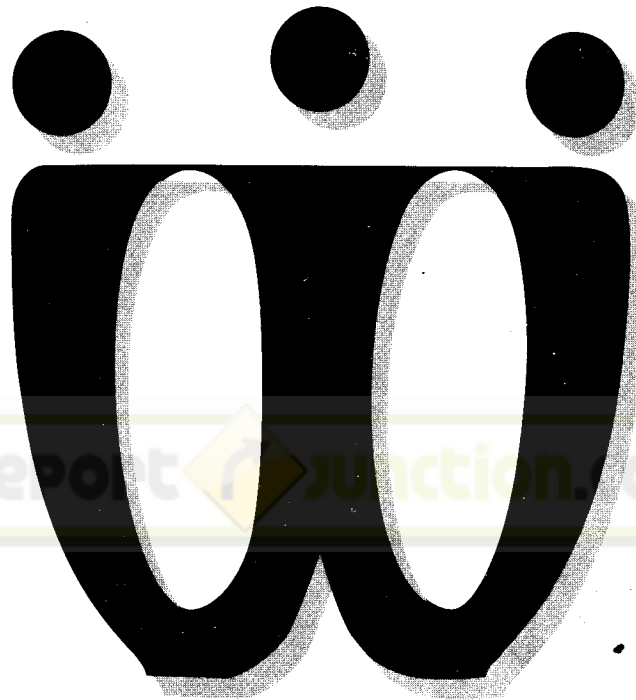


89th ANNUAL REPORT 2008 - 2009



WALCHAND
PEOPLEFIRST

WALCHAND PEOPLEFIRST LIMITED



DALE CARNEGIE®
TRAINING



PerformanSe
Now as direct participant in his own development



WALCHAND
DALE CARNEGIE
FINISHING SCHOOL

SHRMTM
SOCIETY FOR HUMAN
RESOURCE MANAGEMENT



BOARD OF DIRECTORS

Ms. PALLAVI JHA - CHAIRPERSON & MANAGING DIRECTOR

Mr. SANJAY JHA

Mr. M.N. BHAGWAT

Dr. S.C. JHA

Mr. V.K.VERMA

Ms. POONAM BARUA

COMPANY SECRETARY

Mr. HARSHAD MANE

COMPLIANCE OFFICER

Mr. VIVEK WADHAVKAR

AUDITORS

M/s. HARIBHAKTI & CO.,
CHARTERED ACCOUNTANTS

BANKERS

STANDARD CHARTERED BANK
BANK OF INDIA

REGISTERED OFFICE

1, CONSTRUCTION HOUSE,
5, WALCHAND HIRACHAND MARG,
BALLARD ESTATE, MUMBAI- 400 001
TEL NO: 22618095/8096, 67818181
FAX: 22617504
Email: vivek@walchandgroup.com
Website : www.walchandpeoplefirst.com

REGISTRAR & TRANSFER AGENT

M/s. COMPUTECH SHARECAP LIMITED
"COMPUTECH", 147, MAHATMA GANDHI ROAD,
FORT, MUMBAI – 400 023
TEL : 22635001 /5002
FAX: 22635005
E-MAIL : helpdesk@compu-techsharecap.com



INFORMATION FOR SHAREHOLDERS
89TH ANNUAL GENERAL MEETING

DATE : 30-09-2009 (Wednesday)
 TIME : 11.00 A.M.
 VENUE : WALCHAND HIRACHAND HALL
 INDIAN MERCHANT CHAMBERS,
 IMC MARG, CHURCHGATE,
 MUMBAI - 400 020.
 DATE OF BOOK : September 23, 2009 to September 30, 2009
 CLOSURE (BOTH DAYS INCLUSIVE)

Report  junction.com

CONTENTS	PAGE NO.
NOTICE	1
DIRECTORS' REPORT	3
CORPORATE GOVERNANCE REPORT	7
AUDITORS REPORT	18
BALANCE SHEET	21
PROFIT & LOSS ACCOUNT	22
SCHEDULES TO ACCOUNTS	23
ADDITIONAL INFORMATION UNDER PART IV OF SCHEDULE VI	43
CASH FLOW STATEMENT	44
CONSOLIDATED ACCOUNTS	46
SUBSIDIARY ACCOUNTS	71
ATTENDANCE SLIP AND FORM OF PROXY	



and its respective due date of transfer to such fund of the Central Government, which remain unpaid.

Sr. No.	Date of Declaration	Dividend for the year	Due date of transfer to the Government
1	30 th January, 2006	Interim Dividend 2005-06	01 st March, 2013
2	31 st August, 2006	Final Dividend 2005-06	30 th September, 2013
3	27 th July, 2007	Final Dividend 2006-07	26 th August, 2014
4	30 th September, 2008	Final Dividend 2007-08	29 th October, 2015

It may be noted that no claim of the shareholders will be entertained for the unclaimed dividend which has been transferred to the credit of the Investor Education & Protection Fund of the Central Government under the provisions of Section 205(B) of the Companies Act, 1956. In view of the above, those Shareholders who have not encashed their dividend warrants are advised to send all the unclaimed dividend warrants to the Registrar & Share Transfer Agents or to the Registered Office of the Company for revalidation and encash them before the due date for transfer to the Central Government.

16. Particulars of the dividend transferred to the General Revenue Account of the Central Government i.e. Investor Education & Protection Fund during the Financial Year ended 31st March, 2009 pursuant to Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978.

Sr. No.	Date of Declaration of Dividend	Dividend for the Financial Year	Amount transferred to & Protection Fund (Rs.)	Date of transfer to Investor Education & Protection Fund
1.	28/09/2001	2000-2001	68,000	20/10/2008

17. As per the provisions of the Companies Act, 1956, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Transfer Agents of the Company.
18. Members seeking any information or clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the meeting to enable the Company to compile the information and provide replies at the meeting.

INFORMATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING RE - APPOINTMENT OF DIRECTORS.

Ms. Pallavi Jha did her graduation in humanities from St Xavier's College, Mumbai and did her MBA from the Syracuse University, New York.

She was Executive Director of India's leading construction Company, HCC and erstwhile Walchand Group Company before starting off her own ventures. She also worked briefly in market research at Feedback Ventures and Proctor & Gamble. She has singularly led the India operations into the

fastest growing region for Dale Carnegie Training, winning several global awards for service and sales excellence.

She has been a vocal spokesperson for industry associations and has been Chairperson of CII, Maharashtra Council.

She has diversified exposure to various management practices in areas such as training and development, HR, consulting and business restructuring, and lobbying, covering a wide range of industries from media, entertainment, technology to the financial services sector and the engineering industry. She has been recognized by reputed institutions such as CII and FIE Foundation etc. for her outstanding contributions.

Ms. Poonam Barua is a trained Economist from the prestigious Delhi School of Economics. She is a whole-time Director of Public Affairs Management, an independent firm specializing in corporate and institutional diplomacy and public affairs, based in New Delhi.

She is also concurrently Regional Director - India, The Conference Board, New York, and also Representative for The Board's highly successful top-management forum on "Human Resources Council - India" which she launched three years ago, and the Board's "Asia Council on Business Conduct."

As Regional Director of The Conference Board, Ms. Barua has been closely involved with leading corporate debate and thought-leadership on the important issues of corporate governance for the Board of Directors and Chief Executive Officers in Indian businesses. She later launched the "Asia Council on Business Conduct" which is providing a sustained global platform for defining the roles and responsibilities of the Board and Independent Directors, and sharing challenges in the areas of transparency, financial compliance, legal standards, and enterprise risk-management.

Disclosure Pursuant to Clause 49 (IV) (E) (V) of the Listing Agreement: Shareholding of Ms. Poonam Barua (both own or held by / for other persons on a beneficial basis) as on July 31, 2009 is Nil.

DIRECTORS' REPORT

The Members of
WALCHAND PEOPLEFIRST LIMITED

Your Directors present herewith the 89th Annual Report together with the Audited Statement of Accounts and Auditors' Report thereon for the Financial Year ended March 31, 2009.

1. FINANCIAL RESULTS

(Rs. in Lacs)

	Financial Year ended 31.03.2009	Financial Year ended 31.03.2008
Profit before interest, depreciation and taxation	53.30	(87.03)
Profit on Sale of Training Business	0.00	906.44
Less: Interest	4.49	1.09
Less: Depreciation/Amortisation	19.60	37.31
Provision for Taxation - Current / earlier years	1.26	92.58
	25.35	130.98
	<u>27.95</u>	<u>688.43</u>
Deferred Tax recognised	(146.58)	(53.04)
Net Profit	(118.63)	635.39
Add: Balance brought forward	1277.13	675.07
Less: Transferred to Reserve Fund	N.A	N.A
Amount available for appropriation	1158.50	1310.46
Appropriations		
Final Dividend	0.00	28.49
Dividend Tax	0.00	4.84
Balance carried to Balance Sheet	1158.50	1277.13
Total	1158.50	1310.46

2. DIVIDEND

Your Directors have decided not to recommend any dividend for the year ended 31st March, 2009, in view of inadequate Profit.

3. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO (Section 217(1) (e) of the Companies Act, 1956)

Particulars required to be furnished by the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 are as follows:-

- Rule 2(A) pertaining to Conservation of Energy and Rule 2(B) pertaining to Technology absorption are not applicable to the Company.
- Foreign exchange inflow and outflow – Rule 2(C):

(Rs. in Lacs)

(a) EXPENDITURE IN FOREIGN CURRENCY	Financial Year ended 31.03.2009	Financial Year ended 31.03.2008
Professional Fees/Franchise Fee	NIL	NIL
Royalty Remitted	NIL	41.05
Traveling Expenses	NIL	2.68
Others	NIL	NIL
(b) EARNING IN FOREIGN CURRENCY	NIL	NIL

4. MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure & Development

The Indian economy was on a roller-coaster ride in early 2008. At the beginning of the year, the overall sentiment prevalent in the economy was optimistic and backed by healthy balance sheets; companies were ploughing back a portion of their earnings into their business through capacity expansions. Employment scenario was upbeat, though the industry was facing a talent crunch. While the global economic environment started to deteriorate during the year, the Indian economy was expected to remain insulated or affected only marginally. However, with the increased integration of the Indian economy and its financial markets with the rest of the world ensured the ripple effect of the global crisis was transmitted to the domestic economy. Consequently, towards the end of 2008, corporate profits began to wither, investments started to shrink and the talent crunch situation turned into a talent galore situation owing to dearth in employment opportunities.

We witnessed a sharp decline in planned expenditures on Training in the third quarter of the year. Industry verticals that saw the sharpest decline were IT / ITES, Automotive and Manufacturing. While the Banking and Financial sectors held forth, we saw a healthy growth in Training expenditure in Telecom.

The weakening demand has driven several smaller, unorganized training outfits out of the market place while large Training organizations have survived well. Yet, with the long-term prospects of India remaining strong, we have also witnessed a larger number of organized players entering the market.

Opportunities & Challenges

With a significant slowdown in recruitment by Indian companies, the focus is now on retention and selective hiring, driven purely by critical skills matching with business needs.

According to a study carried out by Deloitte, companies have begun investing more in building a strong leadership pipeline and identifying, engaging and developing high performing employees within the organization. Most of the companies surveyed have stated that building the leadership pipeline (65%), retention of critical workforce (51%) and succession planning (51%) is their highest priority. Employee communication has taken on an even greater priority, especially to counter low employee morale. About 78% of the companies surveyed stated that the rewards structure remained relatively unchanged.

As the market dynamics and customer preferences change, companies are beginning to focus on innovative practices related to talent management and at the same time driving measures to cut overall operational costs. Companies appreciate that to remain viable and competitive both in the short and long term, they must focus on and improve their ability to attract, develop and retain top talent.

As such, long-duration Training and Executive Education



courses are now being replaced by shorter duration workshops. Your company has devised a Modular Training approach with several short programs from half-day workshops to 3-days seminars to meet this need.

At the same time, with the growing privatization of higher education, your company has been able to forge strong institutional partnerships through its Finishing School. Industry, institutions and policy makers recognize that employable skills development is the need of the hour. With recruitment becoming selective, this area has become all the more significant.

There is a growing need to enhance global capacities and soft-skills are increasingly interwoven into functional skills. There is a strong focus on revenue growth in companies and the area of sales effectiveness is expected to be a huge training opportunity. Leadership training is also a big demand area as this has now percolated down from just the top brass to middle level managers who head business units. According to a Gallup poll, only 25% employees in an organization are engaged, making this a critical need within organizations. From team building exercises, we now offer modular engagement packages in more sophisticated forms. Also, orientation training provided to newcomers is a big opportunity area. Effective communication training, ranging from business communication to media training, is a critical growth area across all levels in an organization.

However, the bar has been raised for Training organizations like never before. Corporate executives recognize that Training investments represent 0.5-1% of revenues and impact as much as 40-45% of the staff costs. As such they are becoming accountable for the money they spend. This means training providers need to ensure a direct business relevance and measurable return on investment. There is also a lot of activity on re-engineering the learning function. Focus is moving from cost generating activities to activities that impact corporate performance. Also fixed resources dedicated to Training will decrease. This will result in greater outsourcing of Training, which spells opportunities for the Dale Carnegie business.

Outlook, Risks & Concerns

While some economists predict that industry growth levels in India will pick up around the third quarter of the coming year, we expect that the Training market will grow only marginally in 2009-10. We saw a sharp decline in Training budgets in the third quarter of the year and see it continuing at least for the first half of the coming year.

The coming financial year will bring significant growth challenges for the wider economy and of course individual businesses as well. Timely and appropriate action will be the key towards managing growth at the macro level, while a keen sense of attention to cost management, process control and revenue focus will determine the success of individual businesses.

During this slow period, your company has maintained

precisely the same focus. Your company has brought about a significant cost-rationalization and improvement in process control while focusing on building the revenue pipeline. This is expected to show positive results during the coming year.

Continuing on this effort and with the change in the business model and strategy of the Finishing School initiative, your Company intends to consolidate its operations to build greater efficiencies by merging the subsidiary company, Walchand TalentFirst, with the Company during the year. The Management believes this will provide greater returns to its shareholders.

Cautionary Statement:

The statements made in this report describe the Company's objectives, expectations and projections that may be forward looking statements. The actual results might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors, which are beyond the control of the Company and Management.

Segmentwise Performance:

As per the Consolidated Financial Statement, the revenue and results for the Investment Division and the Training Division for the relevant period are reported in the notes to Accounts.

Internal Control Systems and their Adequacy:

The Company has adequate and effective control systems, commensurate with its size and nature of business, to ensure that assets are efficiently used and the interest of the Company is safeguarded and the transactions are authorized, recorded and reported correctly. Checks and balances are in place to determine the accuracy and reliability of accounting data. The preventive control systems provide for well-documented policy, guidelines, and authorization and approval procedures. The Company has a full-fledged Internal Audit System to ensure that the policies and procedures laid down are adhered to. The Company has also developed a Risk Assessment policy and is reviewed by the Board of Directors/ Audit committee on a quarterly basis.

Financial Performance with respect to Operational Performance:

Total income achieved during the year under review by the Company is Rs 133.08 lakhs. After providing for taxation of Rs 1.26 Lakhs and recognition of Deferred Tax Liability of Rs 146.58 Lakhs, the Company made a Net Loss of Rs 118.63 Lakhs.

As per the Consolidated Financial Statement, Total income achieved during the year under review by the Company (and its subsidiary) is Rs 1328.38 lakhs as against Rs 1217.53 lakhs in the previous year. Training income for the Company (and its subsidiary) has increased to Rs 1168.06 lakhs as against Rs 992.21 lakhs in the previous year showing an increase of more than 17%. After providing for taxation of Rs 9.15 Lakhs and recognition of Deferred Tax Liability of Rs 146.58 Lakhs, the Consolidated results for the Company show a Net Loss

of Rs 353.13 Lakhs as against a Loss after tax of Rs 605.16 Lakhs in the previous year. The Operating Loss has been reduced from Rs.457.19 Lacs in previous year to Rs. 178.25 Lacs during the year aggregating to an improvement of 61.01%

Human Resources:

Your Company considers its intellectual capital as its most valuable asset. Personnel policies of your Company are designated to ensure fairness to and growth of all individuals in the organization and continuously strives to provide a challenging work environment. We have a strong Performance Management System and code of conduct which reinforces our work ethics.

5. SUBSIDIARY

Walchand TalentFirst Limited, subsidiary of the Company has allotted 30,00,000 Equity Shares of Rs. 10/- each at par to the Company on 18th August, 2008. Further, pursuant to the Amendment to Convertible Debenture Subscription Agreement, Walchand TalentFirst Limited has allotted 4,34,375 Equity Shares of Rs.10/- each at the price of Rs. 21.40 per share to Bennett Coleman & Company Limited on conversion of Debenture of Rs. 92,96,656/- on 27th January, 2009.

6. PARTICULARS OF EMPLOYEES

As required under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, the names and other particulars are set out in the annexure to this report.

7. INVESTMENTS

During the Financial Year under report, the outstanding position in the investment of shares and debentures of various companies were to the tune of Rs. 1518.12 lacs as compared to the last Financial Year's investment of Rs. 1229.64 lacs.

The Book value of the quoted investments for the year under review was Rs.24.87 lacs (previous year Rs. 31.59 lacs) and its market valuation was Rs. 8.05 lacs (previous year Rs.18.45 lacs).

8. FIXED DEPOSIT

The Company has not accepted any deposits from public under the Provisions of Section 58A of the Companies Act 1956 and rules framed thereunder during the Financial Year ended 31st March 2009. As at March 31, 2009, there is no outstanding liability to fixed depositors.

9. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956:

- i) that in the preparation of the Annual Accounts for the financial year ended March 31, 2009, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the Directors had selected such accounting policies

and applied them 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 ended March 31, 2009 and of the loss of the Company for the said year;

- iii) that 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) that the Directors have prepared the Annual Accounts for the year ended March 31, 2009, on a going concern basis.

10. STATUTORY AUDITORS

The Statutory Auditors of the Company, M/s. Haribhakti & Co., Chartered Accountants retire at ensuing Annual General Meeting of the Company and have given their consent for re-appointment. The Company has also received a Certificate from them to the effect that the re-appointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956 and also that they are not otherwise disqualified within the meaning of sub-Section (3) of Section 226 of the Companies Act, 1956, for such re-appointment. You are requested to appoint Auditors for the current year and fix their remuneration.

11. DIRECTORS

In accordance with the Articles of Association of the Company and provisions of the Companies Act, 1956 Ms. Pallavi Jha and Ms. Poonam Barua retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Your Directors recommend their re-appointment.

12. COMPLIANCE CERTIFICATE

As per Section 383A of the Companies Act, 1956 read with Notification No. G.S.R. 11 (E), Dated 5-1-2009 issued by the Ministry of Corporate Affairs, a Company having the paid up Share Capital of Rs. 10 Lacs or more but less than Rs. 5 Crores must obtain a Compliance Certificate from a Company Secretary in whole time practice and such Certificate must be annexed to the Report. Further as per the said Notification if the Company has employed a Company Secretary on whole time basis then the said Certificate is not required to be obtained. Since the Company has employed a Company Secretary on whole time basis the provision relating to the Compliance Certificate is not applicable to the Company.

13. CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a Compliance Report on Corporate Governance together with the Certificate from M/s. Pramod S. Shah & Associates - Practising Company Secretaries is annexed as a part of the Annual Report.

**14. COST AUDIT**

The Company is not required to undertake the cost audit as required under Section 233 B of the Companies Act, 1956.

For and on behalf of the Board of Directors

15. ACKNOWLEDGMENT

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from Clients, Vendors, Financial Institutions, Bankers, Business Associates and various Governmental, as well as Regulatory Agencies for their valuable support. Your Directors also wish to place on record their appreciation for the contribution made by the employees.

Date: July 31, 2009

PALLAVI JHA

Place: Mumbai

Chairperson & Managing Director

Registered Office:

1, Construction House,
Walchand Hirachand Marg,
Ballard Estate, Mumbai 400 001

Statement pursuant to Section 217 (2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975 :

There are no employees who draw remuneration amounting to Rs. 24,00,000 per annum.

Report  junction.com

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2008-09

(As required under clause 49 of the Listing Agreement with the Stock Exchanges)

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

WALCHAND PEOPLEFIRST LIMITED believes that the essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the higher echelons of management. It is not only a pre-requisite for facing intense competition for sustainable growth in the emerging global market scenario but is also an embodiment of the parameters of fairness, accountability, disclosures and transparency to maximize value for the stakeholders. Corporate Governance at Walchand is not limited to statutory and legal compliances but is the natural and voluntary code of managing its operations, which has enabled it to continuously create value for all its stake holders.

Good Corporate Governance contributes to sustainable development by enhancing the performance of Companies. Corporate Governance is one of the pillars of WALCHAND's focus on sustainability. Better Corporate Governance allows companies to recognize and act to fulfill their environmental and social responsibilities. Accordingly, it contributes to long-term, sustainable growth.

In India, corporate governance standards for listed companies are regulated by the Securities and Exchange Board of India (SEBI) through Clause 49 of the listing agreement of the Stock Exchanges. As a Company, which believes in implementing and adopting best-in-class corporate governance policies, WALCHAND PEOPLEFIRST LIMITED has adopted practices mandated in the revised Clause 49 and has established procedures and systems to be compliant with it.

Corporate governance is about the dilution of ethical and moral self-restraint reflecting the feeble voice of the "little inner man inside us" relaxes the urge to be clean and honest. The report on the Corporate Governance is to fulfill this commitment. An organization is able to attract investors, and enhance the trust and confidence of all stakeholders by following the best governance practices.

Our governance philosophy is based on the following:-

1. Management must have the executive freedom to drive the enterprise forward without undue restraints and Management is the trustee of the shareholders capital and not the owner. This freedom of management should be exercised within a framework of effective accountability.
2. Provide an enabling environment to harmonise the goals of maximizing stakeholder value and maintaining a customer centric focus.
3. Have a simple and transparent corporate structure driven solely by business needs.
4. Communicate externally, in a truthful manner, about how the Company is running internally.
5. Make clear distinction between personal conveniences and corporate resources.
6. Be transparent and maintain a high degree of disclosure levels in all facets of its operations.
7. Satisfy the spirit of the law and not just the letter of the law.

The Company's philosophy on Corporate Governance is thus concerned with the ethics, values and morals of the Company and its Directors, who are expected to act in the best interests of the Company and remain accountable to shareholders and other beneficiaries for their action.

Your Board of Directors presents the Corporate Governance Report for the year 2008-09.

2. BOARD OF DIRECTORS

a. Size and Composition of Board

The composition and category of Directors as on March 31, 2009 are as under:-

Name of Directors	Category	No. of Directorships in other Companies		No. of Membership/Chairmanship of other Board Committees	
		Public	Private	Member	Chairman
Ms. Pallavi Jha	Chairperson and Managing Director	1	2	-	-
Mr. Sanjay Jha	Whole time	1	2	-	-
*Mr. M.N. Bhagwat	Independent Non-executive	6	-	5	3
Dr. S.C. Jha	Independent Non-executive	1	-	-	-
**Mr. V.K. Verma	Independent Non-executive	-	-	-	-
Ms. Poonam Barua	Independent Non-executive	-	-	-	-

*Mr. M. N. Bhagwat – Re-appointed as an Independent Non-executive Director of the Company at the Annual General Meeting of the Company held on September 30, 2008.

**Mr. V. K. Verma – Re-appointed as an Independent Non-executive Director of the Company at the Annual General Meeting of the Company held on September 30, 2008.

b. Attendance at Board Meeting and Annual General Meeting :-

During the accounting year 2008-09, four Board Meetings were held on April 21, 2008, July 31, 2008, October 24, 2008 and January 27, 2009.

The Annual General Meeting of the Company for the financial year 2007-2008 was held on September 30, 2008.



Attendance at Board Meeting and last Annual General Meeting:-

Name of Directors	No. of Board Meetings attended	Attendance at last AGM
Ms. Pallavi Jha	4	Present
Mr. Sanjay Jha	4	Present
Mr. M.N. Bhagwat	4	Present
Dr. S.C. Jha	3	Absent
Mr. V.K. Verma	3	Absent
Ms. Poonam Barua	4	Absent

c. Board's Functioning & Procedures: -

The Board has complete access to any information within the Company. At meetings of the Board, it welcomes the presence of Managers who can provide additional insights into the items being discussed.

The items placed at the Meeting of the Board include the following:-

- Unaudited Quarterly/Half Yearly financial results and Audited Annual Accounts of the Company, results and capital employed, for consideration and approval,
- Minutes of meetings of Audit, Shareholders Grievance Committee and Remuneration Committee,
- Abstracts of circular resolutions passed,
- General notices of interest,
- Sale and/or purchase of investments, fixed assets,
- Review compliance of all laws applicable to the Company including the requirements of the Listing Agreement with the Stock Exchanges and steps taken by the Company to rectify instances of non compliances, if any,
- Related party transactions,
- Reviewing the Company's Financial and Risk Management policies,
- Reviewing the business plan and strategy of the Company,
- Reviewing the operations of the Subsidiary Company-Walchand TalentFirst Limited,
- Financial Results of Subsidiary Company-Walchand TalentFirst Limited,
- Minutes of the Board of Directors of Subsidiary Company-Walchand TalentFirst Limited,

All the items in the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial /business plans, financial results, detailed presentations are made. The Agenda and the relevant notes are sent in advance separately to each Director to enable the Board to take informed decisions.

The Minutes of the Meetings of the Board are circulated through email to all Directors and confirmed at the subsequent Meeting. The Minutes of the Audit Committee, Remuneration Committee, Shareholders' Grievance Committee and the Minutes of the Board of Directors Meetings of the Subsidiary Company are also are circulated through email to all Directors and thereafter tabled for discussion at the subsequent Board Meeting.

3. AUDIT COMMITTEE

Audit committee acts as a link between the Statutory and Internal Auditors and the Board of Directors. The primary objective of the Audit Committee is to provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures.

a. Size and Composition:-

The Board constituted an Audit Committee of Directors on April 26, 2001 having Mr. Sanjay Jha, Whole-Time Director and Dr. S. C. Jha, Non-Executive Independent Director as Members and Mr. M.N. Bhagwat, Non-Executive Independent Director as Chairman of the Committee. Mr. V.K. Verma, Non-Executive Independent Director was appointed as a Member of the Audit Committee with effective from April 12, 2006 by passing a circular resolution, which was noted by the Board at their meeting, held on April 28, 2006.

The Members of the Committee are well versed in finance / accounts, legal matters and general business practices.

b. Attendance at the Audit Committee Meetings:-

During the accounting year 2008-09, four Audit Committee Meetings were held on April 21, 2008, July 31, 2008, October 24, 2008 and January 27, 2009.

Name of Members	No. of Audit Committee Meetings attended
Mr. Sanjay Jha	4
Mr. M.N. Bhagwat	4
Dr. S.C. Jha	3
Mr. V.K. Verma	3

c. The functions of the Audit Committee include the following:-

- Reviewing the Company's financial reporting process and the disclosure of its financial information to ensure