



# Report on Corporate Governance

Corporate governance is a systemic process by which our organisation is directed, administered, managed and controlled. It is a process to manage the business affairs of the Company towards enhancing business prosperity and accountability with the objective of realising long term shareholder value, while taking into account the interests of the other stakeholders.

In this dynamic environment, shareholders across the globe evince keen interest in the performance of the companies and thus good corporate governance is of paramount importance for companies seeking to distinguish themselves in the global footprint.

The equity shares of the Company are listed and admitted to dealings on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). Pursuant the provisions of the Clause 49 of the Listing Agreement, a report on Corporate Governance for the financial year ended March 31, 2013, is furnished below:

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company recognises that good governance practices originate from the philosophy and mindset of the organisation. The Company's philosophy on Corporate Governance envisages attainment of highest level of integrity, fairness, transparency, equity and accountability in all facets of its functioning and in its interactions with shareholders, employees, government, regulatory bodies, listeners and the community at large. The Company recognises that good Corporate Governance is a continuing exercise. The Company recognises good corporate governance practices as a key driver to sustainable growth and long term value creation and thus encourages timely and accurate dissemination of information to all their stakeholders.

In compliance with the regulatory requirements and effective implementation of corporate governance practices, the Company has adopted the Code of Conduct for Prevention of Insider Trading and regulating the dealings of the Directors and Employees of the Company possessing or likely to possess price sensitive information in the securities of the Company in accordance with the applicable Securities and Exchange Board of India regulations.

The Company is conscious of its responsibility as a good corporate citizen. The Company values transparency, professionalism and accountability.



## 2. BOARD OF DIRECTORS

### i) Composition of the Board of Directors and other Directorships and committee membership of the Directors

The Company has a non-executive Chairman and the number of Independent Directors is 1/3 of the total number of Directors. As on March 31, 2013, the Company has 9 Directors on its Board, of which 3 Directors are independent. Since, the number of Non-Executive Directors (NEDs) is more than 1/3 of the total number of Directors, the Company is in compliance with the Clause 49 of the listing Agreement pertaining to compositions of Directors.

The composition of the Board of Directors, their number of other directorship, attendance at Board Meetings (BM) at the last Annual General Meeting (AGM) of the Company held during the financial year under review:

Name of Directors	Designation	Category	No. of other Directorships	Attendance at Board Meetings	Attendance at previous AGM
Mr. Sanjaya Kulkarni	Chairman	Non-Executive Independent	9	6	Yes
Mr. Rajesh Bhatia	Managing Director	Executive	4	6	Yes
Mrs. Geeta Bhatia	Director	Non-Executive	4	6	No
Mr. Vishal Shah	Director	Executive	3	6	Yes
Mr. Parantap Dave	Director	Non-Executive Independent	6	6	Yes
Mr. TS Sarangpani	Director	Non-Executive Independent	Nil	3	No
Mr. Ashu Garg	Nominee Director	Non-Executive Independent	6	2	No
Mr. Rishi Navani	Nominee Director	Non-Executive Independent	3	5	No
Mr. Jayant Sinha	Director	Non-Executive	5	4	No



None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as per Clause 49(I)(C)(ii)) across all the companies in which he is a Director. All the Directors have made the requisite disclosures regarding Committee positions held by them in other companies.

Mr. Rajesh Bhatia and Mrs. Geeta Bhatia are related to each other. None of the other Directors is related in terms of the definition of 'relative' given under the Companies Act, 1956.

None of the above referred Non-executive Directors have any material pecuniary relationship or transaction with the Company, which would affect the independence or judgment of the Board of Directors.

The Company has not entered into any materially significant transactions with its Promoters, Directors or their relatives or with the Management etc. other than those disclosed and approved by the Board that may have potential conflict with the interest of the Company at large.

Details of the Directors seeking appointment/re-appointment at the Annual General Meeting, pursuant to Clause 49 of the Listing Agreement, have been given alongwith the Notice of Annual General Meeting.

### **Meetings of the Board of Directors**

The Board of Directors met six times during the year under review on 29.05.2012, 14.08.2012, 09.11.2012, 04.12.2012, 28.12.2012 and 14.02.2013

### **Information supplied to the Board**

The Board members are given agenda papers along with necessary documents and information in advance of each meeting of the Board and Committees. In addition to the regular business items, the following are regularly placed before the Board to the extent applicable.

- Quarterly and Half yearly results of the Company
- Minutes of the Audit Committee and other Committee meetings



- Details of Agreements entered into by the Company
- Particulars of Non-Compliance of any statutory or Listing requirements
- ii)** Declaration by the Managing Director under Clause 49(I)(D) of the Listing Agreement regarding adherence to the Code of Conduct is forming part of the Report on Corporate Governance.
- iii)** In the preparation of the Annual Accounts, the applicable accounting standards have duly been followed and there are no material departures.

### **Minutes of the Board Meeting:**

The minutes of the proceedings of every Board and Committee meetings are prepared and approved / initialed by the Chairman in next Meeting.

## **3. AUDIT COMMITTEE**

### **Terms of Reference**

The terms of reference of the Audit Committee include the following:

1. Review of the quarterly, half yearly and annual financial results of the Company before submission to the Board.
2. Overseeing the financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
3. Holding periodic discussions with statutory auditors and internal auditors of the Company concerning the accounts of the Company, internal control systems, and scope of audit and observations of auditors.
4. Making recommendations to the Board on any matter relating to the financial management of the Company, including the audit report.
5. Recommendations with respect to appointment and removal of statutory auditors, fixation of audit fees and also approval of fee for any other services by the auditors.

6. Investigating into any matter in relation to items specified in Section 292A of the Companies Act, 1956 or as may be referred to it by the Board and for this purpose to seek any relevant information contained in the records of the Company and also seek external professional advice if necessary.
7. Making recommendations to the Board on any matter relating to the financial management of the Company.

### Composition

The Audit Committee of the Company comprises of three Directors viz. Mr. Sanjaya Kulkarni (Chairman), Mr. Rajesh Bhatia and Mr. Parantap Dave.

### Meetings of the Committee and Attendance during the year

During the year, four Audit Committee meetings were held on 29.05.2012, 14.08.2012, 09.11.2012 and 14.02.2013

<b>Meetings of the Audit Committee and Attendance of the Members during 2012-13</b>	<b>Meetings held</b>	<b>Meetings Attended</b>
Mr. Sanjaya Kulkarni	4	4
Mr. Rajesh Bhatia	4	4
Mr. Parantap Dave	4	4

## 4. REMUNERATION COMMITTEE

### Terms of Reference

The terms of reference of the Remuneration Committee include the following:

1. To look into the remuneration payable to the Managing Director, the Whole-time Directors and other Employees of the Company;
2. To determine and recommend to the Board of Directors the remuneration package of Managing Director/Whole-time Directors;
3. To approve in the event of loss or inadequate profits in any year the minimum remuneration payable to the Managing Director/Whole-time Directors within limits and subject to the parameters as prescribed in Schedule XIII of the Companies Act, 1956; and
4. To prepare and recommend various ESOP schemes to our Board

### Composition

The Remuneration Committee of the Company is constituted with three Directors, viz. Mr. Sanjaya Kulkarni (Chairman), Mrs. Geeta Bhatia and Mr. Parantap Dave.

### Meetings of the Committee and Attendance during the year

During the year, two meetings of the Remuneration Committee were held on 29.05.2012 and 06.09.2012

<b>Meetings of the Remuneration Committee and Attendance of the Members during 2012-13</b>	<b>Meetings held</b>	<b>Meetings Attended</b>
Mr. Sanjaya Kulkarni	2	2
Mrs. Geeta Bhatia	2	2
Mr. Parantap Dave	2	2

### Remuneration Policy

The remuneration of Whole-time Directors is fixed by the Remuneration Committee as constituted above. The Non-Executive Directors are not paid any remuneration except sitting fees. The remuneration of Employees other than Whole-time Directors is approved by the Remuneration Committee based on recommendations made to it.

## Details of remuneration paid to Directors

### (i) Executive Directors:

Particulars	Mr. Rajesh Bhatia		Mr. Vishal Shah	
	2012-13	2011-12	2012-13	2011-12
	Salary	48,00,000	35,99,995	16,20,000
Commission	-	-	-	-
<b>Total</b>	<b>48,00,000</b>	<b>35,99,995</b>	<b>16,20,000</b>	<b>16,00,000</b>

#### Note:

- Appointment, terms, conditions and payment of remuneration to the Managing Director is governed by the resolution(s) passed by the Remuneration Committee, Board of Directors and Members of the Company and approval from the Government of India, Ministry of Corporate Affairs, if necessary. The remuneration structure comprises salary, perquisites and allowance, etc.
  - 1,68,200 options are granted to Mr. Vishal Shah, Director of the Company under "TREEHOUSE EMPLOYEES STOCK OPTION PLAN 2012".
  - Mr. Rajesh Bhatia, Managing Director is holding 27,85,000 equity shares of the Company independently and 11,20,833 equity shares and 18,00,000 warrants of the Company jointly with Mrs. Geeta Bhatia as on March 31, 2013.
  - Mr. Vishal Shah, Director of the Company is holding 10,72,100 equity shares of the Company as on March 31, 2013.
- (ii) Details of sitting fees paid to the Non-Executive Directors for the financial year 2012 – 2013:

Name of non – executive Directors	Sitting Fees (in ₹)
Mrs. Geeta Bhatia	1,35,000
Mr. Sanjaya Kulkarni	1,67,000
Mr. Parantap Dave	1,67,000
Mr. T.S. Sarangpani	60,000

### (iii) Criteria for making payments to Non-Executive Directors:

Non-Executive Directors of the Company are paid sitting fees of ₹ 20,000/- (Rupees Twenty Thousand only) per Board Meeting, ₹ 8,000/- (Rupees Eight Thousand Only) per Audit Committee Meeting, ₹ 2,500/- (Rupees Two Thousand Five Hundred Only) per Investor's Grievance Committee Meeting and ₹ 2,500/- (Rupees Two Thousand Five Hundred Only) per Remuneration Committee Meeting during the financial year under review, subject to deduction of applicable taxes, levies etc., if any, for attending the meeting.

Mr. Rishi Navani, Mr. Ashu Garg and Mr. Jayant Sinha are not paid any sitting fees.

- (iv) Number of shares and convertible instruments held by non-executive Directors as on the date of this Report, are as below:

Name of Director	No. of equity shares held
Mrs. Geeta Bhatia	60,25,000
Mr. Sanjaya Kulkarni	64,235
Mr. T.S. Sarangpani	50,000
Mr. Rishi Navani	66,715
Mr. Parantap Dave	--
Mr. Ashu Garg	--
Mr. Jayant Sinha	--

## 5. INVESTORS GRIEVANCE COMMITTEE

### Composition

The investor's Grievance Committee of the Company comprises of three Directors viz. Mr. Parantap Dave (Chairman), Mr. Sanjaya Kulkarni and Mrs. Geeta Bhatia.

### Terms of Reference

The terms of reference of the Remuneration Committee include the following:

1. To consider and approve requests for transfers, transmissions, dematerialisation/rematerialisation and issue of fresh share certificates on replacement/sub-division/consolidation, issue of duplicate share certificates on loss whether by theft, misplacement or otherwise;
2. To review the status of dematerialisation of Company's shares and matters incidental thereto;
3. To review and monitor the approval to the transfers and transmission made by any Director under executive authority delegated to him from time to time;
4. To monitor the matters of litigation related to shareholders and take decisions relating thereto;
5. To consider, review and monitor the matters related to the shareholders grievances, and to look into the redressing of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non receipt of declared dividend, etc; and
6. To deal with any other matters related and/or incidental to the shareholders.

The investor's complaints received by the Company during the financial year were attended to the satisfaction of the investors. The Company does not receive any share transfers and investors' complaints during the financial year therefore the Company does not have any pending complaint as on date of Director's Report.

### Meetings and attendance during the year

During the financial year under review, the Investors' Grievances Committee met four times, i.e. on 11.04.2012, 11.07.2012, 15.10.2012 and 11.01.2013.

<b>Meetings of the Investors Grievance Committee and Attendance of the Members during 2012-13</b>	<b>Meetings held</b>	<b>Meetings Attended</b>
Mr. Parantap Dave	4	4
Mr. Sanjaya Kulkarni	4	4
Mrs. Geeta Bhatia	4	4

## 6. IPO COMMITTEE

### Composition as on date

The IPO Committee of the Company comprises of three Directors viz. Mr. Rajesh Bhatia (Chairman), Mr. Sanjaya Kulkarni and Mr. Parantap Dave

### Terms of Reference

The IPO Committee had been constituted to decide the terms and conditions of the Issue, finalisation and filing of the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus with SEBI, the Stock Exchanges and other regulatory bodies as may be required, handling all matters relating to appointment of intermediaries and advisors in relation to the IPO, opening of bank accounts in terms of the escrow or custodian accounts, submitting applications and seeking listing of Equity Shares with the Stock Exchanges, finalising the price band and approving the basis for allocation and confirm allocation of the equity shares to various categories of persons, and do all acts and take all decisions as may be necessary for the purposes of the IPO and listing of the equity shares.

## Meetings and attendance during the year

Since the IPO committee of the Company was constituted for the purpose of handling Initial Public Offer of the Company, from the date of listing of the Company the IPO Committee has been dissolved.

## 7. GENERAL BODY MEETINGS

### i) Annual General Meetings:

Details of Annual General Meetings held during the last three consecutive years:

Day	Date	Time	Venue
Thursday	September 30, 2010	3.00 p.m.	702 'C', Morya House, Off New Link Road, Andheri (West), Mumbai – 400 053
Monday	May 09, 2011	6.30 p.m.	301, Embassy Chambers, 3rd Road, Opp. K.E.S. School, Khar (West), Mumbai – 400 052
Tuesday	August 07, 2012	10.30 a.m.	Mayor Hall, All India Institute Of Local Self Government, Sthanikraj Bhavan, C.D. Barfiwala Marg, Juhu Lane, Andheri (W), Mumbai – 400 058

All resolutions moved at the last Annual General Meeting were passed by show of hands by the requisite majority of members attending the Meeting. None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot.

### ii) Special Resolution passed in Extra Ordinary General Meeting

During the financial year under review, an Ordinary and Special Resolutions were passed on Friday, December 27, 2012, by the Members of the Company in the Extra Ordinary General Meeting, for:

#### Ordinary Resolution:

- Increase in authorised share capital of the Company from ₹ 35.50 Crores to ₹ 40 Crores;

#### Special Resolution:

- Approval from members for allotment of 18,50,000 equity shares on preferential basis; and
- Approval from members for allotment of 18,00,000 warrants to promoters of the Company on preferential basis.

All the aforesaid resolutions were passed by show of hand with majority.

### iii) Whether any special resolution is proposed to be conducted through postal ballot

No

## 8. DISCLOSURES

No transaction of material nature has been entered into by the Company with Directors or management and their relatives etc. that may be a potential conflict with the interests of the Company. The Register of contracts containing transactions in which Directors are interested is placed before the Board regularly.

There has not been any instance of non-compliance by the Company on any matter related to capital markets. Hence the question of penalties or structures being imposed by SEBI or Stock Exchanges does not arise.

The Company is in compliance with all the mandatory requirements of Corporate Governance and has fulfilled all the requirements as prescribed in Annexure 1D of the revised Clause 49 of the Listing Agreement with Stock Exchanges.

The Company has followed the Accounting Standards as notified by the Companies (Accounting Standards) Rules, 2006, to the extent applicable, in the preparation of Financial Statements.

The Company has laid down procedures to inform Board members about the risk assessment and minimisation procedures. These procedures are periodically reviewed to ensure that executive management control risks through means of a properly defined framework.

The Company has adopted the Code of Conduct applicable to all Directors, senior management and employees. The declaration as required under Clause 49 is as below:

"All the Directors and Senior Management of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2013"

## **9. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS**

### **i) The Board of Directors**

The Non-Executive Chairman has a separate office in his own capacity and the Company has not reimbursed anything in monetary term to him for maintenance of his office. The Company has adopted its own Guidelines for composition of the Board of Directors, Committees of the Board and Retirement Age of Directors, which take into account the provisions of the Listing Agreement, the Companies Act, 1956 and other applicable laws.

### **ii) Remuneration Committee**

Details are already given under the caption 'Remuneration Committee' in the earlier part of the Report.

### **iii) Shareholders rights**

In addition to publishing its quarterly results in English and Marathi news paper having wide circulation, the Company uploads its quarterly results and shareholding pattern and corporate governance reports and all other disclosures submitted to stock exchanges on its website [www.treehouseplaygroup.net](http://www.treehouseplaygroup.net).

### **iv) Audit qualifications**

During the year under review, there was no audit qualification in the Auditor's Report on the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

### **v) Mechanism for evaluating Non-Executive members**

The Board of Directors of the Company presently comprises seven Non-Executive Directors. The Directors appointed on the Board are from diverse field relevant to the Company's business and have long-standing experience and expertise in the respective fields. They have considerable experience in managing large corporates and have been in public life for decades. The enormously rich background of the Directors is of considerable value to the Company.

Non-Executive Directors add substantial value through the deliberations at the Meetings of the Board and Committees thereof. Besides contributing at the meetings of the Board and Committees, the Non-Executive Directors also have offline deliberations with the Management of the Company and add value through such deliberations.

As regards the other non-mandatory requirements, the Board has taken cognizance of the same and shall consider adopting the same as and when necessary.

## **10. MEANS OF COMMUNICATION**

### **i) Quarterly/ Half yearly / Annual results**

Quarterly/ Half yearly/Annual results are regularly submitted to the Stock Exchanges where the shares of the Company are listed pursuant to the provisions of Listing Agreement and are published in the newspapers. The Company has also displayed the results as specified under Clause 41 of the Listing Agreement on the Company's website i.e. [www.treehouseplaygroup.net](http://www.treehouseplaygroup.net) which also contains a separate dedicated section "Investors Relation".

**ii) Newspapers wherein results are normally published**

Economics Times and Free Press Journal (English daily news papers) and Nav Shakti (Marathi regional language news paper)

**iii) Whether Website also displays official news releases**

Yes, on the Company's website i.e. [www.treehouseplaygroup.net](http://www.treehouseplaygroup.net)

**iv) NSE Electronic Application processing system (NEAPS)**

The Company files information through NEAPS – a website based application provided by NSE which facilitates online filing of Corporate Governance Report and the Shareholding Pattern by companies.

**v) Extensive Business Reporting Language (XBRL)**

XBRL is language for electronic communication of business financial data. It offers major benefits to all those who have to create, transmit, use or analyze such information which aids better analysis and decision making. Ministry of Corporate Affairs (MCA) vide its circular no. 37/2011 dated June 7, 2011, had mandated certain companies to file their Annual Accounts vide this mode. The Company has filed its Annual Accounts on MCA through XBRL.

**vi) Ministry of Corporate Affairs (MCA)**

The Company has periodically filed all the necessary documents with the MCA.

**vii) SEBI Complaints Redress System (SCORES)**

A centralised web based complaints redress system which serves as a centralised database of all complaints received, enables uploading of Action Taken Report (ATRs) by the concern companies and online viewing by the investors of actions taken on the complaint and its current status.

**viii) Letters**

Letters reminding the investors to claim their pending / unclaimed dividend are regularly dispatched to investors.

**ix) Annual report**

The Annual Report containing inter alia the Audited Accounts, consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to the investors. Management Discussion and Analysis Report forms a part of the Annual Report.

Annual reports are also available in the investors Corner section on the Company's website i.e. [www.treehouseplaygroup.net](http://www.treehouseplaygroup.net)

**x) Whether presentations made to institutional investors or to the analysts**

NO

**11. GENERAL SHAREHOLDERS INFORMATION****7<sup>th</sup> Annual General Meeting Schedule**

Date, Day and time	: Saturday, September 07, 2013 at 10.00 a.m.
Venue	: Mayor Hall, All India Institute of Local Self Government, Sthanikraj Bhavan, C.D. Barfiwala Marg, Juhu Lane, Andheri (W), Mumbai – 400 058
Financial year	: April 1, 2012, to March 31, 2013
Dates of Book Closure (period)	: August 31, 2013 to September 07, 2013
Dividend Payment Date	: September 08, 2013 onward
Listing at Stock Exchanges	: Bombay Stock Exchange Limited (BSE) National Stock Exchange of India Limited (NSE)

The Listing Fees	:	The Company has paid the annual listing fees to stock exchanges for the year 2012-2013, as applicable
Stock Code	:	TREEHOUSE on NSE 533540 on BSE
ISIN no.	:	INE040M01013
CIN No.	:	U80101MH2006PLC163028
Market Price Data	:	High, Low during each month in last financial year*

The performance of the equity shares of the Company on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE) depicting the liquidity of the Company's equity shares for the financial year ended March 31, 2013, on the said exchanges, is given hereunder:-

**BSE Market Price Data: High, Low during each month in last financial year**

Month	Open (₹)	High (₹)	Low (₹)	Close (₹)	No. of Shares	Turnover (in Lakhs)
Apr-12	212.00	226.90	202.10	215.00	3,68,540	791.19
May-12	216.80	222.55	189.55	203.50	1,77,301	358.49
Jun-12	209.60	224.85	193.10	219.70	1,38,674	282.14
Jul-12	216.00	236.30	206.00	216.80	4,43,656	998.26
Aug-12	210.00	259.00	210.00	233.00	7,35,690	1,778.11
Sep-12	230.10	243.90	219.35	232.70	3,39,439	790.33
Oct-12	234.00	236.80	205.05	216.15	2,54,376	553.23
Nov-12	219.00	238.00	215.00	229.25	4,26,629	961.44
Dec-12	234.75	289.90	232.00	265.50	22,57,765	6,143.12
Jan-13	264.10	295.00	250.00	267.40	10,30,779	2,883.78
Feb-13	269.00	275.00	222.70	235.05	5,17,873	1,290.48
Mar-13	236.00	267.50	223.05	230.65	2,70,822	654.31

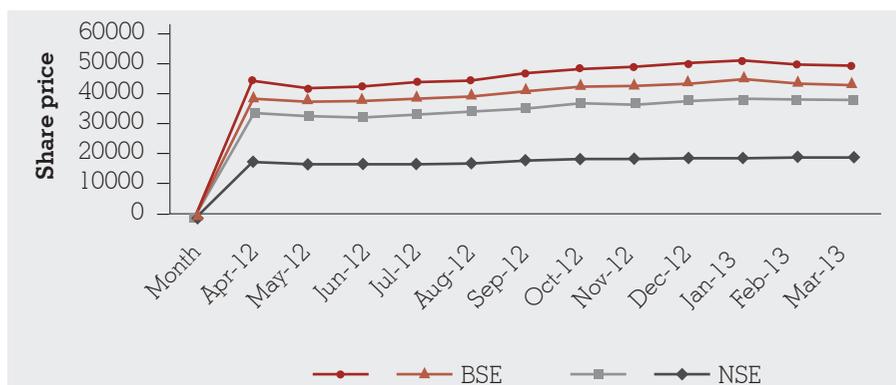
**NSE Market Price Data: High, Low during each month in last financial year**

Month	Open (₹)	High (₹)	Low (₹)	Close (₹)	No. of Shares	Turnover (in Lakhs)
Apr-12	216.00	218.65	214.00	214.80	8,835	19.02
May-12	193.00	207.00	193.00	203.10	27,311	55.45
Jun-12	207.00	227.00	206.05	221.45	54,164	118.40
Jul-12	223.80	224.00	214.10	216.15	15,350	33.94
Aug-12	233.00	237.00	229.05	234.35	5,863	13.70
Sep-12	237.95	238.00	232.05	234.95	6,424	15.09
Oct-12	215.40	218.45	215.00	215.15	2,493	5.37
Nov-12	230.00	232.00	228.00	228.95	67,444	155.05
Dec-12	269.30	270.05	263.70	265.65	1,23,240	330.34
Jan-13	267.05	270.80	265.00	267.60	42,168	112.36
Feb-13	235.10	259.90	232.00	234.15	60,960	147.17
Mar-13	231.40	235.00	225.45	230.35	56,629	129.91

\* (Source: This information is compiled from the data available from the website of BSE and NSE)

## 11. PERFORMANCE COMPARISON

### Comparative High – Low price of BSE and NSE



### Comparative Percentage of closing price with BSE sensex



## 12 REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited  
C-13, Pannalal Silk Mill Compound,  
Bhandup (West), Mumbai – 400 078

## 13 SHARE TRANSFER PROCESS

The Company's shares are traded in Demat form at the Stock Exchanges. Only off – market trades can be delivered in physical form. All shares received for transfer etc. are processed and returned to the shareholders within 21 days of receipt of lodgment.

## 14. DISTRIBUTION OF SHAREHOLDING : (as on March 31, 2013)

Category / No. of Shares	Number of holders	% of total holders	Number of shares	% of total shares
Upto 5000	3631	76.85	5,52,219	1.54
5,001 – 10,000	558	11.81	3,98,849	1.10
10,001 – 20,000	209	4.42	3,05,550	0.85
20,001 – 30,000	77	1.63	1,93,315	0.54
30,001 – 40,000	42	0.89	1,46,227	0.40
40,001 – 50,000	36	0.76	1,72,215	0.48
50,001 – 1,00,000	69	1.46	4,83,758	1.35
Above 1,00,001	103	2.18	3,37,13,137	93.74
<b>Total</b>	<b>4,725</b>	<b>100</b>	<b>3,59,65,270</b>	<b>100.00</b>

## Shareholding pattern of the Company (as on March 31, 2013)

Statement showing Shareholding Pattern as on March 31, 2013

Name of the Company: Tree House Education & Accessories Limited

Scrip Code: BSE Scrip Code: 533540/ Symbol: TREEHOUSE

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialised form	Total shareholding as a percentage of total number of shares	Shares Pledged or otherwise encumbered		
						As a percentage of (A+B) <sup>1</sup>	As a percentage of (A+B+C)	Number of shares
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VIII)/(IV)*100
<b>(A) Shareholding of Promoter and Promoter Group<sup>2</sup></b>								
<b>1 Indian</b>								
(a)	Individuals / Hindu Undivided Family	4	99,78,733	99,78,733	27.75	27.75	10,00,000	10.02
(b)	Central Government / State Government(s)	0	0	0	0.00	0.00	0	0
(c)	Bodies Corporate	0	0	0	0.00	0.00	0	0
(d)	Financial Institutions / Banks	0	0	0	0.00	0.00	0	0
(e)	Any Others (Specify)	0	0	0	0.00	0.00	0	0
<b>Sub Total(A)(1)</b>		<b>4</b>	<b>99,78,733</b>	<b>99,78,733</b>	<b>27.75</b>	<b>27.75</b>	<b>10,00,000</b>	<b>10.02</b>
<b>2 Foreign</b>								
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.00	0.00	0	0
b	Bodies Corporate	0	0	0	0.00	0.00	0	0
c	Institutions	0	0	0	0.00	0.00	0	0
d	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0
e	Any Others(Specify)	0	0	0	0.00	0.00	0	0
<b>Sub Total(A)(2)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>		<b>4</b>	<b>99,78,733</b>	<b>99,78,733</b>	<b>27.75</b>	<b>27.75</b>	<b>10,00,000</b>	<b>10.02</b>
<b>(B) Public shareholding</b>								
<b>1 Institutions</b>								
(a)	Mutual Funds/ UTI	10	24,26,682	24,26,682	6.75	6.75		
(b)	Financial Institutions / Banks	2	7180	7180	0.02	0.02		
(c)	Central Government/ State Government(s)	0	0	0	0.00	0.00		
(d)	Venture Capital Funds	1	14,00,000	14,00,000	3.89	3.89		
(e)	Insurance Companies	0	0	0	0.00	0.00		
(f)	Foreign Institutional Investors	7	5,31,676	5,31,676	1.48	1.48		

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialised form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered		
					As a percentage of (A+B) <sup>1</sup>	As a percentage of (A+B+C)	Number of shares	As a percentage of (VIII)/(IV)*100	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(IX)=(VIII)/(IV)*100
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00			
(h)	Qualified Foreign Investor	0	0	0	0.00	0.00			
(i)	Any Other (specify)	0	0	0	0.00	0.00			
	<b>Sub-Total (B)(1)</b>	<b>20</b>	<b>43,65,538</b>	<b>43,65,538</b>	<b>12.14</b>	<b>12.14</b>			
<b>2</b>	<b>Non-institutions</b>								
(a)	Bodies Corporate	181	21,39,415	21,39,415	5.95	5.95			
(b)	Individuals				0.00	0.00			
I	Individuals -	4281	18,47,358	18,22,350	5.14	5.14			
	i. Individual shareholders holding nominal share capital up to ₹ 1 Lakh								
II	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh.	49	19,35,813	19,35,813	5.38	5.38			
(c)	Qualified Foreign Investor	0	0	0	0.00	0.00			
(d)	Any Other (specify)				0.00	0.00			
i	Non Resident Indians (Repat)	70	1,17,789	1,17,789	0.33	0.33			
ii	Non Resident Indians (Non Repat)	36	66,863	66,863	0.19	0.19			
iii	Foreign Companies	4	1,34,49,748	1,34,49,748	37.40	37.40			
iv	Clearing Members	70	72,564	72,564	0.20	0.20			
v	Directors / Relatives of Directors	9	12,74,074	12,74,074	3.54	3.54			
vi	Trust	1	7,17,375	7,17,375	1.99	1.99			
	<b>Sub-Total (B)(2)</b>	<b>4,701</b>	<b>2,16,20,999</b>	<b>2,15,95,991</b>	<b>60.12</b>	<b>60.12</b>			
<b>(B)</b>	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>4,721</b>	<b>2,59,86,537</b>	<b>2,59,61,529</b>	<b>72.25</b>	<b>72.25</b>			
	<b>Total (A)+(B)</b>	<b>4,725</b>	<b>3,59,65,270</b>	<b>3,59,40,262</b>	<b>100.00</b>	<b>100.00</b>			
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>								
1	Promoter and Promoter Group					0.00		#DIV/0!	
2	Public					0.00			
	<b>Sub-Total (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>		
	<b>Grand Total (A)+(B)+(C)</b>	<b>4725</b>	<b>3,59,65,270</b>	<b>3,59,40,262</b>		<b>100.00</b>	<b>10,00,000</b>		<b>2.78</b>

## 15. CATEGORY WISE SHAREHOLDING AS AT MARCH 31, 2013

Category	Number of Equity Shares held	% of Shareholding
Promoters	99,78,733	27.75
Corporate Bodies	21,39,415	5.95
Overseas Corporate Bodies	1,34,49,748	37.40
Public	1,03,97,374	28.90
<b>Total</b>	<b>3,59,65,270</b>	<b>100</b>

## 16. RECONCILIATION OF SHARE CAPITAL AUDIT

In keeping with the requirements of SEBI and the Stock Exchanges, a Secretarial Audit by a practicing Company Secretary is carried out to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and a total issued and listed capital. The said audit confirms that the total issued/paid-up capital tallies with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

## 17 DEMATERIALISATION OF SHARES

The Company has entered into separate Tripartite Agreement with the Depositories viz. NSDL and CDSL along with M/s Link Intime India Private Limited as Registrar and Share Transfer Agents. As on March 31, 2013, a total of 3,59,40,262 shares i.e. about 99.93% of the total listed shares have been dematerialised.

## 18 OUTSTANDING BONDS / CONVERTIBLE INSTRUMENTS

NIL

## 19 ADDRESS FOR COMMUNICATION AND REGISTERED OFFICE

702 'C', Morya House, Off New Link Road,  
Andheri (west), Mumbai – 400 053  
Tel: 022 – 6457 2730  
Fax: 022 – 2659 1205  
Email: [compliance@treehouseplaygroup.net](mailto:compliance@treehouseplaygroup.net)

For and on behalf of the Board

Place: Mumbai  
Date: May 27, 2013

Sd/-  
**Rajesh Bhatia**  
Managing Director

## DECLARATION UNDER CLAUSE 49(I)(D) OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

Date: 27.05.2013

I, Mr. Rajesh Bhatia, Managing Director of Tree House Education & Accessories Limited, hereby affirmed and declare, to the best of our knowledge and belief, and on behalf of the Board of Directors of the Company and senior management personnel, that:

- The Board of Directors has laid down a code of conduct for all Board members and Senior Management of the Company ['the Code of Conduct'];
- All the Directors and Senior Management personnel have affirmed their compliance and adherence with the provisions of the Code of Conduct for the financial year ended March 31, 2013 applicable to them as laid down by the Board of Directors in terms of Clause 49(1) (D) (ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March 31, 2013.

For **Tree House Education & Accessories Limited**

Sd/-

**Rajesh Bhatia**  
Managing Director

Place: Mumbai

To the Members of  
**Treehouse Education & Accessories Limited**

We have examined the compliance of conditions of corporate governance by Treehouse Education & Accessories Limited ("the Company") for the year ended March 31, 2013, as stipulated in clause 49 of the Listing Agreement of the Company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination 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 the opinion on the financial statements of the Company.

Based on the aforesaid examination, in our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement. We have to state that the records of investor grievances are maintained by the Registrar and Transfer Agents appointed by the Company. The Registrar and Transfer Agents have certified that during the year under review there were no investor grievances received.

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

For **Jogish Mehta & Co.**  
Chartered Accountants

**Jogish N. Mehta**  
Proprietor

Membership No. F/38974

Firm Registration Number : 104326W

**Place:** Mumbai

**Dated :** May 27, 2013

## CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To  
The Board of Directors  
Tree House Education & Accessories Limited

Dear Sirs,

### Sub: CEO / CFO Certificate

**(Issued in accordance with provisions of Clause 49 of the listing Agreement)**

We, Rajesh Bhatia Managing Director, and Utsav Shrivastava Chief Financial Officer of Tree House Education & Accessories Limited to the best of our knowledge and belief, certify that :

1. We have reviewed the Balance Sheet and Profit and Loss account and all the schedules and notes on accounts, as well as the Cash Flow statements, and the Directors' report for the year ended March 31, 2013 and to the best of our knowledge and belief, we state that;
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
  - b. These statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have :
  - a. Designed such disclosure controls and procedures to ensure that material information relating to the Company is made known to us particularly during the period in which this report is being prepared.
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAP).
  - c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
  - d. Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
4. We have disclosed, based on our most recent evaluation, wherever applicable, to the Company's auditors and the audit committee of the Company's Board of Directors (and persons performing the equivalent functions) :
  - a. There were no deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarise and report financial data, and there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
  - b. There were no significant changes in internal controls during the year covered by this report.
  - c. All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
  - d. There were no instances of fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
5. We further declare that all Board members and senior managerial personnel have affirmed compliance with the Code of Conduct for the current year.

Yours Sincerely,

Sd/-

Sd/-

**Place:** Mumbai

**Utsav Shrivastava**

**Rajesh Bhatia**

**Date:** May 27, 2013

Chief Financial Officer

Managing Director