

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Board of Directors ("the Board") and the Management of your Company commit themselves to:

- Strive towards enhancement of shareholder value in the medium and long term through sound business decisions, prudent financial management and high standard of ethics throughout the organisation.
- Ensure transparency and professionalism in all decisions and transactions of the Company.
- Achieve excellence in Corporate Governance by
 - ❖ Conforming to, and exceeding wherever possible, prevalent guidelines on Corporate Governance.
 - ❖ Reviewing the Board processes and Management systems regularly to improve governance relating to all the above.

2. BOARD OF DIRECTORS

A. Composition

Non-Executive Directors (Promoter Group)

Mr. Ramkrishan P. Hinduja, Chairman
 Mr. Dheeraj G. Hinduja
 Ms. Vinoo S. Hinduja (w.e.f. 25th October, 2008)

Independent Directors

Mr. Anil D. Harish
 Mr. Rajendra P. Chitale
 Mr. Rangan Mohan

Chairman Emeritus

Mr. Ashok P. Hinduja

Manager and Chief Executive Officer

Mr. Partha De Sarkar

Mr. Somabrata Mandal did not seek re-appointment as Director after retiring by rotation at the last Annual General Meeting held on 27th September, 2008.

With effect from close of business hours of 24th October 2008, Mr. Kailashchandra Samdani resigned as Director.

Mr. Kailashchandra Samdani was appointed as an Alternate Director to Ms. Vinoo Hinduja w.e.f. 25th October, 2008.

The composition of the Board is in conformity with Clause 49 of the Listing Agreement with Stock Exchanges.

B. Dates of Board Meetings held during the year

Date of Board Meeting	Board Strength	No of Directors present
26/05/2008	7	5
31/07/2008	7	5
24/10/2008	6	5
30/01/2009	6	5

The time gap between any two Meetings did not exceed four months. The information as prescribed under Clause 49 of the Listing Agreement was placed before the Board from time to time, as required.

C. Attendance of Directors

Name of the Director	No. of Meetings Attended	Attendance at the previous AGM held on 27 th September, 2008
Mr. Ramkrishan P. Hinduja	4	Yes
Mr. Dheeraj G. Hinduja	1	Yes
Ms. Vinoo Hinduja (w.e.f.25/10/2008)	1	NA
Mr. Anil D. Harish	3	Yes
Mr. Rajendra P. Chitale	4	Yes
Mr. Somabrata D. Mandal*	—	No
Mr. Rangan Mohan	4	Yes
Mr. Kailashchandra Samdani (up to 24/10/2008)	3	Yes

*did not seek re-appointment as Director after retiring by rotation at the last Annual General Meeting held on 27th September, 2008

D. Details of Membership of the Directors of Boards and Board Committees (including Hinduja Global Solutions Limited)

Name of the Director	Boards*	Board** Committees	Chairmanship of Board Committees
Mr. Ramkrishan P. Hinduja	7	3	—
Mr. Dheeraj G. Hinduja	7	2	—
Ms. Vinoo Hinduja (w.e.f. 25/10/2008)	3	—	—
Mr. Anil D. Harish	15	9	4
Mr. Rajendra P. Chitale	9	7	1
Mr. R. Mohan	3	1	1
Mr. Kailashchandra Samdani (up to 24/10/2008)	3	2	—

* Excludes Foreign Companies, Private Limited Companies and Alternate Directorships.

** Only the following Board Committees have been considered for this purpose: Audit Committee and Shareholders' / Investors' Grievance Committee.

• Secretarial Standards relating to Meetings

The Institute of Company Secretaries of India (ICSI) has established Secretarial Standards relating to Meetings of the Board and Committees thereof, General Meetings, Dividend, Registers and Records, Minutes and Transmission of Shares and Debentures. These Standards are presently recommendatory and may become mandatory in due course. The secretarial practices of your Company generally comply with these Standards.

3. AUDIT COMMITTEE

A. Terms of reference

- To oversee Company's financial reporting process and disclosure of its financial information;
- To recommend appointment of Statutory Auditors and to fix audit fee;
- To review and discuss with Auditors the following: a) internal control systems, scope of audit including observations of auditors, adequacy of internal audit function, major accounting policies and practices, b) compliance with accounting standards c) compliance with Stock Exchange and legal requirements concerning financial statements and d) related party transactions, if any;
- To review Company's fiscal and risk management policies;

- To discuss with internal auditors any significant findings for follow-up thereon;
- To review quarterly, half yearly and annual financial statements before submission to the Board;
- To advise and guide operating management on specific issues/ transactions in co-ordination with Statutory Auditors;
- To review Management discussion and analysis of financial condition and results of operations; and
- To review Statement of significant related party transactions.

The terms of reference and composition of the Audit Committee conform to the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

B. Composition

The Audit Committee was constituted by the Board of Directors of the Company on 7th March, 2007. The composition of the Audit Committee is as follows:

Chairman: Mr. Anil D. Harish

Members: Mr. Rajendra P. Chitale

Mr. Ramkrishan P. Hinduja

The Company Secretary acts as Secretary to the Committee. The permanent invitees to Audit Committee meetings include representatives of the Statutory Auditor, representatives of the Internal Auditor, Chief Executive Officer and Chief Financial Officer.

C. Meetings and Attendance

The details of meetings held during the year and the attendance thereat are as follows:

Dates of Meetings: 22/05/2008, 31/07/2008, 24/10/2008 and 30/01/2009

Attendance:

Name of the Director	No. of Meetings attended
Mr. Anil D. Harish	4
Mr. Ramkrishan P. Hinduja	3
Mr. Rajendra P. Chitale	4

4. COMMITTEE OF DIRECTORS

A. Terms of Reference

1. The Committee of Directors is inter-alia empowered to oversee the functioning of the Company and its subsidiaries, to provide strategic direction to the

subsidiaries / associates of the Company and to approve investments and borrowings within the limits prescribed by the Board.

2. To approve capital expenditure schemes and to recommend to the Board capital budgets and other major capital schemes.
3. To consider new businesses, acquisitions, divestments, changes in organisation structure and also to periodically review the Company's business plans and future strategies.
4. To approve donations within the limits prescribed by the Board.
5. The Committee would also take decisions on such matters as may be delegated to it by the Board and ensure their implementation by the Management within the guidelines fixed by the Board.

B. Composition

Chairman: Mr. Ramkrishan P. Hinduja
 Members: Mr. Kailashchandra Samdani (up to 24/10/2008)
 Mr. Rangan Mohan

C. Meetings

During the year, 5 meetings were held to consider strategic, operational and financial matters, review of Company's and its subsidiaries operations and other matters.

5. INVESTORS' GRIEVANCE COMMITTEE

A. Terms of reference

The Investors' Grievance Committee shall specifically look into redressing shareholders' and investors' complaints in the following areas:

(a) Transfer of shares, (b) Non-receipt of financial statements and other documents under the Companies Act, 1956, (c) Non-receipt of declared dividends, (d) Non-receipt of Shares lodged for transfer, (e) Issue of Duplicate Shares, (f) Forged Transfers, (g) and any other matter of Shareholder's interest.

The Committee reviews the system of dealing with and responding to correspondence from all categories of investors. The details of complaint letters, if any, received from Stock Exchanges/ SEBI and responses thereto are reviewed by the Committee. The Committee also reviews / approves initiatives for further improvements in servicing investors.

During the year no complaints were received from shareholders. There were no pending complaints against the Company as on 31st March, 2009.

B. Composition

The Investors' Grievance Committee was constituted by the Board of Directors of the Company on 7th March, 2007. The composition of the Investors' Grievance Committee is as follows:

Chairman: Mr. Anil D. Harish
 Member: Mr. Dheeraj G. Hinduja

C. Meetings and Attendance

Dates of Meetings: 27/09/2008 and 27/01/2009

Name of the Director	No. of Meetings attended
Mr. Anil D. Harish	2
Mr. Dheeraj G. Hinduja	2

6. COMPENSATION COMMITTEE

A. Authority and Responsibilities of Compensation Committee:

The Compensation Committee shall discharge its responsibilities, and shall assess the information provided by the Company's management, in accordance with its business judgment.

Terms of Reference:

- 1) The Compensation Committee was authorised to determine all the terms governing the HTMT Technologies Ltd. Compensatory Employees Stock Option Plan 2006 including any variation thereof and, inter alia determining eligibility for grant, timing and number of option grant, vesting schedule, exercise price and other matters.
- 2) To review and approve, or recommend for approval to the Board of Directors, the compensation of the Company's Chief Executive Officer (the "CEO") and the Company's other executive officers, to be responsible for overseeing the evaluation of the Company's senior executives, to review periodically and make recommendations to the Board of Directors with respect to incentive-compensation plans and equity-based plans, to exercise all rights, authority and functions of the Board of Directors under all of the Company's stock option, stock incentive, employee stock purchase and other equity-based plans, including without limitation, the authority to interpret the terms thereof, to grant options thereunder and to

make stock awards thereunder, to review periodically and make recommendations to the Board of Directors with respect to director compensation and have such other duties as may be delegated from time to time by the Board of Directors.

B. Composition

The Compensation Committee was constituted by the Board of Directors of the Company on 7th March, 2007. The composition of the Compensation Committee is as follows:

Chairman: Mr. Anil D. Harish
Members: Mr. Dheeraj G. Hinduja
Mr. Rajendra P. Chitale
Mr. Rangan Mohan

C. Meeting and Attendance

No meeting held during the year.

7. REMUNERATION OF DIRECTORS

No payments were made to Directors during the year under review except sitting fees.

There were no material pecuniary relationships or transactions with non-executive Directors.

Sitting fees paid to Non-Executive Directors during the year under review.

Name of the Director	Sitting Fees (Rs)
Mr. Ramkrishan P. Hinduja	1,40,000
Mr. Dheeraj G. Hinduja	30,000
Ms. Vinoo Hinduja (w.e.f 25/10/2008)	20,000
Mr. Anil D. Harish	1,50,000
Mr. Rajendra P. Chitale	1,60,000
Mr. Rangan Mohan	80,000
Mr. Kailashchandra Samdani (up to 24/10/2008)	60,000

Fees for professional services rendered by Firms of Solicitors/Advocates/Chartered Accountants in which certain Independent Directors are partners are as under:

Name of Firm	Amount paid during the year under review	Name of Director who is partner
D. M. Harish & Co	Rs. 4,20,000	Mr. Anil Harish
Rangan Mohan Associates	Rs. 12,17,852	Mr. Rangan Mohan

The increase in the remuneration of Chief Executive Officer and HTMT Global Solutions Limited Employees Stock Option Plan 2008 were reviewed by the Board.

8. GENERAL BODY MEETINGS

a. Details of location, date and time of holding the last three Annual General Meetings:

Financial Year	Location	Date and Time
2005-2006	Hinduja House, 171, Dr. Annie Besant Road, Worli, Mumbai-400 018	23rd September, 2006, at 11.00 a.m.
2006-2007	Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018	24th September, 2007, at 1.00 p.m.
2007-2008	Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018	27th September, 2008, at 11.00 a.m.

b. There was no special resolution requiring voting through postal ballot during the year.

c. The following are the Special Resolutions passed at the previous three AGMs.

AGM held on	Summary
27th September, 2008	<ol style="list-style-type: none"> 1) Pursuant to provisions of Section 81 and such other provisions of the Companies Act, 1956 to issue, offer for subscription and allot, in one or more tranches, new equity shares not exceeding 1% of the outstanding paid up capital of the Company at the beginning of the year, in any one year, for the benefit of such person(s) as may be in the employment of the Company, whether shareholders of the Company or not at such price and other terms as per the HTMT Global Solutions Limited Employees Stock Option Plan 2008 2) Benefits of HTMT Global Solutions Limited Employees Stock Option Plan 2008 be extended to the eligible employees of the subsidiary(ies)/ holding Company(ies) 3) Pursuant to provision of Section 81(1A) and other applicable provisions, if any, of Companies Act 1956, the Foreign Exchange Management Act, 1999 to create, offer, issue and allot Securities in the form of Equity Shares, Warrants, Bonds or Debentures, Depository Receipt, whether Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs"). Provided aggregate issue price of Securities to be issued shall not exceed Rs 500 crore (Rupees Five Hundred crore) . 4) In accordance with the provisions of Section 21 and other applicable provisions, if any, of the Companies Act, 1956 to change the name of the Company from HTMT Global Solutions Ltd to Hinduja Global Solutions Limited
24th September, 2007	Alteration of Articles of Association of the Company by inserting Article No. 167A towards provisions in respect of Chairman Emeritus.
23rd September, 2006	No Special Resolution was passed in this meeting.

9. DISCLOSURES

- a. There were no material significant related party transactions that may have a potential conflict with the interests of the Company at large. Transactions with related parties have been disclosed vide Note No. 6 in Schedule S to the financial statements.
- b. There have been no instances of non-compliance by the Company on any matter related to the capital markets, nor have any penalty/ strictures been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority or any matter related to capital markets during the last three years.
- c. The Company has complied with all the mandatory requirements of Corporate Governance as required by the Listing Agreement.
- d. No personnel have been denied access to the Audit Committee of the Company to discuss any matter of substance.

10. MEANS OF COMMUNICATION

- A. The quarterly results are published in leading national newspapers (Economic Times, Navbharat Times and Maharashtra Times). The quarterly results are simultaneously displayed on www.hindujagsl.com, the Company’s website. The website is updated regularly with the official news releases, presentations made to Institutional Investors and Analysts and disclosures as required from time to time.
- B. Management Discussion and Analysis Report is given as an Annexure to the Directors’ Report.

11. GENERAL SHAREHOLDER INFORMATION

1.	Next Annual General Meeting	
	Date	29 th July, 2009
	Time	11.00 A.M.
	Venue	Hall of Harmony, Nehru Centre, Worli, Mumbai 400 018
2.	Financial Calendar for 2009-10 (Tentative)	
	Unaudited results for the quarter ended 30 th April, 2009	4 th week of July, 2009
	Unaudited results for the quarter / half year ending 30 th September, 2009	4 th week of October, 2009
	Unaudited results for the quarter ending 31 st December, 2009	4 th week of January 2010
	Audited results for the year ending 31 st March, 2010	4 th week of May, 2010

3.	Book Closure Dates	From 22 nd July, 2009 to 29 th July, 2009 (both days inclusive)
4.	Dividend payment date for the financial year 2008-09	On or after 30 th July, 2009
5.	Listing of Equity Shares	Bombay Stock Exchange Limited, (BSE) and National Stock Exchange of India Limited (NSE)
6.	Stock Code	BSE: 532859 NSE: HGSL

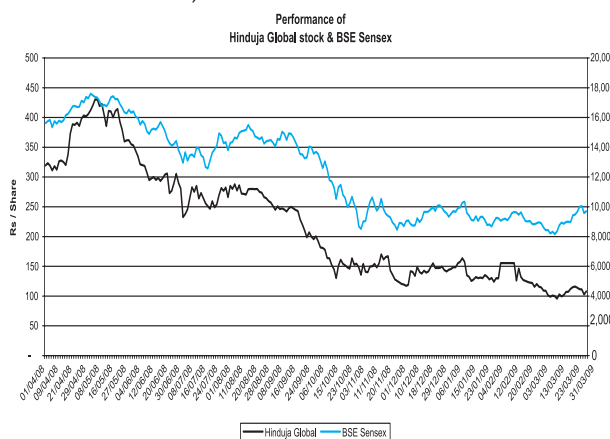
(Note: Annual Listing fee for the financial year 2009-10 has been paid to Bombay Stock Exchange Limited and National Stock Exchange of India Limited)

12. STOCK MARKET DATA

Month	Bombay Stock Exchange Limited		National Stock Exchange of India Limited	
	Month's High (Rs.)	Month's Low (Rs.)	Month's High (Rs.)	Month's Low (Rs.)
April 2008	410.00	305.00	411.65	299.80
May 2008	435.00	348.00	445.00	333.45
June 2008	358.95	250.00	360.00	262.05
July 2008	294.00	226.30	298.00	220.00
August 2008	293.20	235.00	295.00	241.00
September 2008	254.95	174.00	263.95	165.10
October 2008	182.00	120.00	180.10	120.25
November 2008	183.00	111.30	185.00	109.70
December 2008	159.00	125.25	159.00	123.00
January 2009	170.00	121.00	170.00	108.25
February 2009	171.00	105.00	184.90	108.00
March 2009	122.00	92.00	127.50	93.00

SHARE PRICE MOVEMENT (BSE)

HINDUJA GLOBAL closing share price performance at BSE relative to BSE Sensex closing (April 2008 to March 2009).



13. SHARE TRANSFER SYSTEM

Your Company's equity shares are compulsorily traded in dematerialised form. As on 31st March, 2009 about 99.69% of your Company's equity (comprising 2,04,74,183 shares) had been dematerialised. Shares of your Company are regularly traded on the BSE and NSE w.e.f. 19th June, 2007.

The power to approve transfer of shares in physical form and to attend share transfer formalities has been delegated by the Board to the Committee consisting of officers of the Company.

Transfer requests received for physical shares are processed / returned within 30 days from the date of receipt.

On 31st March, 2009 there were no unprocessed transfers pending. The details of physical shares transferred during the last three years are as under:

Particulars	2006-2007	2007-2008	2008-2009
No. of transfer deed	–	10	05
No. of shares transferred	–	1150	252

Pattern of shareholding as of 31st March, 2009:

Particulars	No. of shares	Percentage of shareholding
Promoters	13,528,373	65.87
FII's	3,615,736	17.61
NRIs/OCBs/Non Domestic Companies	202,496	0.99
Mutual Funds, Banks, Financial Institutions, Insurance Companies	269,860	1.31
Private Corporate Bodies	1,577,804	7.68
Individuals / Others	1,343,734	6.54
Total Paid-up capital	20,538,003	100.00

Distribution Schedule as of 31st March, 2009:

Distribution	No. of shareholders	No. of Shares	Percentage of Shareholding
Less than 500	11,565	667,926	3.25
501–1000	263	203,063	0.99
1001–2000	153	223,204	1.09
2001–3000	52	131,017	0.64
3001–4000	16	57,822	0.28
4001–5000	18	81,880	0.40
5001–10000	27	181,115	0.88
Above 10000	54	18,991,976	92.47
Total	12,148	20,538,003	100.00

Secretarial audit is carried out in line with SEBI requirements and reports submitted by an independent Company Secretary confirming that the aggregate number of equity shares of the Company held in NSDL, CDSL and in physical form tally with the issued/paid-up capital of the Company, were noted by the Board from time to time.

None of the Directors of the Company holds any shares of the Company as on 31st March, 2009 except Ms. Vinoo Hinduja who holds 61,065 equity shares of the Company which is 0.30% of the total paid up capital of the Company.

Code of Conduct: The Company has adopted separate Codes of Conduct for Executive Directors and Senior Management and/or Non-Executive Directors on 7th March, 2007 and the same has been posted on the Company's website. As required under Clause 49 of the Listing Agreement, the Chief Executive Officer has given a declaration to the effect that all the Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct as on March 31, 2009.

14. DISCLOSURES OF ADOPTION/NON-ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF CLAUSE 49 OF THE LISTING AGREEMENT.

- **The Board:** The Company does not reimburse expenses incurred by the Non-Executive Chairman for maintenance of a separate Chairman's office. The Company has not provided for tenure of Independent Directors.
- **Remuneration Committee:** The Company has instituted a Compensation Committee. A detailed note on Compensation Committee/ Remuneration Committee is provided elsewhere in this report.

- **Shareholder Rights:** The Company publishes quarterly audited financial results in the newspapers and also displayed it on the Company's website www.hindujagsl.com apart from displaying it on stock exchange website. Accordingly, it does not envisage sending the same separately to the households of the shareholders.
- **Audit qualifications:** During the year under review, there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.
- **Training of Board Members:** The Company does not have any formal training program for Board Members. However, periodical presentations are made to the Board on changes made by SEBI and the Stock Exchanges in disclosure and other requirements. The Directors interact with the management in a very free and open manner on information that may be required by them on orientation and centre visits.
- **Mechanism for evaluating non-executive Board Members:** There is no separate mechanism for evaluating the performance of Non-Executive Board Members.
- **Whistle Blower Policy:** The Company does not have any Whistle Blower Policy. However, any employee, if he / she so desires, has free access to meet or communicate with the Senior Management and report any matter of concern.

15. REGISTRAR AND SHARE TRANSFER AGENT

Your Company's Registrar and Share Transfer Agent is Sharepro Services (India) Private Limited, Samhita Warehousing Complex, Gala No-52 to 56, Bldg No.13 A-B near Sakinaka Telephone Exchange-Andheri-Kurla Road Sakinaka, Mumbai-400 072.

Shareholders' correspondence should be addressed to the Registrar and Share Transfer Agent at the above address, marked to the attention of Ms. Indira Karkera/ Mr. Damodar K.

Tel: (91 22) 6772 0314, 6772 0300, 6772 0400;
Fax: 022-2859 1568/2850 8927 or E-Mail - sharepro@shareproservices.com

16. ADDRESS FOR CORRESPONDENCE WITH THE COMPANY.

Queries related to operational and financial performance of your Company may be addressed to: Mr. Anand Vora, Chief Financial Officer. Address: HGSL House, No 614, Vajpayee Nagar, Bommanahalli, Hosur Road, Bangalore 560 068. Tel: (91 80) 2573 2620 and 2573 3212; Fax: (91 80) 2573 1592

Shareholders may address queries related to their holdings to Mr. Hasmukh Shah, Vice President-Legal & Secretarial at Hinduja House, 171 Dr. A.B.Road, Worli, Mumbai 400 018 or contact him on the following numbers: Tel: (91 22) 2496 0707; Extn. : 333, Fax: 2497 4208

Email: investor.grievances@htmtglobal.com

Plant Locations: Not applicable.

Pursuant to the SEBI Circular No. MIRSD/DPS III/ Cir-01/07 dated January 22, 2007, the Company has designated an exclusive e-mail ID viz investor.grievances@htmtglobal.com, where the investors would be able to register their complaints and also take necessary follow-up actions as necessary.

17. COMPLIANCE OFFICER

Mr. Prasenjit Guha, Vice President - Legal and Company Secretary.

For and on behalf of the Board

Ramkrishan P. Hinduja
Chairman

Place: Mumbai
Date: 13th May, 2009

Annexure 'D' to the Directors' Report

Auditors' Certificate regarding Compliance of conditions of Corporate Governance Under Clause 49 of the Listing Agreement.

To,
The Members of Hinduja Global Solutions Limited

1. We have examined the compliance of conditions of Corporate Governance by Hinduja Global Solutions Limited (formerly HTMT Global Solutions Limited) ("the Company") for the year ended March 31, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.
2. The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance, as stipulated in the above mentioned Listing Agreement.
4. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Mumbai
Date: May 13, 2009

Partha Ghosh
Partner
Membership No.F-55913
For and on behalf of
Price Waterhouse
Chartered Accountants