



TRANSWARRANTY FINANCE LIMITED

FINANCIAL ENGINEERS

19th Annual Report 2012-13

Board of Directors



Mr. Suresh Talwar
Chairman

Mr. Suresh Talwar, is a distinguished and reputed Solicitor & Advocate. He is a Senior Partner of Talwar Thakore and Associates, one of the leading firms of Solicitors in India. He is the legal counsel to

many companies and banks. He is on the board of several leading companies such as Merck, Sandvik Asea, Esab India, Johnson & Johnson, Uhde India, Blue Star, Larson & Toubro Ltd. etc.



Mr. Kumar Nair
Managing Director

Mr. Kumar Nair, is a qualified F.C.A. and OPM (HBS). He 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 at Kotak Mahindra Finance Limited.



Mr. Raghu Palat
Director

Mr. Raghu Palat is an eminent Banker, Professional Trainer, Investment Advisor and Author. He is a qualified F.C.A. from England and Wales. He was holding senior management positions with the American

Express Bank and Bank International Indonesia. He has authored several books in finance and investments. He is the faculty at Bankers Training College and I.C.F.A.I.



Mr. Pravin Khatau
Director

Mr. Pravin Khatau, was a Senior Director in Goldman Sachs & Co., and Barings in London. He has done his Master in Business Administration from Wharton. Presently he is a private investor through his

company LRM Holdings, Monaco.



Mr. K. Jay Chandran
Whole-time Director

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



Mr. R.L. Shenoy
Director

Mr. R.L. Shenoy, B.COM, LL.M, ACA, ACS, ACMA, Diploma from Indian Institute of Bankers (C.A.I.B). He is associated with companies like Tata Electric Company Limited, Garware Wall Ropes Limited, Colgate Palmolive India Limited and Central Bank of India.

CORPORATE INFORMATION

Board of Directors

Mr. Suresh N. Talwar	<i>Chairman</i>
Mr. Kumar Nair	<i>Managing Director</i>
Mr. Raghu R. Palat	
Mr. K. K. Dastur	
Mr. Pravin Khatau	
Mr. K. Jay Chandran	<i>Whole-time Director</i>

Company Secretary

Mr. Sreedhar H.

Auditors

Rahul Gautam Divan & Associates
Chartered Accountants
C/o. Midsnell, 134, Mittal Tower C,
Nariman Point, Mumbai 400 021.

Solicitors & Advocates

Talwar Thakore & Associates
Kalpataru Heritage,
127, M. G. Road, Fort, Mumbai 400 001

Bankers

ICICI Bank Limited
The Catholic Syrian Bank Limited
The Federal Bank Limited
HDFC Bank Limited
Axis Bank Limited

Registered and Corporate Office

403, Regent Chambers,
Nariman Point,
Mumbai – 400021.
Tel. No. : 91-022-66306090, 40010900
Fax No. : 91-022-66306655
Website : www.transwarranty.com
e-mail id : mail@transwarranty.com

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.
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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NOTICE

NOTICE is hereby given that the 19th Annual General Meeting of Transwarranty Finance Limited will be held at M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd floor, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001, on Wednesday, 25th of September, 2013 at 11.00 a.m. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2013 and Profit & Loss Account for the year ended as on that date and the report of Directors and Auditors thereon.
2. To appoint Director in place of Mr. Pravin Khatau who retires by rotation and being eligible offers himself for reappointment.
3. To appoint M/s. Rahul Gautam Divan & Associates, Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration.

Special Business:

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

“RESOLVED THAT, Mr. Ranjal Laxmana Shenoy whose term of office as an Additional Director expires at this Annual General Meeting and in respect of whom the Company has received a notice U/S. 257 of the Companies Act, 1956 from a member proposing his candidature for office of Director be and is hereby appointed as a Director of the Company liable to retire by rotation.”

Place : Mumbai

By order of the Board

Date : 20-05-2013

Company Secretary

Regd. Office:

403, Regent Chambers
Nariman Point, Mumbai - 400 021

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 ON A POLL ONLY AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be lodged with 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. The Company's equity shares are under compulsory dematerialisation. Accordingly, trading of these shares through the Stock Exchanges would be facilitated if the share certificates are dematerialised. Members who are holding shares in physical form are advised to consider opening of a Demat Account with an authorised Depository Participant and arrange for dematerializing their shareholdings in the Company.
5. All documents referred to in the Notice will be available for inspection of the members at the Registered Office of the Company between 10.30 a. m to 12.00 noon on all the working days up to the date of Annual General Meeting.
6. The Register of Members and Share Transfer Registers will remain closed from 20th September, 2013 to 25th September, 2013. (both days inclusive).
7. Members requiring information on audited accounts at the meeting are requested to send their queries in writing so as to reach the Registered Office of the Company at least 10 days before the meeting.
8. Members holding shares in physical form are requested to notify change in address, if any to Registrars and Transfer Agents, M/s. Link Intime India P. Ltd. Members holding shares in electronic form may intimate the changes, if any, to their respective Depository Participants (DPs).
9. Members may please note that pursuant to the provisions of Section 205(A) (5) of the Companies Act, 1956, unclaimed dividend for a period of 7 years will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C of the Companies Act, 1956, as and when the same falls due for such transfer. Members who have not encashed their dividend warrants for the financial year 2007 are requested to write to the Company Secretary or Company's Registrars and Share Transfer Agents.

The details of dividend paid by the Company and respective due dates of transfer to the said Fund which remain unclaimed are as under:

Date of Declaration	Dividend for the year	Amount unclaimed ₹	Due date for transfer
* 01-08-2007	2006 - 07	42,709/-	01-08-2014
07-08-2008	2007 - 08	51,830/-	07-08-2015
05-08-2009	2008 - 09	23,128/-	05-08-2016
12-09-2012	2011 - 12	27,839/-	12-09-2019

All Unclaimed Dividend remaining unpaid/unclaimed the financial year ended 31st March, 2007, dividend for which was declared at the Annual General Meeting of the members held on 1st August, 2007, will be transferred by August, 2014, to the IEPF. Members are requested to note that no claim shall lie against the Company or the said Fund in respect of any amounts which are unclaimed and unpaid for a period of seven years from the dates that they first become due for payment and no payment shall be made in respect of any such claims.

10. Members are requested to address all correspondences, including dividend matters to the Registrars and Transfer Agents of the Company.
11. Members attending the Annual General Meeting are requested to bring with them the following:
 - a. Members holding shares in dematerialised form, their DP & Client ID Numbers.
 - b. Members holding shares in physical form, their Folio Numbers.
 - c. Copy of the Annual Report and Notice, as no copies thereof would be distributed at the Meeting.
 - d. The Attendance Slip duly completed and signed in terms of specimen signature lodged with the Company.

The instrument appointing the proxy must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

12. The Company has designated an exclusive email Id viz., companysecretary@transwarranty.com to enable the investors to post their grievances and monitor its redressal.
13. Corporate members are required to send to the Company a certified copy of the Board Resolution pursuant to Section 187 of the Companies Act 1956, authorizing their representative to attend and vote at the Annual General Meeting.
14. The details required to be given in pursuance of Clause 49 of the Listing Agreement in case of directors being appointed/re-appointed are given in the Corporate Governance Section of the Annual Report.

Explanatory Statement pursuant to Sec. 173 (2) of the Companies Act, 1956.

Item No. 4

The Board of Directors had appointed Mr. Ranjal Laxmana Shenoy as an Additional Director of the Company with effect from 28.01.2013.

Pursuant to Sec.260 of the Companies Act, 1956 Mr. Ranjal Laxmana Shenoy continues to be a Director of the Company till this Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956 from a shareholder proposing the name of Mr. Ranjal Laxmana Shenoy for the office of Director.

Mr. Ranjal Laxmana Shenoy is B. Com., LL.M., A. C. A. A.C.S. Diploma from Indian Institute of Bankers (C.A.IIB). He is Gold Medalist in Law and placed in the merit list both in Inter and Final examinations conducted by the Institute of Chartered Accountants of India (ICAI).

Mr. Ranjal Laxmana Shenoy joined Merck Limited (formerly known as E. Merck (India) Limited) – in 1980 as a Company Secretary (served as Executive Director (Finance) since 1988) and retired in September 2012. The areas of responsibilities included: Legal and Secretarial Matters; Finance; Accounts and Auditing; Taxation; Corporate Restructuring; Distribution and, for a brief period, Marketing and Production.

Prior experience includes Tata Electric Company Limited, Garware Wall Ropes Limited, Colgate Palmolive India Limited and Central Bank of India.

None of the Directors other than Mr. Ranjal Laxmana Shenoy is interested or concerned in the resolution as set out in item No. 4 of the Notice

Additional information pursuant to clause 49 of the listing agreement with regard to directors seeking appointment/re-appointment at the 19th Annual General Meeting;

Name of Director	: Mr. Pravin Khatau	Mr. Ranjal Laxmana Shenoy
Date of appointment	: 13.04.2006	28.01.2013
Qualification	: MBA	B.Com., L.L.M., A. C.A., A.C.S; C A I I B.
Experience	: Goldman Sachs & Co. and Barings in London	Retired as Executive Director (Finance) from Merck Ltd.
	Finance, Marketing and Administration.	Legal, Finance, Taxation, Marketing and Administration.
No. of shares held	: 2500	NIL
Other Directorships	: LRM Holdings, Monaco.	NIL
Committee membership	: NIL	NIL



Dear Shareholder,

Green Initiative in Corporate Governance: Save Paper

The Ministry of Corporate Affairs (MCA) has initiated a “Green Initiative in Corporate Governance” and vide Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011, Companies have now been allowed to service various notices/documents which, inter-alia, include General Meeting Notices (including AGM & Postal Ballot Notices), Audited Financial Statements, Directors’ Report, Auditors’ Report, quarterly financial results, all shareholder communication, etc. to its shareholders through electronic mode..

Your Company welcomes this move of the MCA which has enabled us to further contribute to the “Green Initiative” by reducing paper consumption. Also, this will ensure timely receipt of the documents and avoid loss of the documents in postal transit.

As per the records you have not yet registered/updated your e-mail ID . You are requested to notify the same to the following:

- i. if shares are held in electronic mode, to their Depository Participant (DP).
- ii. if shares are held in physical mode, to the R&TA at transwarrantyfinancegogreen@linkintime.co.in

Accordingly, henceforth your Company proposes to send the aforesaid notices/documents onwards to you in electronic mode/form (in lieu of physical form) at e-mail ID provided by you and made available to us by the Depository/ R&TA (Link in time India). These documents shall also be available on the website of the Company www.transwarranty.com for download by shareholders.

If you desire to receive the above documents in physical form, you are requested to inform us on or before September 30, 2013 by a mail to transwarrantyfinancegogreen@linkintime.co.in or to the company at companysecretary@tranwarranty.com whereupon, the documents will be dispatched in physical form at your address as noted in the records of your Depository Participant (DP). You may subsequently also update your email id by a similar mail to us, giving requisite details.

In case, no reply is received, it will be assumed that you are willing to receive the above mentioned documents through e-mail ID as registered with your Depository/ R&TA.

Further, please note that as a shareholder, you are entitled to receive all these documents free of cost upon receipt of a requisition from you, even after you opt for receiving such documents in electronic form.

We trust you will support this initiative of ‘Greener Environment’ and co-operate with the Company to make it a success.

Thanking you,

Yours faithfully,

For **Transwarranty Finance Limited**

Company Secretary

DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting the 19th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2013.

(₹ in lacs)

Financial Results	2012-13	2011-12
Total Income	1431.34	2325.92
Profit/(Loss) before interest, depreciation and tax	(13.52)	881.78
Add : Interest and Finance Charges	57.96	97.33
Profit/(Loss) before Tax & Depreciation	71.47	784.45
Add: Depreciation	15.68	15.66
Profit/(Loss) before tax	(87.15)	768.79
Add: Loss on sale of fixed assets	4.23	–
Less : Provision for tax:		
Current Tax	–	96.00
Less: Deferred Tax Liability/(Assets)	1.84	0.36
Profit/(Loss) after Tax	(89.54)	672.43
Add/Less Excess/(short) provision for Income Tax	19.50	0.07
Net Profit/(Loss) for the year	(109.04)	672.50
Balance brought forward from amalgamated companies	–	–
Profit available for appropriation	–	672.50
Appropriation		
Reserves u/s 45 1C of RBI Act	–	134.50
Proposed Dividend	–	122.30
Corporate Dividend Tax	–	19.84
Profit/(Loss) carried to Balance Sheet	(109.04)	395.86

During the year under report, the total revenue of the Company was ₹ 1,431.34 lakhs as against ₹ 2,325.92 lakhs in the previous year. After meeting various expenses, such as finance cost, employees benefit expenses, providing for depreciation etc. the net loss was ₹ 109.04 lakhs as against net profit of ₹ 672.50 lakhs in the previous year. Income from operations during the financial year under report was as under:

(₹ in lakhs)

	2012-13	2011-12
Trade Finance	430.69	413.46
Corporate Finance	6.75	147.98
Investment Banking	23.43	537.93
Interest on Loans	127.80	133.00
Other Income	136.91	520.55
Sale of shares held in stock in Trade	705.76	572.99

Dividend:

In view of loss for the year under review, your Directors have not recommended dividend for the financial year 2012-13.

Future Outlook:

In spite of well diversified business model, the Company could not achieve the target during the financial year 2012-13. Directors are optimistic of achieving the set goal during the current financial year.

Employees' Stock Option Plan 2008 (ESOP):

Particulars	31.03.2013	31.03.2012	31.03.2011	31.03.2010	31.03.2009
Options outstanding at the beginning of the year	8,50,362	4,82,266	4,86,766	6,84,000	10,00,000
Options granted during the year		5,96,500	Nil	92,500	6,84,000
Options vested during the year	1,04,607	50,446	Nil	22,666	Nil
Options forfeited during the year	66,375	2,13,750	4,500	2,57,000	Nil
Options lapsed/surrendered during the year	18,218	14,654	Nil	32,734	Nil
Options outstanding at the end of the year	7,65,769	8,50,362	4,82,266	4,86,766	6,84,000



Had fair value method been used, the compensation cost would have been higher by ₹ 9.10 lakhs (previous year. ₹ 13.19 lakhs). Loss after tax would have been higher by ₹ 9.10 lakhs (Previous year profit after tax would have been lower by ₹ 13.19 lakhs) and EPS both basic and diluted would have been ₹ (0.49) per share (previous year ₹ 2.82 per share)

Subsidiary Companies:

Vertex Securities Limited (VSL) and Vertex Commodities And Finpro Private Limited (VCFPL) are the subsidiaries of the Company engaged in the following businesses: -

1. Stock broking focusing business mainly on southern and western India. The company caters to retail, HNI and institutional clients.
2. Currency derivatives segment.
3. Commodity broking through Vertex Commodities And Finpro Pvt. Ltd. (VCFPL) and services retail, HNI and corporate clients.
4. Merchant banking.

Vertex Securities Limited (VSL) is a member of: -

1. National Stock Exchange of India Limited, (NSE)
2. Bombay Stock Exchange Limited, (BSE)
3. Cochin Stock Exchange Limited, (CSE)
4. OTC Exchange of India, (OTCEI)
5. National Securities Depository Ltd., (NSDL) (for depository services)
6. SEBI registration as a Merchant Banker.
7. MCX Stock Exchange Limited. (MCX Sx)

Vertex Commodities And Finpro Private Limited (VCFPL) member of following commodity exchanges: -

1. Multi Commodity Exchange of India (MCX)
2. National Commodity and Derivative Exchange (NCDEX)
3. National Multi Commodity Exchange (NMCE)
4. National Spot Exchange of India Limited (NSEIL)

During the year under report, the consolidated revenue of these two subsidiaries was ₹ 1,088.56 lakhs as against ₹ 1,111.84 lakhs in the previous year. The net loss after tax was ₹ 163.25 lakhs as against net loss of ₹ 168.03 lakhs in the previous year.

Auditors' Report:

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

Auditors:

Messrs Rahul Gautam Divan & Associates retire as Auditors of the Company at the conclusion of the forthcoming Annual

General Meeting and have confirmed their eligibility and willingness to accept the office of the auditors for the financial year 2013-14, if appointed. The Board and Audit Committee of the Company has recommended the re-appointment of Messrs. Rahul Gautam Divan & Associates, Chartered Accountants, as statutory auditor of the Company to hold office as such until the conclusion of the next Annual General Meeting.

Consolidated Financial Statement:

Directors present herewith the consolidated financial statements of Holding Company and subsidiaries duly audited by statutory auditors pursuant to Clause 32 read with Clause 41 of the Listing Agreement with the Stock Exchanges and prepared in accordance with Accounting Standard 21 of Institute of Chartered Accountants of India.

In terms of circular No.5/12/2007-CL-III (General Circular No.2/2011) dated 8th February, 2011 from Ministry of Corporate Affairs, the Board of Directors of the Company by resolution dated 20th May, 2013 has decided not to attach the balance sheet of the Subsidiary Companies.

The annual accounts of the Subsidiary Companies and the related detailed information shall be available to the shareholders of Holding and Subsidiary Companies seeking any information at any time. The annual accounts of the Subsidiary Companies are available for inspection by any shareholder at the Registered Office of the Holding Company and of the Subsidiary Companies concerned.

Directors:

Mr. Pravin Khatau retires by rotation and being eligible, offers himself for re-appointment.

Mr. Ranjal Laxmana Shenoy, whom the Board had appointed as an Additional Director, pursuant to Sec. 260 of the Companies Act, 1956, also ceases to be a director at the ensuing annual General Meeting. The Company has received a notice from a shareholder pursuant to Sec.257 of the Companies Act, 1956 proposing the candidature of Mr. Ranjal Laxmana Shenoy.

Pursuant to Clause 49(g)(1) of the Listing Agreement with the Stock Exchanges brief resume of Mr. Pravin Khatau and Mr. Ranjal Laxmana Shenoy 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:

- (a) In the preparation of the Annual Accounts for the year 2012-13, the applicable Accounting Standards have been followed and there are no material departures;
- (b) 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/(loss) of the Company for the financial year;

- (c) 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;
- (d) The annual accounts have been prepared on a going concern basis.

Particulars of employees' U/S 217 (2A) of the Companies Act, 1956:

Information as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, is available at the registered office of the Company. However, as per the provisions of Section 219(1)(b) (iv) of the said Act, the Report and Accounts are being sent to all the shareholders of the Company and others entitled thereto excluding the aforesaid information. Any shareholder interested in obtaining a copy of this statement may write to the Company Secretary/Compliance Officer at the Registered Office of the Company.

Corporate Governance Report:

Pursuant to Clause 49 of the Listing Agreement with the 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:

Because of the nature of activities being carried on by the Company, the particulars prescribed under Section 217(1)(e)

of the Companies Act, 1956, read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, relating to conservation of energy, technology absorption are not applicable to the Company.

Foreign Exchange earnings and outgo during the year:

Earnings	: ₹ 71.81 lakhs
Outgo	: ₹ 14.33 lakhs

The Company has not carried out any specific research and development activities. The information relating to Technology Absorption, Adaptation and Innovation is not applicable because of the nature of the business of the Company.

Appreciation:

Directors wish to place on record their appreciation for the support and co-operation received from the Regulatory Authorities, customers, banks and active 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

Suresh N Talwar
Chairman

Place : Mumbai
Date : 20/05/2013

Registered Office:

403, Regent Chambers,
Nariman Point,
Mumbai - 400 021



CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR ENDED MARCH 31, 2013

(as requires under Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

Mandatory Requirements:

1. Corporate Governance :

Corporate governance refers to a set of laws, regulations and good practices that enable an organization to perform efficiently and ethically generate long term wealth and create value for all its stakeholders. The Company believes that sound Corporate Governance is critical for enhancing and retaining investor trust and the Company always seeks to ensure that its performance goals are met with integrity. The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance viz., integrity, equity, transparency, fairness, disclosure, accountability and commitment to values.

Company's Philosophy on Code of Corporate Governance:

Transparency, fairness, disclosure and accountability are central to the working of the Company and its Board of Directors. The Company has always been guided by conviction of adhering to transparency, accountability and integrity. The Company believes and acknowledges individual and collective responsibilities to manage the business activities with integrity.

The Company lays great emphasis on regulatory compliances and strives to ensure that high standard of professionalism and ethical conducts are maintained throughout the organization. The Board undertakes its fiduciary responsibilities to all its stakeholders by ensuring transparency, fair-play and independence in its decision making.

2. Code of Conduct:

The Company has well defined policy framework which lays down procedures to be adhered to by all Board Members and Senior Management for ethical professional conduct. The Code outlines fundamental ethical considerations as well as specified considerations that need to be maintained for professional conduct. Senior Management includes personnel of the core management team excluding Board of Directors but including all functional heads. The Code of Conduct is also posted on the website of the company www.transwarranty.com.

3. Board of Directors:

(i) Composition and size of the Board

The Company's policy is to have an appropriate mix of Executive & Non-Executive Directors. The size and composition of the Board, conforms to the requirements of Corporate Governance Report under Clause 49 of the Listing Agreement with the Stock Exchanges.

The present strength of the Board of Directors is six members including one Alternate Director with rich professional experience in various fields. The Managing Director and Whole-time Director are the Executive Directors and the other three are Non-Executive Directors. More than half of the Board consists of Independent Directors.

(ii) Meeting of the Board :

During the financial year 2012-13, the Board met 6 times on 18th May 2012, 20th July, 2012, 12th September, 2012, 20th October, 2012, 31st December, 2012 and 28th January, 2013 respectively. The gap between any two meetings was lesser than 4 months.

The Company Secretary prepares the agenda and the explanatory notes, in consultation with the Chairman & Managing Director and circulates the same in advance to the Directors. Every Director is free to suggest inclusion of items on the agenda. The Board meets at least once every quarter inter alia to review the quarterly results. Additional Meetings are held as and when necessary. The Minutes of the proceedings of the Meetings of the Board of Directors are noted and the draft minutes are circulated amongst the Members of the Board for their perusal. Comments, if any, received from the Directors are also incorporated in the minutes, in consultation with the Chairman & Managing Director. The minutes are approved by the Members of the Board at the next Meeting. Senior management personnel are invited to provide additional inputs for the items being discussed by the Board of Directors as and when necessary.

As per Clause 49 of the Listing Agreement none of the Directors on the Board of the Company is a member in more than 10 or Chairman of more than 5 specified committees of the Board across all the companies in which he is a Director. The necessary disclosure regarding Directorship and Committee positions have been made by the Directors who are on the Board of the Company as on March 31, 2013. The composition of Board of Directors, attendance at the Board Meetings during the