

**REPORT ON CORPORATE GOVERNANCE**

(Pursuant to Clause 49 of the Listing Agreement)

**1. Company's Philosophy on Corporate Governance**

The Company's philosophy on Corporate Governance encompasses the goal of achieving transparency, accountability, compliance in all spheres of its operations and in dealing with the shareholders, employees, the Government and the creditors. The Company believes in establishing a framework which would enable in strengthening the decision making processes and enhance the overall effectiveness of the organization.

**2. Board of Directors**

**2.1 Composition of the Board:**

The Board of Directors as at 31<sup>st</sup> March, 2009 comprises of six directors comprises of Non-Executive Directors and subject to the supervision and control of the Board of Directors. The directors on the Board are senior, competent and highly respected persons from their receptive fields:

Sr. No.	Name of the Director	Category of Director
1	Mr. Nirmal Khetan	Independent – Director
2	Mr. M N Baliga	Non-Executive Director
3	Mr. Uttreshwar Vyas	Non-Executive Director
4	Mr. Ramniklal D Pithva	Non-Executive Director
5	Mr. Aji P George	Non-Executive Director

**2.2 Meeting and Attendance Record of Directors**

The meetings of the Board of Directors are held at periodical intervals and are generally at the registered office of the Company. During the year under review, the Board met 6 (Six) times on the following dates:

Sr. No.	Date of Board Meeting	Sr. No.	Date of Board Meeting
1	18/04/2008	4	30/10/2008
2	25/07/2008	5	03/12/2008
3	28/08/2008	6	20/01/2009

Sr. No.	Name of the Director	No. of Meetings Attended	Attendance at the last AGM
1	Mr. Nirmal Khetan	6	Not attended
2	Mr. M N Baliga	6	Attended
3	Mr. Uttreshwar Vyas	6	Not attended
4	Mr. Ramniklal D Pithva	NIL	Attended
5	Mr. Hemant Dave	NIL	Not attended
6	Mr. Dilip Parikh	NIL	Not attended

**3. Audit Committee:**

The Audit committee constituted by the Board of directors as per the provisions of the under Clause 49 of the listing Agreements as well as in Section 292A of the Companies Act, 1956, the Audit Committee reconstitutes and comprises which three members viz. Mr. Nirmal Khetan, Mr. M N Baliga and Mr. Uttreshwar Vyas, who are well versed with finance, accounts, management and corporate affairs. Two members constitute the quorum of the said Audit Committee Meeting. Mr. Nirmal Khetan, a Chartered Accountant, is the Chairman of the committee.

The audit committee while reviewing the Annual Financial Accountants of India. Compliance of the Accounting Standards (AS) issued by the Institute of Chartered Accountants of India. 5 (Five) Audit Committee Meetings were held during 2008-09. The dates on which the said meetings were held as follows:

Sr. No.	Date of Audit Committee Meeting	Sr. No.	Date of Audit Committee Meeting
1	18/04/2008	4	30/10/2008
2	25/07/2008	5	20/01/2009
3	28/08/2008		

**4. Remuneration Committee**

The remuneration committee reconstitutes and comprises of Mr. Nirmal Khetan and Mr. Hemant Dave and Mr. Uttreshwar Vyas.

The Remuneration Committee reviewing the overall compensation policy, service agreements and other employments and other employment conditions of Managing / Whole time Directors and Managing Director:

There was no meeting of Remuneration Committee during the Financial Year 2008-09.

**5. Share Transfer & Shareholders'/Investor Grievance Committee:**

The Share Transfer & Shareholders'/Investor Grievance committee comprises of Mr. Nirmal Khetan, Mr. Ramniklal Pithva and Mr. Uttreshwar Vyas. The committee looks into redresal of Shareholders/ Investors complaints in the matter of share transfer, non-receipt of dividend, annual report etc. The status report of shareholders complaints and redresal thereof is prepared and placed before Shareholders / Investors Grievance Committee. No sitting fees are paid to the committee members.

The status of shareholders' complaints received so far/number not solved to the satisfaction of shareholders/ number of pending share transfer transactions (as on 31st March, 2009) is given below:

**Complaints Status: 01.04.2008 to 31.03.2009**

- Number of shareholders' complaints received so far : 14
- Number not solved to the satisfaction of shareholders : NIL
- Number of pending complaints : NIL

**Compliance Officer:**

Mr. Aji P George, the Director of the Company has been appointed as the Compliance Officer for the purpose of complying with various provisions of Securities and Exchange Board of India (SEBI), Listing Agreement with Stock Exchanges, Registrar of Companies and for monitoring the share transfer process etc.

**6. GENERAL BODY MEETINGS:**

(a) The location and time, where last three years Annual General Meetings are as follows:

Year	Venue	Date & Time
2005-06	111, Shreyas Complex, Near Navrangpura Bus Stand, Navrangpura, Ahmedabad – 380 009	30 <sup>th</sup> September, 2006 11.00 a.m.
2006-07	304, Kaling, B/h. Bata Show Room, Near Mt. Carmel School, Ashram Road, Ahmedabad – 380 009	29 <sup>th</sup> September, 2007
2007-08	304, Kaling, Near Mt. Carmel School, B/h. Bata Showroom, Ashram Road, Ahmedabad - 380 009	29 <sup>th</sup> September 2008 at 11.00 a.m.

b) All the resolutions including special resolutions set out in the respective notices were unanimously passed by the shareholders. No resolution was put through postal ballot last year as per provisions of Section 192A of the Companies Act, 1956 and the rules framed there under.

**7. DISCLOSURES:**

There were no significant or material related party transactions that have taken place during the year which have any potential conflict with the interest of the company at large. The detailed related party information and transactions have been provided in Note 3 of Schedule 19 of Notes to Accounts.

No penalties or strictures have been imposed by SEBI, Stock Exchanges or any statutory authorities on matters relating to capital markets during the last three years.

**8. MEANS OF COMMUNICATION :**

The Quarterly Results and Half Yearly Un-audited Financial Results and the Annual Audited Financial Results are published in Newspapers. The presentation as to the Company's performance etc., are made to the Institutional Investors/Financial Analysts as and when felt expedient.

The Management Discussions and Analysis Report forms part of the Directors Report and is given separately.

**9. General Shareholders' Information :**

**9.1 Annual General Meeting :**

Day, date and time	Wednesday, 30 <sup>th</sup> Day of September, 2009 at 4.00 p.m.
Venue	304, Kaling, Near Mt. Carmel School, Ashram Road, Ahmedabad – 380 009

**9.2 Financial Calendar :**

2009-10 (Tentative)

First Quarter Results	:	Last week of July, 2009
Second Quarter Results	:	Last Week of October, 2009
Third Quarter Results	:	Last Week of January, 2010
Fourth Quarter Results	:	Last Week of April, 2010

**9.3 Book Closure :**

Friday, the 25<sup>th</sup> day of September, 2009 to Wednesday, the 30<sup>th</sup> Day of September, 2009 (both days inclusive).

**9.4 Dividend :**

No dividend has been recommended.

**9.5 Listing of Equity Shares on Stock Exchanges at :**

The names and addresses of the Stock Exchanges at which the equity shares of the Company are listed and the respective stock codes are as under :

Sr. No.	Name of Stock Exchanges	Stock Code
1	<b>Bombay Stock Exchange Ltd.</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	BSE – 526887
2	<b>Ahmedabad Stock Exchange Ltd.</b> Khamdhenu Complex, Opp. Sahajanad College, Panjarapole Ahmedabad - 380 015	ASE –

**9.6 Market Price Date :**

High and low during each month in the financial year 2008-09 on the Stock Exchanges:

Month	BSE	
	High (Rs.)	Low (Rs.)
April – 2008	NIL	NIL
May – 2008	NIL	NIL
June – 2008	NIL	NIL
July – 2008	NIL	NIL
August – 2008	NIL	NIL
September -2008	NIL	NIL
October -2008	NIL	NIL
November – 2008	NIL	NIL
December – 2008	NIL	NIL
January – 2009	NIL	NIL
February – 2009	NIL	NIL
March – 2009	NIL	NIL

**9.7 Registrar and Transfer Agent :**

Registrar and Transfer Agent of the Company are:

MCS Limited

101, Shatdal Complex, 1<sup>st</sup> Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380 009

Tel : +91 - 079 – 26582278 / 79 / 80

Fax : +91 - 079 – 26581296

Email : mcaahmd@yahoo.co.in

**9.8 Share Transfer System**

The Registrar and Share Transfer Agent deal with Shares transfer both in physical and demat mode. The demat shares are transferable through the depository system. Shares in physical form are processed by the Registrar and Share Transfer Agent and approved by the Share Transfer Committee of Directors of the Company. Transfer of physical shares is made within the time stipulated by the Stock Exchanges.

**9.9 Distribution of Shareholding (as on 31<sup>st</sup> March, 2009) :**

Category	Number of Shareholders	Perce. %	Number of Shares	Perce. %
Upto 5000	10540	89.73	1589300	21.98
5001 to 10,000	714	6.08	595000	8.23
10,001 to 20,000	277	2.36	423300	5.85
20,001 to 30,000	76	0.65	188600	2.61
30,001 to 40,000	37	0.32	127900	1.77
40,001 to 50,000	20	0.17	94600	1.31
50,001 to 1,00,000	30	0.26	204700	2.83
1,00,001 to 5,00,000	31	0.26	710600	9.83
5,00,001 to 10,00,000	8	0.06	656200	9.08
10,00,001 to above	13	0.11	2640600	36.51
<b>Total</b>	<b>11746</b>	<b>100.00</b>	<b>7230800</b>	<b>100.00</b>

**9.10 Shareholding Pattern as on March 31, 2009:**

Sr. No.	Category	No of Shares held	Percentage (%) of shareholding
1.	Promoters Directors & their Relatives	1245000	17.22
2.	NRI/OCBs	Nil	Nil
3.	Banks/Financial Institutions	30400	0.42
4.	Private Corporate Bodies	464800	6.43
5.	Others	5490600	75.93
	<b>Total</b>	<b>7230800</b>	<b>100.00</b>

**9.11 Dematerialisation of Shares and Liquidity :**

The particulars of shares in physical and demat held by the share holders as on 31st March, 2009:

Particulars	No. of Shares	% Shareholding
Physical	6597010	91.24
<b>Demat</b>		
NSDL	568440	7.86
CDSL	65350	0.90
<b>Total</b>	<b>7230800</b>	<b>100.00</b>

**9.12 Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity : N. A.**

**9.13 Plant Location :**

N. A.

**9.14 Address for Correspondence :**

- a) Investor Correspondence:  
MCS Limited  
101, Shatdal Complex, 1<sup>st</sup> Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380 009  
Tel : 079 - 26582878 / 79 / 80  
Fax: 079 – 26584027  
Email : mcaahmd@gmail.com
- b) Any other query :  
304, Kaling, Near Mt. Carmel School, Ashram Road, Ahmedabad – 380 009  
Tel : 079 - 26580366  
Fax: 079 - 26580366  
E-mail: indocredit@rediffmail.com

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**To the Members of  
Indo Credit Capital Limited**

We have examined the compliance of conditions of Corporate Governance by M/s. Indo Credit Capital Limited, for the year ended on 31<sup>st</sup> March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have conducted our review on the basis of the relevant records and documents mentioned by the Company and furnished to us, for the review.

In our opinion and to the best of our information and according to the explanation given to us and the representative made by the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For **Naimish N Shah & Co.**  
*Chartered Accountants*

Ahmedabad  
30-06-2009

**PRANAV SHAH**  
*Proprietor*

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**DECLARATION**

I, Aji P George, Director of M/s. Indo Credit Capital Limited, hereby declare that all the members of the Board of Directors and the Senior Management have affirmed compliance with the Code of Conduct, for the year ended March 31, 2009.

**By order of the Board of Directors**

Place : Ahmedabad  
Date : 30<sup>th</sup> June, 2009

**AJI P GEORGE**  
**Director**