<sup>th</sup> Annual General Meeting of the members of Transwarranty Finance Limited will be held on Thursday, the 7<sup>th</sup> August 2008 at 11.00 a.m at M C Ghia Hall, Bhogilal Hargovindas Building, 2<sup>nd</sup> Floor, 18/20, Kaikhushru Dubbash Marg, Mumbai 400001 to transact the following business.

**Ordinary Business :**

1. To receive, consider, and adopt the Balance Sheet as at 31.03.2008 and the Profit and Loss account for the year ended as on that date and the Report of the Directors and the Auditors thereon.
2. To declare dividend for the financial year ended 31.03.2008.
3. To appoint a Director in place of Mr. K. Jay Chandran who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. Pravin Khatau who retires by rotation and being eligible offers himself for reappointment.
5. To appoint auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Mumbai  
June 26, 2008

By the Order of the Board

Sd/-

Registered Office  
403, Regent Chambers  
Nariman Point, Mumbai 400021

G K Prem Kumar  
Company Secretary

**NOTES :**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself on a poll only and the proxy need not be a member.
2. Proxies in order to be effective must be received by the Company not less than forty eight hours before the commencement of the meeting. Proxy Form is enclosed.
3. Members / Proxies should bring duly filled Attendance Slips sent herewith to attend the meeting.
4. All documents referred to in the Notice will be available for inspection by the members at the Registered Office of the company between 10.30 a.m to 12.30 p.m. on all working days up to the date of Annual General Meeting.
5. Members who are holding Company's shares in dematerialized form are requested to bring details of their Depository Account Number for identification.
6. The Register of members and share transfer books of the Company will remain closed from 30.07.2007 to 7.08.2008. (both days inclusive)

7. Members requiring further information on accounts at the meeting are requested to send the queries in writing so as to reach at the Registered Office of the company at Mumbai at least 10 days before the meeting.
8. Members holding shares in physical form are requested to notify any change in their address to the Company's Registrar and Transfer Agents, Intime Spectrum Registry Ltd. Members holding shares in electronic form may intimate any such change to their respective Depository Participants (DPs).
9. Members are informed that, an amount of Rs. 44,130 being the dividend declared for the period 2006-07 is outstanding as unclaimed and there are no unclaimed dividends transferable to Central Government under Section 205 A of the Companies Act, 1956.
10. Members are requested to address all correspondences, including dividend matters to the Registrars & Transfer Agents of the Company.
11. Reappointment of Directors: (Item No. 3 & 4 of the Notice)

- i) Mr. K. Jay Chandran has been appointed as a Director of the Company on 21.03.1995 and retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment. The information/details pertaining to Mr. Jay Chandran in terms of clause 49 of the Listing Agreement with the Stock Exchanges are furnished hereunder:

Mr. K. Jay Chandran has post Graduate Honours Diploma in Systems Management. He has about 8 years experience in the field of Information & Technology and about 12 years experience in the field of manufacturing and international commodities trading. He is a Director of United American Engineers Pte Ltd., Singapore.

- ii) Mr. Pravin Khatau has been appointed as a Director of the Company on 13.04.2006 and retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment. The information/details pertaining to Mr. Pravin Khatau in terms of clause 49 of the Listing Agreement with the Stock Exchanges are furnished hereunder:

Mr. Pravin Khatau is MBA from Wharton. He had occupied senior positions in Goldman Sachs & Co., one of the prestigious international investment bank in the world and ING Barings. Presently he is a private equity investor based in Monaco through his Company LRM Holdings, Monaco.

## DIRECTORS' REPORT

Your Directors have pleasure in presenting the 14th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2008.

To,

The Members of  
Transwarranty Finance Ltd.

Your Directors have pleasure in presenting the 14th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2008.

### Financial Results

	2007-08 (Rs.)	2006-07 (Rs.)
Total Income	65,952,752	57,099,941
Gross Profit	38,016,417	39,533,601
Less Interest and Finance Charges	1,014,745	10,93,243
Depreciation	787,430	590,048
Profit/(Loss) before Tax	36,214,242	37,850,311
Less Provision for tax	12,450,000	12,600,000
Provision for Fringe Benefit Tax	301,450	220,000
Deferred Tax Liability/(Assets)	(16,720)	(56,549)
Profit/(Loss) after Tax	23,479,512	25,086,860
Balance brought forward	13,385,443	10,695,255
Profit available for appropriation	36,864,955	35,782,115
Appropriations		
Reserves u/s 45 1C of RBI Act	4,695,902	5,017,372
Proposed Dividend	14,000,000	14,000,000
Corporate Dividend Tax	2,379,300	2,379,300
General Reserve	1,000,000	1,000,000
Profit/(Loss) carried to Balance Sheet	14,789,753	13,385,443

### Business :

The performance of the Company during the year under review is as follows.

The total income was Rs.65.95 million compared to previous year income of Rs.57.10 million. Gross profit was at Rs.38.02million as against Rs. 39.53 million in the previous year. The profit after tax was Rs.23.48 million as against Rs.25.09 million in the previous year. During the year Rs.4.70 million was appropriated to reserves u/s 45 1C of RBI Act 1935 and Rs.1.00 million to General Reserves. Earning per share is Rs.1.68 as against Rs.2.79 in the previous year on a weighted overage basis as per accounting Standard 20 issued by the Institute of Chartered Accountants of India.

### Dividend during the year

Your Directors recommend dividend of Re. 1/- per share for the financial year 2007-08. The dividend will absorb Rs.14,000,000/- and corporate tax on dividend amounting to Rs. 2,379,300/-

### Future Outlook :

Though the Indian economy is showing signs of a slow down, your Directors are confident of improving the performance in the coming year due to diverse product portfolio and strong client relationship of the Company.

Since the activities are diverse and governed by different regulatory authorities, the businesses are structured under Transwarranty Finance Limited as the flagship company and its subsidiary companies. A detailed note of this is provided in the Management Discussion and Analysis, annexure to this report.

### Employees' Stock Option Plan 2008.

In order to attract, retain and motivate talent in the organization with a view to achieving long term business goals, the Board of Directors at its meeting held on 10th March, 2008 introduced employees' Stock Option Plan, 2008 to Directors, Employees of the Company and its Subsidiary Companies by reserving 10,00,000 Equity shares of Rs.10/- each for the said purpose. Accordingly, the shareholders at their Extra Ordinary General Meeting held on 4th April, 2008 approved the Employees' Stock Option Plan 2008 as recommended by the Board of Directors. The Board has also constituted Compensation Committee comprising the following Directors to formulate detailed terms and conditions of the scheme and also to administer and implement the said scheme in accordance with the SEBI Guidelines.

- |                         |            |
|-------------------------|------------|
| 1) Mr. Raghu R. Palat   | - Chairman |
| 2) Mr. Suresh N. Talwar | - Member   |
| 3) Mr. N. R. Achan      | - Member   |
| 4) Mr. Kumar Nair       | - Member   |

The Compensation Committee at its meeting held on 4th April 2008 approved a detailed ESOP Scheme and granted 6,41,500 Options. Each Option entitles on vesting, one equity share of face value of Rs. 10/- each of the Company at a price of Rs. 20/- per share. The Options granted under the Scheme would vest over a period of 5 years from the date of grant.

No employee or Director has been granted Options in excess of 1% of the issued equity share capital of the Company.

The particulars with regard to the Stock Options as required to be disclosed pursuant to the Regulation 12 of the SEBI Guidelines (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999, as amended, are set out in the Annexure 1 to this Report.





## TRANSWARRANTY FINANCE LIMITED

### Subsidiary Companies:

**Transwarranty Capital Pvt Ltd:** The Company is a SEBI registered Merchant Banker rendering various services such as IPO, FPO, Rights Issue, advisory for FCCB, GDR/ADR, ESOPs etc.,

During the year under review, the company has handled Open Offers under the Takeover Code Regulations of SEBI, Employees Stock Option Plans, Issued Valuation Certificates for listing of equity shares of the companies and Direct Listing. During the financial year 2008-09, the Company expects to do more such activities in addition to handling of Rights/Public/Follow on issues.

The number of empanelment with various Financial Institutions for secondary market investments has gone up from 6 to 15 and the process of empanelment is continuing. During the year 2008 - 09, the broking business would focus only on Institutional business and would endeavor to increase the number of empanelment.

**Transwarranty Forex & Commodities Pvt. Ltd:** The inter-bank foreign exchange broking business depends entirely on the empanelment awarded by the banks, which is a time consuming process. Though this business may not contribute significantly in the year 2007-08, it is an extremely strategically important business. In future, when the foreign exchange controls are liberalized and the country move towards full convertibility, the foreign exchange broking business shall emerge as an extremely profitable and valuable business.

During the year 2007-08, the Company was awarded empanelment by 9 banks. The Company is expecting to secure empanelment from about 28 banks during the financial year 2008-09.

We shall continue to review the performance of Dubai Gold and Commodities Exchange (DGCX) and shall commence our International operations only on being satisfied of a profitable business model.

**Transwarranty Credit Care Pvt Ltd:** The Company is positioned as the institutional wealth management vehicle in the form of private equity /venture fund.

### Vertex Securities Ltd:

During the year the company and Mr. Kumar Nair, Promoter of the company had entered into a share purchase agreement with the Promoters of "Vertex Securities Ltd" (VSL), a listed share broking company with its Registered office at Kochi, Kerala, for acquisition of 28,50,343 Equity Shares comprising 55.05% (includes acquisition of 200000 shares comprising 3.86% by Mr. Kumar Nair) of the paid up capital of the Company at a price of Rs.25/- per share on 2nd November, 2007. The Company had to seek approvals from Securities and Exchange Board of India (SEBI) as per SEBI (substantial acquisition of shares and takeover) Regulation 1997 and Stock Exchanges under their guidelines. All the required approvals from SEBI and the Stock Exchange have been received and the open offer to the Public Shareholders as per SEBI guidelines was opened on June 18, 2008 and the process is expected to be completed in July 2008. On completion of the acquisition formalities, VSL would become a subsidiary company of Transwarranty Finance Limited.

### Auditors' Report:

The Auditors report to the shareholders does not contain any qualifications.

A company, whose securities are listed on the Stock Exchanges, is compulsorily required to follow the accounting standards prescribed by the Institute of Chartered Accountants of India. In accordance with the Accounting Standards AS 21 on consolidated financial statement read with Accounting Standard 23 on Accounting for Investments in Associates, the Directors have provided the Audited consolidated financial statements in the Annual Report. During the year under review provisions have been made for deferred tax liabilities/ (assets).

Pursuant to Section 212 of the Companies Act, 1956 Directors Report, Balance Sheet and Profit & Loss account of the Subsidiary companies are attached with this Report. These documents are also available for inspection during business hours at the Registered Office of the Company.

### Directors :

Mr. K. Jay Chandran and Mr. Pravin Khatau retire by rotation and being eligible, offer themselves for re-appointment, pursuant to clause 49(g)(1) of the Listing Agreement with the Stock Exchanges, brief resume of the Directors being reappointed has been provided in the Notice convening the Annual General Meeting.

### Directors' Responsibility statement :

As required under Section 217(2AA) of the Companies Act, 1956, your directors hereby confirm that,

In the preparation of the Annual Accounts for the year 2007-08, the applicable Accounting Standards have been followed and there are no material departures

The accounting policies selected and applied are consistent and the judgment and estimates made 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 the financial year

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

The annual accounts have been prepared on a going concern basis.

### Particulars of employees u/s 217 (2A) of the Companies Act, 1956 :

None of the employees of the Company employed throughout the financial year/part of the year were in receipt of remuneration in excess of the limits as prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and hence no particulars are required to be given.

**Auditors :**

The auditors, M/s Haridas Associates, Chartered Accountants, retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to be reappointed.

**Corporate Governance Report:**

Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, a Report on Corporate Governance with Auditors Certificate on Compliance with the conditions of Corporate Governance and a Management Discussion & Analysis Report has been attached and form part of the Annual Report.

Annexure to Directors' Report showing particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo.

The particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are not applicable to the Company. The Company has not carried out any specific research and development activities. The information related to Technology absorptions, adaptation and innovation is reported to be Nil.

**Acknowledgments:**

The Management of your Company is grateful to the Regulatory Authorities, Share holders, Company's Bankers, Financial Institutions, Banks, Insurance Companies, Mutual Funds, Foreign Institutional Investors, Clients, Business Associates etc for their continued support and co-operation.

The Directors also wish to place on record their appreciation of the co-operation, active involvement and dedication of the employees, which enabled the Management to contribute to the growth of the Company.

For and on behalf of the Board of Directors

Sd/-

Mumbai  
June 26, 2008

**Suresh N Talwar**  
Chairman

Registered Office  
403, Regent Chambers,  
Nariman Point, Mumbai 400 021.

**ANNEXURE-I****Annexure to the Directors' Report:**

Disclosure pursuant to the Regulation 12 of Securities and Exchange Board of India, (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999.

**Employees Stock Option Plan**

a)	Option granted	The Company granted 6,41,500 Stock Options on April 4, 2008 (each option carrying entitlement for the equity share of the face value of Rs. 10/- each at a price of Rs. 20/- per equity share.
b)	The Pricing formula	Exercise price of the Plan shall be 20% below the market price or the face value of the share whichever is higher.
c)	Options Vested	N. A. since the Options shall not be Vested before the expiry of 1 to 5 years from the date of grant of Options i.e, April 4, 2008
d)	Options exercised	N.A.
e)	Total No. of shares arising as a result of Options	N.A.
f)	Options lapsed	N.A.

g)	Variation of terms of Options	N.A.	
h)	Money realized by exercisable Options	N.A.	
i)	Total No. of Options in force	6,41,500	
j)	Details of Options granted to Directors and Senior level personnel		
Sl. No	Name	No. Options granted	Designation
1	Mr. S. N. Talwar	50,000	Chairman
2	Mr. Raghu R Palat	50,000	Director
3	Mr. N. R. Achan	50,000	Director
4	Mr. Pravin Khatau	50,000	Director
5	Mr. K. Unnikrishnan	10,000	Senior level personnel



## CORPORATE GOVERNANCE REPORT

### Mandatory Requirements

#### 1. Company's Philosophy on Code of Corporate Governance:

Corporate Governance reflects the commitment to values, about ethical business conduct and acceptance of management principles in the best and larger interest of stakeholders of the company. It is a key element in improving the economic efficiency. It is about openness, integrity and accountability. Within this realm, the Company lays great emphasis on regulatory compliances and strives to ensure that high standards of professionalism and ethical conduct are maintained in the organization. The Company continues to give high priority to the principles of practice of Corporate Governance and has accordingly benchmarked its practices with the existing guidelines of Corporate Governance as laid down in the Listing Agreement.

#### 2. Board of Directors:

The Board is headed by the Non-Executive Chairman, and comprises eminent persons with considerable professional experience in varied fields. The present strength of the Board is six Directors including one Alternate Director. Among them, one is the Managing Director and five are Non-Executive Directors. More than half of the Board consists of Independent Directors. The size and composition of the Board therefore conforms with the requirements of Corporate Governance Report under the Listing Agreement with the Stock Exchanges.

#### 3. Meetings of the Board:

During the year, the Board met 6 times on 12.06.2007, 30.07.2007, 23.10.2007, 02.11.2007, 24.01.2008, and 10.03.2008.

No Director of the Company is a member in more than 10 specified committees or Chairman of more than 5 committees across all the companies in which he is a Director.

The Composition of the Board of Directors, number of outside Directorship, Chairman/Membership of Committees, attendance at the Board Meetings during the financial year and attendance at the last Annual General Meeting are as under:

Name of Director	Category	No. of Board meetings attended	Last AGM attendance	No of other Directorships	Membership/ Chairmanship of Board Committees *
Mr. Suresh N Talwar	Chairman, Non-Executive Director Alternate Director to Mr. K. Jay Chandran	6	Yes	56	5/4**
Mr. Kumar Nair	Managing Director Executive	6	Yes	7	2
Mr. Raghu R. Palat	Director- Independent	6	Yes	1	2
Mr. Pravin Khatau	Director - Independent	NIL	No	1	—
Mr. N. R. Achan	Director - Independent	6	Yes	NIL	2
Mr. K. Jay Chandran	Director Non-Executive	NIL	No	NIL	NIL

\* Includes only Audit & Shareholder's Committee

\*\* Includes 3 companies where he is an Alternate Director

#### 4. Appointment/Reappointment of Directors:

Mr. K. Jay Chandran holds Post Graduate Honors in Systems Management. He is a Non Executive Director of our company and is currently Director of United American Engineers Pvt Ltd, Singapore with 8 years experience in the field of Information Technology and 12 years in the field of manufacturing and international commodities trading.

He is a shareholder of the Company holding 12900 Equity Shares.

Mr. Pravin Khatau is MBA from Wharton. He had occupied senior positions in Goldman Sachs & Co, one of the prestigious international investment banks in the world and ING Barings. He is a private equity investor based in Monaco through his company LRM Holdings, Monaco Mr. Pravin Khatau does not hold any shares in the Company

#### 5. Audit Committee:

The Audit Committee at present comprises of 4 members of which 3 are Independent Directors. Mr. Raghu R. Palat is the Chairman of Audit Committee. All are financially literate. Mr. Raghu R. Palat and Mr. Kumar Nair are Chartered Accountants, and Mr. Pravin Khatau is in Financial Services.



During the year under review, Mr. N. R. Achan, Independent Director, was appointed in the Committee as an additional member. Mr. N. R. Achan is an eminent Banker.

During the financial year, the Committee met 4 times on 12.06.2007, 30.07.2007, 23.10.2007 and 24.01.2008 and the gap between 2 meetings was less than 4 months.

Attendance at the Audit Committee Meeting is as under:

Name	Designation	Category	Attendance out of 4 meetings held
Mr. Raghu R. Palat	Chairman	Independent	4
Mr. Pravin Khatau	Member	Independent	—
Mr. N. R. Achan	Member	Independent	4
Mr. Kumar Nair	Member	Executive	4

#### Terms of reference to Audit Committee:

The terms of reference to the Audit Committee cover the matter specified for Audit Committees under Clause 49 of the Listing Agreement with Stock Exchanges and also as required under Section 292A of the Companies Act, 1956.

#### Power of Audit Committee:

The Audit Committee has the following powers:

- (i) To investigate any activity within its terms of reference
- (ii) To seek any information from any employee
- (iii) To obtain outside legal or other professional advice.
- (iv) To secure attendance of outsiders with relevant expertise, if it considers necessary

#### Review of information by Audit Committee:

The Audit Committee shall mandatorily review the following information:

- (i) Management discussion and analysis of financial condition and results of operations
- (ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management
- (iii) Management letter / letters of internal control weaknesses issued by the statutory auditors
- (iv) Internal audit reports relating to internal control weaknesses
- (v) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
  - Internal Auditors of the Company were invited to the meetings of the Audit Committee. Mr. G K Prem Kumar, Company Secretary & Associate Vice President (Corporate & Legal Affairs) acts as Secretary to the Committee.
  - The Chairman of the Audit Committee was present at the last Annual General Meeting.
  - The Board of Directors note the minutes of the Audit Committee meetings at their meetings.

#### 6. Shareholders' Grievance Committee:

The committee comprises of:

Name	Designation	Category	Attendance in the meetings held
Mr. Raghu R. Palat	Chairman	Independent	2
Mr. N. R. Achan	Member	Independent	1
Mr. Kumar Nair	Member	Executive	2

- Mr. G K Prem Kumar, Company Secretary & Associate Vice President (Corporate & Legal Affairs) has been designated as Compliance Officer. The investors may register their complaints at the email-id premkumar@transwarranty.com
- During the year under review, the Investors' / Shareholders' Grievance Committee held 2 meetings on 12th June, 2007 and 23rd October, 2007.
- The Board of Directors note the minutes of the Shareholders' Grievance Committee meetings at their meetings

During the year the Company had received 136 letters relating to non-receipt of Balance Sheet, non-receipt of Refund Order etc. The Company has attended all of them and unresolved complaints at the end of the financial year were nil.



## TRANSWARRANTY FINANCE LIMITED

**7. Compensation Committee:**

The Board constituted a Compensation Committee on 10.03.2008 comprising the following members:

1. Mr. Raghu R. Palat — Chairman
2. Mr. Suresh N. Talwar — Member
3. Mr. N. R. Achan — Member
4. Mr. Kumar Nair — Member

During the year the Committee has not conducted any meeting.

The terms of reference to the Committee comprises

- Fixation of suitable remuneration package to Directors and Non Executive Directors, Senior employees and officers i.e., salary, bonus, pension etc.
- Determination of the fixed components and performance linked incentives along with the performance criteria to all employees of the Company.
- Service contracts, notice period, severance fees of Director and employees.
- Grant of Stock Options, whether to be issued at a discount as well as the period over which to be accrued and over which to be exercisable.

**Details of the remuneration to the Directors**

(In Rupees)

Directors	Salary (including Performance Incentive, if any and other allowance)	Perquisites	Contribution to P.F Superannuation and Gratuity	Sitting Fees	Commission		Total
					2006-07	2007-08	
Mr. Kumar Nair	11,56,900	NIL	60508	NIL	NIL	NIL	12,17,408
Mr. Suresh N Talwar	NIL	NIL	NIL	1,20,000	2,00,000	1,88,000	5,08,000
Mr. Raghu R. Palat	NIL	NIL	NIL	2,04,000	1,85,000	1,00,000	4,89,000
Mr. Pravin Khatau	NIL	NIL	NIL	NIL	—	—	NIL
Mr. N R Achan	NIL	NIL	NIL	2,02,000	—	1,00,000	3,02,000
Mr. Jay Chandran	NIL	NIL	NIL	NIL	NIL	—	NIL

**8. General Body Meetings:**

(i) Details of Annual General Meetings held during the last three years

Financial Year	Day, Date & Time	Venue	Special Resolution passed
2004-05	Friday, September 30, 2005 11:00 a.m	403, Regent Chambers, Nariman Point, Mumbai - 400 021	No
2005-06	Thursday, May 11, 2006 May 11, 2006	403, Regent Chambers, Nariman Point, Mumbai - 400 021	Yes
2006-07	Wednesday, August 1, 2007 11:00 a.m	M C Ghia Hall, Kala Ghoda, Fort, Mumbai- 400 001	Yes

(ii) Whether any special resolution passed last year : No  
through postal ballot

(iii) Whether any special resolution is proposed to : No  
be conducted through postal ballot.