



Annexure 'C' to the Directors' Report

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

Independent Directors

Mr. Anil Harish

Mr. Rajendra P. Chitale

Mr. Rangan Mohan

Alternate Director

Mr. Kailashchandra Samdani
(Alternate to Ms. Vinoo S. Hinduja)

Chairman Emeritus

Mr. Ashok P. Hinduja

Chief Executive Officer & Manager

Mr. Partha De Sarkar

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
13/05/2009	6	6
27/07/2009	6	5
27/10/2009	6	6
27/01/2010	6	6

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 previous AGM held on 29th July, 2009
Mr. Ramkrishan P. Hinduja	4	Yes
Mr. Dheeraj G. Hinduja	3	No
Ms. Vinoo Hinduja (Alternate Kailash Chandra Samdani)	4	No
Mr. Anil Harish	4	Yes
Mr. Rajendra P. Chitale	4	Yes
Mr. Rangan Mohan	4	Yes

Mr. Ashok P. Hinduja, Chairman Emeritus attended the Annual General Meeting held on 29th July, 2009.

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	8	2	-
Ms. Vinoo S. Hinduja	3	-	-
Mr. Anil Harish	14	10	5
Mr. Rajendra P. Chitale	10	8	2
Mr. Rangan Mohan	3	2	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:
 - internal control systems, scope of audit including observations of auditors, adequacy of internal audit function, major accounting policies and practices,
 - compliance with accounting standards,
 - Compliance with Stock Exchange and legal requirements concerning financial statements and
 - 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; and
- 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;
- 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 March 7, 2007. The composition of the Audit Committee is as follows:

Chairman: Mr. Anil 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 there at are as follows:

Dates of Meetings: 12/05/2009, 27/07/2009, 26/10/2009 and 25/01/2010

Attendance:

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

4. COMMITTEE OF DIRECTORS

A. Terms of Reference

- 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.
- To approve capital expenditure schemes and to recommend to the Board capital budgets and other major capital schemes.
- To consider new businesses, acquisitions, divestments, changes in organisation structure and also to periodically review the Company's business plans and future strategies.
- To approve donations within the limits prescribed by the Board.
- 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. Rangan Mohan

Ms. Vinoo S. Hinduja (w.e.f. 27/01/2010)

C. Meetings

During the year, 3 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:

- Transfer of shares
- Non-receipt of financial statements and other documents under the Companies Act, 1956
- Non-receipt of declared dividends
- Non-receipt of Shares lodged for transfer
- Issue of Duplicate Shares
- Forged Transfers 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, two complaints were received from shareholders, which were duly attended to. There were no pending complaints against the Company as on March 31, 2010.

B. Composition

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

Chairman: Mr. Anil Harish

Member: Mr. Dheeraj G. Hinduja

C. Meetings and Attendance

Dates of Meeting: 31/07/2009

Attendance:

Name of the Director	No. of Meetings attended
Mr. Anil Harish	1
Mr. Dheeraj G. Hinduja	1

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 and HTMT Global Solution Ltd Employee Stock Option Plan 2008 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 there under 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 March 7, 2007. The composition of the Compensation Committee is as follows:

Chairman: Mr. Anil Harish

Members: Mr. Dheeraj G. Hinduja

Mr. Rajendra P. Chitale

Mr. Rangan Mohan

C. Meeting and Attendance

Dates of Meetings: 1/06/2009, 31/07/2009, 23/09/2009 and 31/12/2009

Attendance:

Name of the Director	No. of Meetings attended
Mr. Anil Harish	4
Mr. Dheeraj G. Hinduja*	1
Mr. Rajendra P. Chitale	4
Mr. Rangan Mohan**	—

* Mr. Dheeraj G. Hinduja has attended all four Compensation Committee Meetings, of which the meetings held on 1/06/2009, 23/09/2009 and 31/12/2009 were attended through Video Conference/ Tele Conference. Hence, for the purpose of reckoning attendance, these meetings were excluded.

** Mr. Rangan Mohan has attended all four Compensation Committee meetings through Video Conference/Tele Conference. Hence, for the purpose of reckoning attendance, these were excluded.

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	1,60,000
Mr. Dheeraj G. Hinduja	70,000
Ms. Vinoo S. Hinduja	60,000
Mr. Anil Harish	1,85,000
Mr. Rajendra P. Chitale	1,80,000
Mr. Rangan Mohan	80,000
Mr. Kailashchandra Samdani (Alternate to Ms. Vinoo S. Hinduja)	20,000

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
Rangan Mohan Associates	Rs.11,60,554.51	Mr. Rangan Mohan

The increase in the remuneration of Chief Executive Officer and grant of options under HTMT Global Employees Stock Option Plan 2008 (now known as Hinduja Global Employees Stock Option Plan 2008) were reviewed by the Compensation Committee.

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
2006-2007	Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018	September 24, 2007 at 1.00 p.m.
2007-2008	Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018	September 27, 2008 at 11.00 a.m.
2008-2009	Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018	July 29, 2009 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
July 29, 2009	1) 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

AGM held on	Summary
	Shares, Warrants, Bonds or Debentures, Depository Receipt, whether Global Depository Receipt ("GDR"), American Depository Receipts ("ADR"). Provided aggregate issue price of Securities to be issued shall not exceed Rs 500 Crores (Rupees Five Hundred Crores).
September 27, 2008	<p>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.</p> <p>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).</p> <p>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 Receipt ("GDR"), American Depository Receipts ("ADR"). Provided aggregate issue price of Securities to be issued shall not exceed Rs 500 Crores (Rupees Five Hundred Crores).</p> <p>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 Limited to Hinduja Global Solutions Limited</p>
September 24, 2007	1) Alteration of Articles of Association of the Company by inserting Article No. 167A towards provisions in respect of Chairman Emeritus.

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. 5 in Schedule R 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, Financial 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	July 31, 2010
Time	11.00 A.M.
Venue	Hall of Harmony, Nehru Centre, Worli Mumbai 400 018
2. Financial Calendar for 2010-11 (Tentative)	
Unaudited results for the quarter ended June 30, 2010.	4th week of July 2010
Unaudited results for the quarter / half year ending September 30, 2010.	4th week of October 2010
Unaudited results for the quarter ending December 31, 2010.	4th week of January 2011
Audited results for the year ending March 31, 2011.	4th week of April 2011
3. Book Closure Dates	From July 23, 2010 to July 31, 2010 (both days inclusive)
4. Dividend payment date for the financial year 2009-10	On or after 2nd August 2010
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 2010-11 has been paid to Bombay Stock Exchange Limited and National Stock Exchange of India Limited).

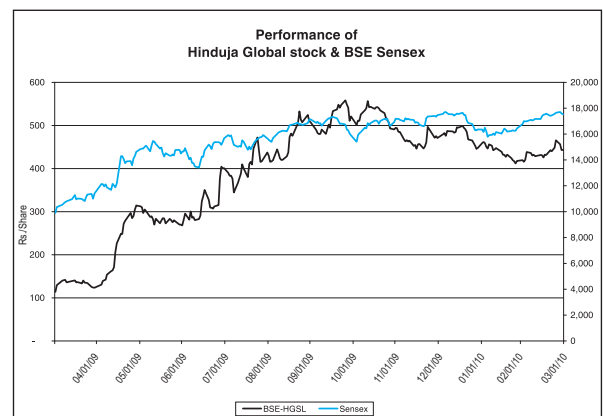
12. STOCK MARKET DATA

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 2009	148.00	111.00	145.05	106.00
May 2009	318.80	122.50	317.60	124.50
June 2009	316.90	265.00	320.00	265.00
July 2009	435.00	265.00	435.00	262.00

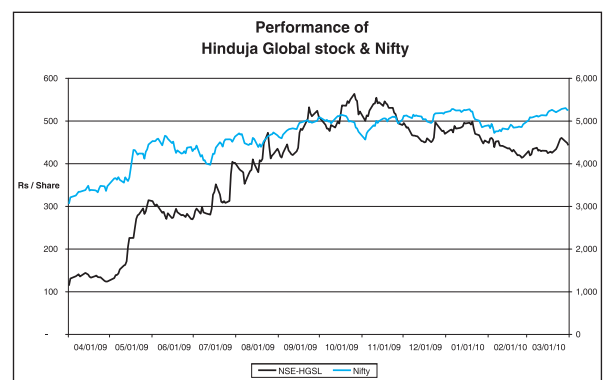
Month	Bombay Stock Exchange Limited		National Stock Exchange of India Limited	
	Month's High (Rs.)	Month's Low (Rs.)	Month's High(Rs.)	Month's Low(Rs.)
August 2009	477.00	331.10	497.40	335.00
September 2009	545.00	410.25	547.00	406.00
October 2009	603.00	470.25	604.50	470.00
November 2009	565.05	482.00	563.00	468.00
December 2009	519.00	442.60	514.00	444.10
January 2010	551.10	425.20	510.00	425.15
February 2010	479.70	400.50	470.00	407.00
March 2010	474.80	389.90	478.80	416.70

SHARE PRICE MOVEMENT (BSE)

Company's closing share price performance at BSE relative to BSE Sensex closing prices (April 2009 to March 2010).



Company's closing share price performance at NSE relative to NIFTY closing prices (April 2009 to March 2010)



13. SHARE TRANSFER SYSTEM

Your Company's equity shares are compulsorily traded in dematerialised form. As on March 31, 2010, about 99.70% of your Company's equity shares (comprising 2,05,26,632 shares) have been dematerialised. Shares of your Company are regularly traded on the BSE and NSE w.e.f. June 19, 2007.

The power to approve transfer of shares in physical form and attend to share transfer formalities has been delegated by the Board to a 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 March 31, 2010 there were no unprocessed transfers pending. The details of physical shares transferred during the last three years are as under:

Particulars	2007-2008	2008-2009	2009-2010
No. of transfer deeds	10	05	03
No. of shares transferred	1150	252	200

Pattern of shareholding as of March 31, 2010:

Particulars	No. of shares	Percentage of shareholding
Promoters	14,041,952	68.20
FII's	3,382,340	16.43
NRI's/OCBs/Non Domestic Companies	110,413	0.54
Mutual Funds, Banks, Financial Institutions, Insurance Companies	693,328	3.37
Private Corporate Bodies	861,473	4.18
Individuals / Others	1,499,717	7.28
Total Paid-up capital	20,589,223	100.00

Distribution Schedule as of March 31, 2010:

Distribution	No. of shareholders	No. of Shares	Percentage of Shareholding
Less than 500	10,008	614,263	2.98
501-1000	272	206,741	1.00
1001-2000	132	194,170	0.94
2001-3000	58	144,464	0.70
3001-4000	19	66,950	0.33
4001-5000	14	61,855	0.30
5001-10000	25	170,470	0.83
Above 10000	60	19,130,310	92.92
Total	10,588	20,589,223	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 March 31, 2010 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 Code of Conduct for Executive Directors and Senior Management and/or Non-Executive Directors on March 7, 2007 and the same have 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, 2010.

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 unaudited financial results in the newspapers and also displays 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 AGENTS

Your Company's Registrar and Share Transfer Agents is Sharepro Services (India) Private Limited, Samhita Warehousing Complex, Gala No-52 to 56, Bldg No.13 A-B, Sakinaka Telephone Exchange, Andheri- Kurla Road, Sakinaka, Mumbai-400072.

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) 67720314, 67720300, 67720400,
Fax: 022-2859 1568/28508927 or

E-Mail: sharepro@shareproservices.com

16. ADDRESS FOR CORRESPONDENCE WITH THE COMPANY

Queries relating 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 560068.

Tel: (91 80) 2573 2620 and 25733212;
Fax: (91 80) 2573 1592

Shareholders may address queries relating 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) 24960707 (Ext : 333); Fax: 24974208,

Email: investor.grievances@hindujagsl.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 investor.grievances@hindujagsl.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 & Company Secretary.

For and on behalf of the Board

Place: Mumbai
Date: April 27, 2010

Ramkrishan P. Hinduja
Chairman