

# Corporate Governance

As at 30th June 2009

## Company's Philosophy on Corporate Governance

ROLTA's Corporate Governance principles are based on the principles of fairness, transparency and commitment to values. The Company adheres to good corporate practices and is constantly striving to better them and adopt emerging best practices. It is believed that adherence to business ethics and commitment to corporate social responsibility would help the Company achieve its goal of maximizing value for all its stakeholders. The company is committed to good corporate governance and continuously reviews various investor relationship measures with a view to enhance stakeholders' value. The Company has adopted a Code of Conduct for top three tier of management including the Whole-time Directors, and the Managing Director. The Company's Corporate Governance policy has been further strengthened through the Rolta Directors and Designated Employees Code of Conduct for Prevention of Insider Trading. This code has also been amended during the year in line with the amended Securities and Exchange Board of India (SEBI) Regulations in this regard. The company provides detailed information on various issues concerning the company's business and financial performance. Rolta respects the rights of its stakeholders to information on the performance of the company. It takes proactive approach and revisits its governance practices from time to time so as to meet business and regulatory needs. Rolta has complied in all material respects with the features of Corporate Governance as specified in the revised guidelines clause 49 of the Listing Agreements.

## 1 Board of Directors

### (i) Composition of the Board

The Board of Directors of the Company includes individuals who are professionals in their respective areas of specialization and who have held eminent positions. The Board is broad based and comprises of individuals drawn from management, technical, financial and legal fields. The members of the Board are individuals with leadership qualities and strategic insight. The current policy of the Company is to have an Executive Chairman who is also the Managing Director. Directors including Non-executive Directors are professionally competent. At present, the Board consists of twelve members, of which six are Non-Executive Independent Directors. None of the Directors on the Board of Rolta India Ltd. is a director in more than ten listed companies, member of more than ten committees and Chairman of more than five committees, across all the Companies in which he is a Director. The Board's role, functions, responsibilities and accountability are clearly defined. In addition to its primary role of monitoring corporate performance, the functions of the Board include:

- Articulating the corporate philosophy and mission;
- Formulating strategic plans;
- Reviewing and approving financial plans and budgets;
- Monitoring corporate performance against strategic plans including overseeing operations;
- Ensuring ethical behavior and compliance with laws and regulations;
- Keeping shareholders informed about plans, strategies and performance.

The Directors have made the necessary disclosures regarding Committee positions.

The composition and category of Directors on the Board of the Company as on 30th June 2009 are:

Sr. No.	Name of the Director	Category	Designation
1	Mr. Kamal K Singh	Executive, Whole-time Director	Chairman & Managing Director
2	Mr. R R Kumar	Non-Executive, Independent Director	Director
3	Mr. K R Modi	Non-Executive, Independent Director	Director
4	Lt. Gen. J S Dhillon (Retd.)	Non-Executive, Independent Director	Director
5	Mr. V. K. Agarwala	Non-Executive, Independent Director	Director
6	Mr. Behari Lal	Non-Executive, Independent Director	Director
7	Mr. V K Chopra	Non-Executive, Independent Director	Director
8	Mr. A D Tayal	Executive, Whole-time Director	Joint Managing Director
9	Dr. Aditya K Singh <sup>§</sup>	Executive, Whole-time Director	Joint Managing Director
10	Mr. A.P. Singh	Executive, Whole-time Director	Joint Managing Director
11	Mr. Ben Eazzetta	Non-Executive, Non-Independent Director	Director & President - International Operations
12	Mr. Hiranya Ashar	Executive, Whole-time Director	Director Finance & Chief Financial Officer

§ None of the directors is related to any other Director, except Dr. Aditya K. Singh who is the son of Mr. Kamal K. Singh.

### (ii) Board Meetings:

Minimum four Board Meetings are held each year, one in each Quarter. The Board Meetings of the Company are prescheduled and adequate notice is given to the members of the Board. Apart from the Quarterly Board Meetings, the Company convenes additional Board Meetings by giving appropriate notice to the Directors to consider specific matters related to the business of the Company. The Board Meetings are generally held at the Registered Office of the Company at Rolta Tower A, Rolta Technology Park, MIDC-Marol, Andheri (East), Mumbai - 400093, India.

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The Directors are given presentations on the performance of the Company for the preceding quarter at each of the prescheduled Quarterly Board Meetings.

For effective corporate management, the Board has constituted various Committees viz. Management Committee, Audit Committee, Compensation Committee and Investors' Grievance Committee.

During the financial year 2008-09, the Board of the Company, as also the various specialised committees constituted by the Board, held as many as 23 meetings, which include 5 meetings of the Board. Necessary information required to be given in terms of Annexure 1A to Clause 49 of the Listing Agreement, was placed before the Board for its consideration and all matters with explanatory notes / reports relating to the respective committees were circulated to the committee members before the meetings.

The Directors, including the Non-executive Directors, actively participated at length in the deliberations of the Board. During the financial year 2008-09, the Board held its meetings on 24th July 2008, 20th October 2008, 24th November 2008, 19th January 2009 and 21st April 2009. The time gap between any two Board meetings did not exceed four months.

### (iii) Attendance of Directors at Board and Annual General Meeting

Attendance of Directors at the Board Meetings and the Annual General Meeting held during financial year 2008-2009:

Sr. No.	Name of the Director	Meetings held during the tenure of the Directors	Meetings Attended	Whether present at the last AGM
1	Mr. Kamal K Singh	5	5	Yes
2	Mr. R R Kumar	5	5	Yes
3	Mr. K R Modi	5	5	Yes
4	Lt. Gen. J S Dhillon (Retd.)	5	5	Yes
5	Mr. A.T. Pannir Selvam *	5	5	Yes
6	Mr. V.K. Agarwala	5	5	Yes
7	Mr. Behari Lal	5	5	Yes
8	Mr. V K Chopra	5	4	Yes
9	Mr. A D Tayal	5	4	Yes
10	Dr. Aditya K Singh	5	4	No
11	Mr. A.P. Singh	5	5	Yes
12	Ms. Preetha Pulusani **	5	5	Yes
13	Mr. Ben Eazzetta	5	3	No
14	Mr. Hiranya Ashar	5	5	Yes

\* Mr. A T Pannir Selvam ceased to be a Director w.e.f. 21st April 2009 due to his sad demise.

\*\* Ms. Preetha Pulusani resigned as a Director w.e.f. 18th June 2009.

Note: None of the Directors received any loans and advances from the Company during the financial year ended June 30, 2009.

### (iv) No. of other Boards/Board Committees in which the Directors are either Member or Chairman as on June 30, 2009

Name of the Director	Position	Directorship held as June 30, 2009		Committee membership in all companies ###	Chairperson in Committees ###
		India listed Companies #	All companies around the world ## (listed & unlisted)		
Mr. Kamal K Singh	Chairman & Managing Director	-	25	1	4
Mr. R R Kumar	Independent Director	4	7	3	3
Mr. K R Modi	Independent Director	1	2	3	1
Lt. Gen. J S Dhillon (Retd.)	Independent Director	-	3	-	-
Mr. V.K. Agarwala	Independent Director	-	5	1	-
Mr. Behari Lal	Independent Director	-	1	1	-
Mr. V K Chopra	Independent Director	6	17	9	3
Mr. A D Tayal	Joint Managing Director	-	5	1	-
Dr. Aditya K Singh	Joint Managing Director	-	13	2	-
Mr. A.P. Singh	Joint Managing Director	-	12	-	-
Mr. Benedict A Eazzetta	Director & President International Operations	-	11	-	-
Mr. Hiranya Ashar	Director Finance & Chief Financial Officer	-	1	3	-

# Excluding directorship in Rolta India Limited.

## Directorships in companies around the world including Rolta India Limited.

### Includes Management Committee, Investors Grievance Committee, Audit Committee and Compensation Committee in all companies including Rolta India Limited.

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## 2. Management Committee

The Management Committee is a Committee of the Board and is authorised to deliberate, act and decide on all matters, which the full Board is otherwise empowered to do, except those matters, which are specifically required by law to be considered and decided by full Board. The Management Committee meets regularly to deliberate and take decisions on various issues relating to strategic, financial, corporate and legal matters ensuring smooth management of the Company.

The Management Committee comprises three Whole-time Directors (including the Chairman) and two non-executive and independent Directors, namely Mr K K Singh, Mr A D Tayal, Mr Hiranya Ashar, Mr R R Kumar and Mr K R Modi. Mr K K Singh is the Chairman of the Management Committee. The Company Secretary acts as the Secretary to the Management Committee.

**Attendance of Directors at the Management Committee during the financial year 2008-09:**

Sr. No.	Name of the Director	Meetings held during the tenure of the Director	Meetings Attended
1	Mr. Kamal K Singh	10	10
2	Mr. R R Kumar	10	10
3	Mr. K R Modi	10	10
4	Mr. A D Tayal	10	9
5	Mr. Hiranya Ashar	10	10

## 3. Investors' Grievance Committee

The Board of Directors of the Company, has formed an Investors' Grievance Committee comprising of two Non-Executive and two Whole-time Directors. The Investors' Grievances Committee is chaired by Mr. K R Modi and its other members include Mr. R R Kumar, Mr. A D Tayal and Mr. Hiranya Ashar. Mr. Dharmesh Desai, the Company Secretary and the Compliance Officer under Clause 49 of the Listing Agreement, also acts as the Secretary of the Investors' Grievance Committee.

This Committee's mandate requires it to look into investors' grievances relating to matters such as the transfer of shares, non-receipt of Annual Reports and non-receipt of dividends, and also reviews any cases filed by aggrieved investors before the courts or other forums. It also supervises the Company's in-house Investor Service Cell, which services the shareholders of the Company by monitoring, recording and processing share transfers and requests for dematerialization of shares.

The fully equipped in-house Investor Service Cell, services the shareholders of the Company. The transfers received by the Company are generally processed and transferred on a monthly basis. No valid transfer request remains pending for transfer to the transferees as on 30th June 2009. All requests for dematerialization of shares are likewise processed and confirmation thereof is normally communicated to the concerned depository within 10 working days of receipt of all documents.

The Committee monitors the Redressal of Investor Grievances. The total number of complaints received and replied to the satisfaction of the shareholders during the year under review was 45. The complaints received from regulatory authorities and pending as on June 30, 2009 were as follows:

There are 54 complaints as per records of the Securities and Exchange Board of India. Out of these 54, 19 have been resolved by the Company, 12 are subjudiced and pending for Court Orders in which company is only a formal party, 6 are intra party disputes brought to the notice of the Company and balance 17 are the cases where the parties in spite of reminders have not complied with procedural formalities, hence they are parties who have failed to respond and comply with requirement.

No complaints were pending from Bombay Stock Exchange Ltd (BSE), and National Stock Exchange of India Ltd. as on June 30, 2009.

The attendance of the Directors at the meeting of the Investor Grievance Committee held during the period ended June 30, 2009, is as follows:

Sr. No.	Member	Meetings held	Meetings Attended
1	Mr. K R Modi	3	3
2	Mr. R R Kumar	3	3
3	Mr. A D Tayal	3	3
4	Mr. Hiranya Ashar	3	3

## 4. Audit Committee

The Company's Audit Committee was established in compliance with Clause 49 of the Listing Agreement with the Indian Stock Exchanges as read with Section 292A of the Companies Act, 1956. Presently the Audit Committee consists of three independent and non-executive Directors, namely, Mr. R R Kumar (as Audit Committee Chairman), Mr. K R Modi and Mr. Behari Lal and one Whole-time Director Mr. Hiranya Ashar.

Mr. R R Kumar is ex-Chairman & Managing Director of Union Bank of India and has sound knowledge in the areas of Finance, Banking and Accounts. Mr. K R Modi another member of the Audit Committee is a senior partner with M/s Kanga & Co., Advocates and Solicitors. Mr. Modi has sound knowledge in law. Mr Behari Lal, a former member of the Income Tax Appellate Tribunal has vast experience in legal and taxation matters. Mr. Hiranya Ashar is Director Finance & Chief Financial Officer of the Company and has sound knowledge in the areas of Finance, Banking and Accounts.

The Company held four Audit Committee meetings for the review relating to the financial period July 1, 2008 to June 30, 2009. These meetings were well attended. The Committee invited the Auditors to be present at these meetings. The Company Secretary acts as the Secretary of the Audit Committee.

The Audit Committee also advises the management on the areas where internal audit can be improved. The minutes of the meetings of the Audit Committee are circulated to the members of the Committee and placed before the Board.

**Terms of Reference:** The terms of reference/powers of the Audit Committee has been specified by the Board of Directors as under:

**A. Primary objective of the Audit Committee :** The primary objective of the Audit Committee of Rolta India Ltd. is to monitor

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and provide effective supervision of the managements financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, the internal auditors and the independent auditor and notes the processes and safeguards employed by each.

B. The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointing, reappointment and, if required, the replacement or removal of Statutory Auditors and fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of sub-section (2AA) of Section 217 of the Companies Act, 1956.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by the Management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of related party transactions.
  - Qualifications in draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- 5A. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendation to the Board to take up steps in the matter.
6. Reviewing with the management, the performance of Statutory and Internal Auditors, adequacy of internal control systems.
7. Reviewing the adequacy of internal audit functions, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

8. Discussion with internal Auditors of any significant findings and follow-up thereon.
9. Reviewing the findings of any internal investigations by the internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. Looking into the reasons for substantial defaults in the payment to the shareholders (in case of non payment of declared dividends) and creditors.
12. Reviewing the functioning of the Whistle Blower Mechanism.
13. Carrying out such other function as may be specifically referred to the Committee, by the Board of Directors and/or other Committee of Directors of the Company.
14. Reviewing the following information:
  - The management discussion and analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
  - Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
  - Internal audit reports relating to internal control weaknesses; and
  - The appointment, removal and terms of remuneration of internal Auditors.
15. The audit committee powers, include the following:
  - To investigate any activity within its terms of reference.
  - To seek information from any employee.
  - To obtain outside legal or other professional advice.
  - To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Attendance of Directors at the Audit Committee Meetings during the financial year 2008-09:**

Sr. No.	Member	Meetings held	Meetings Attended
1	Mr R R Kumar	4	4
2	Mr K R Modi	4	4
3	Mr Behari Lal	4	4
4	Mr Hiranya Ashar	4	4

## 5. Compensation Committee:

The Company's Board has set up a competent and qualified Compensation Committee in compliance with the SEBI guidelines. As on 30 June 2009, its members include Mr. Kamal K Singh (as Compensation Committee Chairman), Mr. R R Kumar and Mr. K R Modi. The Committee is responsible for

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recommending the compensation structure for Whole-time Directors and the implementation and administration of the Employee Stock Option Plans.

The Non-Executive Directors of the Company are paid sitting fees at the rate of Rs. 20,000/- for attending each Board Meeting and Rs.10,000/- for attending each Board Committee Meeting. Presently, the Non-executive Directors of the Company are not paid commission.

The Compensation Committee held one meeting during the period July 1, 2008 to June 30, 2009.

**Attendance of Directors at the Compensation Committee Meetings held during the financial year 2008-09:**

Sr. No.	Member	Meetings held	Meetings Attended
1	Mr Kamal K Singh	1	1
2	Mr R R Kumar	1	1
3	Mr K R Modi	1	1

The remuneration of Directors charged to the Profit & Loss Account during the Financial Year 2008-09 is given below:

Sr. No.	Name	Designation	Sitting Fees (Rs.)	Salary & Allowances (Rs.)	Taxable value of Perquisites (Rs.)	Commission (Rs.)	No. of Shares held ## (As on 30.6.09)	Stock Option Nos. In Force (As on 30.6.09)
1	Mr Kamal K Singh	Chairman & Managing Director	Nil	Nil	Nil	96,690,000	250,000	NA
2	Mr R R Kumar	Director	280,000	Nil	Nil	Nil	26	NA
3	Mr K R Modi	Director	280,000	Nil	Nil	Nil	2,000	NA
4	Lt. Gen J S Dhillon (Retd)	Director	100,000	Nil	Nil	Nil	Nil	NA
5	Mr A T Pannir Selvam *	Director	100,000	Nil	Nil	Nil	1,500	NA
6	Mr V K Agarwala	Director	100,000	Nil	Nil	Nil	28,000	NA
7	Mr Behari Lal	Director	140,000	Nil	Nil	Nil	Nil	NA
8	Mr V K Chopra	Director	80,000	Nil	Nil	Nil	Nil	NA
9	Mr A D Tayal	Joint Managing Director	Nil	13,239,000	Nil	14,650,000	270,000	50,000
10	Dr. Aditya K Singh	Joint Managing Director	Nil	5,844,000	Nil	Nil	153,928	NA
11	Mr Adarsh Pal Singh	Joint Managing Director	Nil	8,999,000	Nil	10,255,000	45,820	305,000
12	Ms. Preetha Pulusani **	Joint Managing Director	Nil	5,792,549	Nil	Nil	NIL	NIL
13	Mr Hiranya Ashar	Director Finance & CFO	Nil	5,883,000	Nil	5,860,000	NIL	180,000
14	Benedict A Eazzetta	Director & President - International Operations	Nil	34,624,802	Nil	NIL	NIL	600,000

\* Mr. A T Pannir Selvam ceased to be a Director w.e.f. 21st April 2009 due to his sad demise.

\*\* Ms. Preetha Pulusani has resigned as a Director w.e.f. 18th June 2009.

## Shareholding details are given for the directors on Board as at 30th June 2009.

The remuneration paid to Whole-time Directors, is as per the approval already taken from the members at the Annual General Meeting.

The remuneration paid to Whole-time Directors, is as per the approval already taken from the members at the Annual General Meeting.

## Details of service contracts of whole time Directors

Sr No. Contract	Name	Period of Service
1	Mr. Kamal K Singh	01.07.2007 to 30.06.2012
2	Mr. A D Tayal	17.02.2007 to 16.02.2012
3	Dr. Aditya K Singh	01.07.2007 to 30.06.2012
4	Mr. A P Singh	01.04.2007 to 31.03.2012
5	Ms. Preetha Pulusani	01.03.2008 to 28.02.2013
6	Mr. Hiranya Ashar	01.11.2006 to 31.10.2009

The Contracts entered into by the company with all the Whole-time Directors, may be terminated by either the Company or the Wholetime Directors by giving six calendar months' notice in writing.

## 6. General Body Meetings

The last three Annual General Meetings of the Company were held at Shri Bhaidas Maganlal Sabhagriha, U-1, Juhu Development Scheme, Vile Parle (West), Mumbai 400056.

Financial Year	Date	Time
2007-08	24.11.2008	11.30 a.m.
2006-07	16.11.2007	11.30 a.m.
2005-06	28.11.2006	11.30 a.m.

All resolutions moved at the last Annual General Meeting were passed by show of hands by the requisite majority of members attending the meeting. The following are the Special Resolutions passed at the previous three Annual General Meetings and Extraordinary General Meetings held in the past 3 years.

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AGM held on	Summary of Special Resolution
Resolutions passed through Postal Ballot on 15-06-2009	<ol style="list-style-type: none"> <li>1 Special Resolution as at Item no. 1 under Section 81(1A) and all other applicable provisions of the Companies Act, 1956 and the provisions contained in the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 for amendment of ESOP 2007 Scheme approved by the shareholders at its Annual General Meeting held on November 28, 2006.</li> <li>2 Special Resolution as at Item no. 2 under Section 81(1A) and all other applicable provisions of the Companies Act, 1956 and the provisions contained in the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 for amendment of ESOP 2008 Scheme at its Annual General Meeting held on November 16, 2007.</li> <li>3 Special Resolution as at Item no. 3 under Section 81(1A) and all other applicable provisions of the Companies Act, 1956 and the provisions contained in the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 for amendment of terms of ESOP Scheme as approved by shareholders at its Annual General Meeting held on November 24, 2008.</li> </ol>
18th Annual General Meeting 24-11-2008	<ol style="list-style-type: none"> <li>1 Special Resolutions u/s 81 (1A) for issue of shares under the Employees Stock Option Plan for the employees of the company as well as for the employees of the holding/subsidiary companies.</li> </ol>
17th Annual General Meeting 16-11-2007	<ol style="list-style-type: none"> <li>1 Special Resolution u/s 81 (1A) for issue of shares under the Employees Stock Option Plan for the employees of the company as well as for the employees of the holding/subsidiary companies.</li> </ol>
Resolutions passed through Postal Ballot on 12-06-2007	<ol style="list-style-type: none"> <li>1 Special Resolution for enhancing limit for investment by FII's (exclusive of NRIs/ OCBs etc.) from 40% to 75% of the paid up capital of the Company.</li> <li>2 Special Resolution for Issue of equity linked foreign / Indian securities like FCCBs, ADRs/ GDRs etc. not exceeding USD 250 million.</li> </ol>
16th Annual General Meeting 28-11-2006	<ol style="list-style-type: none"> <li>1 Special Resolution u/s 81 (1A) for issue of shares under the Employees Stock Option Plan for the employees of the company as well as for the employees of the holding/subsidiary companies.</li> </ol>

## 7. Code for Prevention of Insider Trading/SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997:

The Company has adopted the Code of Conduct for Prevention of Insider Trading in the equity shares of the Company. This code is known as the Rolta Directors and Designated Employees Code of Conduct for Prevention of Insider Trading. The Company's Insider Trading Code of Conduct, inter-alia prohibits purchase / sale of equity shares of the Company by the Directors and Designated Employees in management position (at the level of Executive Directors and above) while in possession of unpublished price sensitive information in relation to the Company. The Company makes disclosures to the Stock Exchanges of transactions covered under the "Rolta Directors and Designated Employees Code of Conduct for Prevention of Insider Trading". This code meets with the regulations stipulated by the Securities and Exchange Board of India (SEBI), on Prohibition of Insider Trading.

In compliance with the SEBI's regulations on prevention of insider trading, during the year, the Company had amended the Code for prevention of Insider Trading for its Directors and Designated Employees by incorporating the amendment laid down in the SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2008.

The Company also made disclosures to the Stock Exchanges for transactions covered under the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 by submitting the requisite reports and applications under the said Regulations.

## 8. Disclosures

Related party transactions are defined as transactions of the Company of material nature with Promoters, Directors or the management, their relatives, subsidiaries, etc. that may have potential conflict with the interest of the Company at large. Details of material and significant related party transactions are given in the Notes to the Accounts annexed to the financial statements. Necessary approvals, as required are taken before entering into any such arrangements.

The Company's equity shares are listed on Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE) and the Company's Global Depository Receipts (GDRs) have been listed with London Stock Exchange. The Company has paid the Listing Fees, as applicable to the BSE, NSE and LSE for the financial year 2008-09.

The Company has duly complied with the requirements of the revised Clause 49 of the Listing Agreement with the Stock Exchanges, as well as with the Regulations of the Securities Exchange Board of India and such other statutory authority relating to the Capital Markets.

The company has paid the listing fees to Singapore Stock Exchange for the financial year 2008-09.

A qualified practicing Company Secretary carried out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India. In the preparation of the financial statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standard. The Company also publishes its Accounts drawn under International Financial Reporting Standards (IFRS).

## 9. Means of Communication

Timely disclosure of consistent, relevant and up-to-date information on corporate matters, financial matters etc., are at the core of good corporate governance. Towards this end, the quarterly results of the Company were published within a month of the end of each quarter and the Audited Annual Results within 3 months of the end of the financial year. The Company also ensures that Press Releases are issued on significant developments and the Investors kept informed of important announcements. The Quarterly Financial Results are published in English and vernacular newspapers. These results are generally published in the all India editions of The Economic Times / Business Standard / Financial Express and other English and vernacular newspapers. The results are posted on SEBI's website [www.sebi.gov.in](http://www.sebi.gov.in) and as well as on the Company's website [www.rolta.com](http://www.rolta.com). Investor / shareholders may directly address their queries at [investor@rolta.com](mailto:investor@rolta.com). The results and the various Press Releases issued by the Company are also promptly forwarded to the Stock Exchanges whereat the equity

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shares of the Company are listed. The Company frequently organizes facilities visits for representatives of institutional investors. These visits are generally accompanied by presentations by the Company's Strategic Business Units and a briefing on the Company's products and services both in the international markets and in India. The entire Annual Report of the Company as well as the Quarterly Results are also available on the Company's website. The Management Discussion and Analysis (MDA) giving an overview of the Company's business and its financials etc., Risk Management, The Shareholders' Information, Ratio & Ratio Analysis, Directors' Profile, are provided separately in this Annual Report.

## 10. General Shareholders Information

Mandatory as also various additional voluntary information of interest to investors is furnished in a separate section 'Shareholders Information' elsewhere in this Annual Report.

## 11. CEO/CFO Certification

A certificate from Chairman and Managing Director and Director (Finance) on the financial statements of the Company and on the matters which were required to be certified according to the clause 49(V) was placed before the Board.

## 12. Code of Conduct for Directors and Senior Management

The Rolta Code of Conduct (Code) is applicable to all Directors (including Whole-time Directors) and Senior Management of the Company at the level of Executive Directors and above. The Code lays down the standards of business conduct, ethics for transparent corporate governance. A copy of the Code has been posted on the Company's website. The Code has been circulated to all members of the Board and Senior Management and the compliance of the same has been affirmed by them.

## Report on Corporate Governance

This Corporate Governance Report forms part of the Annual Report. The Company is fully compliant with the provisions of Clause 49 of the Listing Agreement of the Stock Exchanges in India.

## Compliance

- (i) Certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement is published below.
- (ii) Status of compliance of non-mandatory requirement
  - Chairman of the Board:  
The Chairman is an Executive Chairman hence not applicable.
  - Remuneration Committee:  
The Company has a Remuneration Committee designated as "Compensation Committee". The remuneration of the Directors is decided and approved by the Board of Directors.
  - Shareholders rights:  
The quarterly results are published in the newspapers.
  - Audit Qualification:  
During the year under review, there was no audit qualification in company's financial statements.
  - Postal Ballot:  
The company has passed 3 Special resolutions by Postal Ballot on 15th June, 2009.

## Annual Declaration by the CEO Under Clause 49 I (D) of the Listing Agreement regarding Adherence to the Code of Conduct

In accordance with Clause 49 sub-clause I (D) of the Listing Agreement with the Stock Exchanges, I hereby declare that all the Directors and the Senior Management personnel of the Company have affirmed compliance to the Rolta Code of Conduct for the Financial Year ended June 30, 2009.

Kamal K Singh  
Chairman & Managing Director  
3rd August, 2009

## 13. Auditor's Certificate on Corporate Governance

The Auditor's Certificate on compliance of Clause 49 of the Listing Agreement relating to Corporate Governance is published below.

# Auditors' Certificate

On Compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement

To  
The Members of  
Rolta India Limited

We have examined the compliance of conditions of Corporate Governance by Rolta India Limited for the year ended 30th June 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the company's management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations, made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We state that such compliance is neither an assurance as to the further viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Khandelwal Jain & Co.,  
Chartered Accountants



Shivratn Agarwal  
Partner  
Membership No 104180

Place: Mumbai  
Date: August 03, 2009