

# 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 June 30, 2006, as stipulated in Clause 49 of the Listing Agreements 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 implementations 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 future 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 8, 2006

# Corporate Governance

Rolta's Corporate Governance principles are based on the principles of fairness, transparency and commitment to values. The Company is committed to good corporate governance and continuously reviews various investor relationship measures with a view to enhance stakeholders' value. 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. Rolta has complied in all material respects with the features of Corporate Governance as specified in clause 49 of the Listing Agreements.

## 1. Board of Directors

### (i) Composition:

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. All Directors including Non-executive Directors are professionally competent. At present, the Board consists of sixteen members, of which eight are Non-Executive Independent Directors.

None of the Directors on the Board is a member on more than ten committees and Chairman of more than five committees (as specified in Clause 49 of the Listing Agreement with the Stock Exchanges), across all the Companies in which he is a Director. The Directors have made the necessary disclosures regarding committee positions. The Company has received approval from Ministry of Company Affairs, Government of India, for increasing the number of Directors to eighteen and accordingly two additional directors were inducted on the board in July 2006.

The composition and category of Directors in the Board of the Company are:

Sr. No.	Name of the Director	Category	Designation
1.	Mr. Kamal K Singh	Executive / Whole time	Chairman & Managing Director
2.	Mr. R R Kumar	Non Executive & Independent	Director
3.	Mr. K R Modi	Non Executive & Independent	Director
4.	Mr. S L Baluja	Non Executive & Independent	Director*
5.	Mr. Yuvaraj Karan	Non Executive & Independent	Director*
6.	Lt. Gen. J S Dhillon (Retd.)	Non Executive & Independent	Director
7.	Mr. A T Pannir Selvam	Non Executive & Independent	Director
8.	Mr. V K Agarwala	Non Executive & Independent	Director
9.	Mr. Behari Lal	Non Executive & Independent	Director
10.	Ms. Preetha Pulusani	Non Executive & Independent	Director **
11.	Mr. J K Patnaik	Non Executive & Independent	Director **
12.	Mr. A D Tayal	Executive / Whole time	Joint Managing Director
13.	Dr. Aditya K Singh	Executive / Whole time	Joint Managing Director
14.	Mr. Alope Chakrabarti	Executive / Whole time	Director-Business Operations
15.	Mr. S K Shirguppi	Executive / Whole time	Director-Business Operations
16.	Dr. S R Bhot	Executive / Whole time	Director-Business Operations
17.	Mr. V L Ganesh	Executive / Whole time	Director-Finance & Chief Financial Officer
18.	Mr. K R Vaidyanathan	Executive / Whole time	Director-Sales, Marketing & Business Development

\*Up to August 08,2006

\*\* With effect from July 18,2006

## (ii) Board Meetings:

Minimum four Board Meetings are held each year. The Board Meetings of the Company are pre-scheduled and adequate notice is given to the members of the Board. Apart from the minimum four Board Meetings, additional Board Meetings are convened by the Company by giving appropriate notice to the Directors to address specific needs 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.

The Directors are given presentations on the performance of the Company for the preceding quarter at each of the pre-scheduled Board Meetings.

The Board has constituted Committees to deal with various specialised issues viz Audit Committee, Compensation Committee and Shareholders'/Investors' Grievances Committee apart from Management Committee.

During the financial year 2005-06, the Board of the Company, as

also the various specialized committees constituted by the Board, held as many as 28 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 were placed before the Board for their consideration and all matters with explanatory notes/reports relating to the respective committees were circulated to the committee members at their meetings.

The Directors, including the Non-executive Directors, actively participated at length in the deliberations of the Board. During the financial year 2005-06, the Board held its meetings on 19th August 2005, 23rd November 2005, 6th December 2005, 24th January 2006 and 24th April 2006. The gap between any two Board meetings did not exceed four months.

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

Attendance of Directors at the Board Meeting and the Annual General Meeting held during financial year 2005-06:

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	Mr. S L Baluja	5	5	Yes
5	Mr. Yuvaraj Karan	5	5	Yes
6	Lt. Gen. J S Dhillon (Retd.)	5	4	Yes
7	Mr. A T Pannir Selvam	5	4	Yes
8	Mr. V K Agarwala	5	4	Yes
9	Mr. Behari Lal	5	5	Yes
10	Mr. A D Tayal	5	4	Yes
11	Dr. Aditya K Singh	5	5	Yes
12	Mr. Alope Chakrabarti	5	5	Yes
13	Mr. S K Shirguppi	5	5	Yes
14	Dr. S R Bhot	5	4	Yes
15	Mr. V L Ganesh	5	5	Yes
16	Mr. K R Vaidyanathan	5	4	Yes

1. All the above Directors attended the last Annual General Meeting held on 23rd November 2005.
2. None of the Directors is related to any other Director, except Dr. Aditya K Singh who is the son of Mr. Kamal K Singh.
3. None of the Directors received any loans and advances from the Company during the financial year ended June 30, 2006.

## (iv) No. of other Boards/Board Committees in which the Directors are either Member or Chairman as on June 30, 2006

None of the Directors of Rolta India Limited is a Director in more than 10 listed companies. Similarly none of the Directors hold membership of more than 10 Board Committees or holds Chairmanships of more than 5 Board Committees as stipulated in clause 49 of the Listing Agreement.

Boards of other companies in which Directors hold the office of Directors & office of Members / Chairman of Audit / Investor Grievance Committees :

Sr. No.	Name of the Director	Number of Directorships in other companies		Committee member (s)/ chairman in other companies	
		Listed Cos.	Other Cos.	Member	Chairman
1.	Mr. Kamal K Singh	-	17	-	2
2.	Mr. R. R. Kumar	8	1	3	3
3.	Mr. S. L. Baluja	1	-	-	-
4.	Mr. K. R. Modi	1	-	1	-
5.	Mr. Yuvaraj Karan	4	-	-	-
6.	Lt. Gen. J. S. Dhillon (Retd.)	-	1	-	-
7.	Mr. A. T. Pannir Selvam	1	3	3	-
8.	Mr. Behari Lal	-	-	-	-
9.	Mr. V. K. Agarwala	-	2	-	-
10.	Mr. A. D. Tayal	-	7	-	-
11.	Dr. Aditya K. Singh	-	8	2	-
12.	Mr. Alope Chakrabarti	-	1	-	-
13.	Mr. S. K. Shirguppi	-	-	-	-
14.	Dr. S. R. Bhot	-	-	-	-
15.	Mr. V. L. Ganesh	-	-	-	-
16.	Mr. K. R. Vaidyanathan	-	-	-	-

## 2. Management Committee

The Board has set up a Management Committee of the Board of Directors. The Management Committee in its periodical meetings deliberates and takes decisions on various issues relating to strategic, financial & corporate matters. This helps to reduce the delay in decision-making as the Management Committee meets more frequently and all the decisions taken in the meetings of the Management Committee are placed before the Board for its information and confirmation wherever necessary.

The Management Committee also approves transfer of shares and oversees the grievances of investors, suggests various initiatives to promote investor protection, reviews court cases filed by aggrieved investors, etc. The Chairman & Managing Director of the Company is also the Chairman of this Committee, which is comprised of three whole time Directors including the Chairman and two non-executive & independent Directors.

Attendance of Directors at the Management Committee during the financial year 2005-06:

Sr. No.	Member	Meeting held during the tenure of the Director	Meetings Attended
1	Mr. Kamal K Singh	15	13
2	Mr. R R Kumar	15	15
3	Mr. K R Modi	15	14
4	Mr. A D Tayal	15	12
5	Mr. V L Ganesh	15	15

## 3. Investors' Grievances Committee

The Board of Directors of the Company constituted the Investor Grievance Committee, which presently comprises of the following Directors.

1. Mr. K R Modi
2. Mr. R R Kumar
3. Mr. A D Tayal
4. Mr. V L Ganesh

This Committee specifically looks into Redressal of Investor Grievances like transfer of shares, non-receipt of Annual Report and non-receipt of dividends, and also reviews any case filed by aggrieved investors in Honorable Courts / Forums. Mr. K R Modi an Independent non-executive Director of the Company is the Chairman of this Committee.

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 30.6.2006. 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.

With a view to provide good Investor Services all work relating to Registrar and Share Transfer Agents for shares held in physical mode and in the electronic mode are directly undertaken by the

Company at its registered Office.

The Committee monitors the Redressal of Investor Grievances. The Company Secretary who is also the Compliance Officer under clause 47 of the Listing Agreement entered into with the Stock Exchanges, whereat the shares of the Company are listed, acts as the Secretary of the Investor Grievance Committee.

The total number of complaints received and replied to the satisfaction of the shareholders during the year under review was 157. The complaints pending from regulatory authorities as on June 30, 2006 were as follows:

a. 7 Grievances as per the list furnished by the Securities and Exchange Board of India. These grievances were pending since cases by Investors have been filed in various Courts / Forums. The pending cases pertain to title of shares in which the Company has been made a party. The resolution of such cases is dependent upon the final court judgment. The Company ensures that proper representation is made in court in all such cases.

b. No complaints were pending with Bombay Stock Exchange Ltd (BSE), and the National Stock Exchange of India Ltd. (NSE).

A qualified practicing Company Secretary carries out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit 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 attendance of the Directors at the meeting of the Investor Grievance Committee held during the period ended June 30, 2006 is as follows:

Attendance of Directors at the Investor Grievance Committee during the financial year 2005-06

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. V L Ganesh	3	3

#### 4. Audit Committee

The Company's Audit Committee was initially established in 2000. The Board later reconstituted the Audit Committee to comply with Clause No. 49 of the Listing Agreement with the Indian Stock Exchanges as read with Section 292A of the Companies Act. Until 24 January 2006, the Audit Committee consisted of three independent and non-executive Directors, namely Mr. R. R. Kumar (as Audit Committee chairman), Mr. K. R. Modi and Mr. Yuvaraj Karan.

On 1 January 2006, the revised Clause 49 of the Listing Agreement came into effect. It stipulates that listed Indian

companies are required to have an audit Committee of the Board consisting of a minimum of three members, of which two-thirds should be independent Directors.

At its meeting on 24 January 2006, the Board reconstituted the Audit Committee by appointing Mr. V L Ganesh, Director - Finance & Chief Financial Officer, as a member of the Audit Committee. The reconstituted Audit Committee as on June 30, 2006 consisted of three independent Directors, namely Mr. R. R. Kumar (as chairman), Mr. K R Modi, Mr. Yuvraj Karan (up to August 08, 2006) and one full time Director, Mr. V L Ganesh. Mr. Behari Lal has been appointed as a member of Audit Committee in place of Mr. Yuvaraj Karan with effect from August 08, 2006 and more than two-third of present Audit Committee consists of independent directors.

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. Similarly, Mr. Yuvraj Karan is also a former Executive Director of Union Bank of India who retired after officiating as the Bank's Chairman & Managing Director. Mr. Karan has sound knowledge of banking, finance 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. V L Ganesh is Director Finance & Chief Financial Officer of the Company and has sound knowledge in the areas of Finance, Banking, Accounts, Legal and Secretarial.

The Company had four Audit Committee meetings for the review relating to the financial period July 1, 2005 to June 30, 2006. 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.

The functions of Audit Committee include:

1. Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of engagement of, and payment to statutory auditors for any other non-audit services rendered by the statutory auditors.
4. Reviewing, with the management, the quarterly financial

- statements before submission to the board for approval.
5. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  6. Reviewing the adequacy of internal audit function, 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.

Attendance of Directors at the Audit Committee during the financial year 2005-06

Sr. No.	Member	Meetings held	Meetings Attended
1	Mr. R R Kumar	4	4
2	Mr. K R Modi	4	4
3	Mr. Yuvaraj Karan	4	4
4	Mr. V.L.Ganesh	4	4*

- Mr. Ganesh has attended one Audit Committee meeting as a member of the Audit Committee that was held on April 24, 2006 and attended the earlier three Audit Committee meetings as a permanent invitee.

## 5. Compensation Committee

The Company has a competent and qualified Compensation

Committee of the Board consisting of the Chairman & Managing Director, and two Independent Non-Executive Directors namely, Mr. R R Kumar and Mr. K R Modi. This Committee reviews and approves the compensation structure for the company in general and specifically up to Executive directors who are one level below the Board position and make recommendation to the Board, wherever required. The Committee also reviews and approves the implementation and administration of the Employees Stock Option Scheme. Mr. Kamal K Singh is the Chairman of the compensation committee

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. The sitting fees payable to the Non-Executive Directors were revised by the Board of Directors at its meeting held on April 24, 2006. Before the said revision the Non-Executive Directors were paid sitting fees of Rs. 15,000/- for attending each Board Meeting and Rs. 5,000/- 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, 2005 to June 30, 2006. All the members were present for the meetings.

The remuneration of Directors charged to the Profit and Loss Account during the financial year 2005-06 is given below:

Sr. No.	Name	Designation	Sitting Fees (Rs.)	Salary & Allowances (Rs.)	Taxable value of perquisites (Rs.)	Performance Incentive (Rs.)	Commission (Rs.) (As on 30.6.06)	Stock Option Nos. in force
1.	Mr. Kamal K Singh	Chairman & Managing Director	NIL	1,344,000	NIL	NIL	40,730,561	NIL
2.	Mr. R R Kumar	Director	200,000	NIL	NIL	NIL	NIL	NIL
3.	Mr. K R Modi	Director	200,000	NIL	NIL	NIL	NIL	NIL
4.	Mr. S L Baluja	Director	75,000	NIL	NIL	NIL	NIL	NIL
5.	Mr. Yuvaraj Karan	Director	95,000	NIL	NIL	NIL	NIL	NIL
6.	Lt. Gen. J S Dhillon (Retd)	Director	60,000	NIL	NIL	NIL	NIL	NIL
7.	Mr. A. T. Pannir Selvam	Director	60,000	NIL	NIL	NIL	NIL	NIL
8.	Mr. V K Agarwala	Director	60,000	NIL	NIL	NIL	NIL	NIL
9.	Mr. Behari Lal	Director	75,000	NIL	NIL	NIL	NIL	NIL
10.	Mr. A D Tayal	Jt. Managing Director	NIL	1,980,000	NIL	52,500	12,220,518	71,250
11.	Dr. Aditya K Singh	Jt. Managing Director	NIL	1,980,000	NIL	Nil	4,073,506	NIL
12.	Mr. Alope Chakrabarti	Director Business Operations	NIL	1,888,765	NIL	169,508	3,258,805	22,500
13.	Mr. S K Shirguppi	Director Business Operations	NIL	1,765,600	NIL	172,429	2,444,104	28,750
14.	Mr. V L Ganesh	Director Finance & CFO	NIL	1,814,669	NIL	186,506	2,444,104	26,250
15.	Dr. S R Bhot	Director Business Operations	NIL	1,718,260	NIL	187,896	2,444,104	28,750
16.	Mr. K R Vaidyanathan	Director - Sales, Mktg. & Business Development	NIL	1,765,390	NIL	165,133	2,444,104	22,500

The remuneration paid to whole time directors is as per the approval already taken from the members at the Annual General Meeting. At the ensuing Annual General Meeting of the Company the resolutions for the re-appointment of Mr. S K Shirguppi and Dr. S R Bhot are placed before the members for their approval.

Details of service contracts of whole time Directors

Names	Period of Service Contract
Mr. Kamal K Singh	1.1.2004 to 31.12.2008
Mr. A D Tayal	17.2.2002 to 16.2.2007
Dr. Aditya K Singh	1.9.2004 to 31.8.2009
Mr. Alope Chakrabarti	1.4.2005 to 31.3.2008
Mr. V L Ganesh	1.4.2005 to 31.3.2008
Mr. S K Shirguppi	1.7.2003 to 30.6.2009
Dr. S R Bhot	1.7.2003 to 30.6.2009
Mr. K R Vaidyanathan	1.9.2004 to 31.8.2007

The Contracts entered into by the Company with all the Whole time Directors may be terminated by either party giving the other party six calendar months notice in writing.

## 6. General Body Meetings

The location and time, where the last 3 Annual General Meetings of the Company were held:

- 15th Annual General Meeting was held on November 23, 2005 at Shri Bhaidas Maganlal Sabhagriha, U-1, Juhu Development Scheme, Vile Parle (W), Mumbai - 400 056 at 11.30 a.m.
- 14th Annual General Meeting was held on December 15, 2004 at Shri Bhaidas Maganlal Sabhagriha, U-1, Juhu Development Scheme, Vile Parle (W), Mumbai - 400 056 at 11.30 a.m.
- 13th Annual General Meeting was held on December 15, 2003 at Shri Bhaidas Maganlal Sabhagriha, U-1, Juhu Development Scheme, Vile Parle (W), Mumbai - 400 056 at 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.

There were no special resolutions passed by the Company necessitating postal ballot at any of the above meetings. Similarly, at the ensuing Annual General Meeting, the resolutions proposed do not require passing through postal ballot.

AGM held on	Whether Special Resolution passed	Summary of Special Resolution
15th Annual General Meeting 23.11.2005	Yes	1. Special Resolution for modifications in the terms of services of the Joint Managing Directors of the Company.

AGM held on	Whether Special Resolution passed	Summary of Special Resolution
		2. Special Resolution for modifications in the terms of the services of whole time Directors of the Company. 3. Special Resolution u/s 81(1A) for issue of further shares by way of ADR / GDR upto a limit not exceeding US \$ 150 Million. 4. Special Resolution u/s 81 (1A) for issue of shares to persons under the Employee Stock Option Plan for the Employees of the Company as well as for the employees of the holding / subsidiary companies.
14th Annual General Meeting 15.12.2004	Yes	1. Special Resolution for the appointment of Mr. Aditya K Singh as Joint Managing Director of the Company for a period of 5 years.
13th Annual General Meeting 15.12.2003	Yes	1. Special Resolution for delisting of the Company's shares under the SEBI regulations from the Bangalore Stock Exchange, the Calcutta Stock Exchange, the Delhi Stock Exchange and the Ahmedabad Stock Exchange.

## 7. Code for Prevention of Insider Trading/ SEBI (Substantial Acquisition of Shares & Takeovers) Regulation

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 level (up to the position of Vice-President) while in possession of unpublished price sensitive information in relation to the Company. The Company makes disclosures to the Stock Exchanges of transaction 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.

The Company also made disclosures to the Stock Exchanges for

transactions covered under the SEBI (Substantial Acquisition of Shares & Takeovers) Regulation, 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. The Directors at the Board Meeting make proper and complete disclosures if any transaction is entered into with related parties. Necessary approvals, as required are taken before entering into any such arrangements.

The Company's equity shares are listed on Bombay Stock Exchange, (BSE) and The National Stock Exchange of India (NSE) and the Company's Global Depository Receipts (GDRs) have been listed on London Stock Exchange. The Company has paid the Listing Fees, as applicable to the BSE, NSE and LSE for the financial year 2006-07.

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's maiden Depository Receipts program received good response from international investors. The Company successfully raised US\$ 90 million by the issue of 16,071,429 GDRs. These GDRs are listed on the Main Board of the London Stock Exchange, UK with effect from April 18, 2006. The Company is the first Indian Company to list its GDRs on the Main Board of the London Stock Exchange after the introduction of the new EU norms effective July 2005. The Company has paid its Annual Listing Fees 2006-07 to the London Stock Exchange.

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 standards. 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.sebidifar.nic.in](http://www.sebidifar.nic.in) and on the Company's website [www.rolta.com](http://www.rolta.com). The results and the various Press Releases issued by the Company are also promptly forwarded to the Stock Exchanges whereat the equity 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 Business Groups 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, 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 Report.

## 11. 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 up to the level of Executive Directors. 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 [www.rolta.com](http://www.rolta.com). 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.

### 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, 2006.

**Kamal K Singh**

August 08, 2006

Chairman & Managing Director

## 12. Auditors' certificate on Corporate Governance

The Auditors' certificate on compliance of clause 49 of the Listing Agreement relating to Corporate Governance is published as an Annexure to the Directors' report.