

Corporate Governance Report

Company's philosophy

The Company view the Corporate Governance as a quality control mechanism for assuring better defined business processes and efficiency that can translate into long-term lower cost of capital, financial flexibility and simultaneously taking care of the overall well being and welfare of all constituents of the system and takes into account stakeholder's interest in every business decision.

BOARD OF DIRECTORS

Size and Composition of Board

The Board comprises of six directors of which five

i.e. 83% are Non-Executive directors and three i.e., 50% are Independent directors. The Company has a Non-Executive Chairman. None of the Directors is a member of ten Board level committees or Chairman of more than five Board level committees as required under clause 49 of the Listing Agreement. Further, none of the director is related to each other. The composition of the Board of Directors is in conformity with the Listing Agreement requirements. The details relating to the Board are summarized as under:

Name	Designation	Category	Shareholding in Company (%)	No. of Directorships held in all public Companies #	No. of Board Committees memberships held in all public Companies @	No. of Board Committees Chairmanships held in all public Companies @
Mr Arun Goyal	Chairman	Non Executive and Non Independent	1.51	9	1	-
Mr Deepak Nanda [^]	Managing Director	Executive	0.00	4	-	-
Dr M A Zahir	Director	Non Executive and Independent	0.00	12	2	4
Mr Ravi Tandon	Director	Non Executive and Non Independent	-	1	1	-
Mr Kavish Dhanda	Director	Non Executive and Independent	-	1	1	-
Mr Samir Joshipura*	Director	Non Executive and Independent	-	2	-	-

Including Praneel Corporate Services Limited

@ Board Committee for this purpose includes Audit Committee & Shareholders'/Investors' Grievance Committee (including Board Committees of Praneel Corporate Services Limited)

[^] Mr Deepak Nanda appointed as Managing Director of the Company by the Board of Directors w.e.f. June 25, 2009

* Appointed as an Additional Director in the Board Meeting held on July 3, 2009

Attendance of Directors in the last AGM

Mr Arun Goyal, Chairman along with Mr Ravi Tandon, Managing Director and Mr Kavish Dhanda, Director attended the last Annual General Meeting of the Company held on September 27, 2008.

Meetings

The Company holds at least four Board Meetings in a year, one in each quarter to review the financial results and other items of the agenda and the gap between two Board meetings do not exceed four calendar months. Apart from the four scheduled board meetings, additional Board Meetings are also convened to address the specific requirements of the Company. Urgent matters are also approved by the Board by passing resolutions through circulation. The Company also holds at least one Audit Committee meeting in each quarter to inter-alia review financial results.

Meeting of other Committees of the Board are held whenever matters falling under their terms of reference need discussion and decision. Every Director on the Board is free to suggest any item for inclusion in the agenda for the consideration of the Board/Committee.

Following are the details of meetings of Board of Directors and Committees thereof held during the year under review:-

S No	Particulars	No. of Meetings during the year	Date of Meetings
1	Board Meeting	7	June 5, 2008; July 19, 2008; October 18, 2008; October 30, 2008, December 24, 2008; January 30, 2009 ; February 21, 2009
2	Audit Committee Meeting	4	May 27, 2008; July 19, 2008; October 30, 2008; January 30, 2009
3	Remuneration Committee Meeting	1	June 5, 2008;
4	Share Transfer & Investor's Grievance Committee	4	May 27, 2008; July 19, 2008; October 30, 2008; January 30, 2009

Attendance of each Director at the Meeting of the Company

Name of Director	Board		Audit Committee		Remuneration Committee Meeting		Share Transfer & Investor Grievance Committee	
	Held*	Attended	Held*	Attended	Held*	Attended	Held*	Attended
Mr Arun Goyal	7	7	4	4	-	-	-	-
Mr Deepak Nanda	6	0	-	-	-	-	-	-
Dr M A Zahir	7	5	4	4	1	1	4	4
Mr Ravi Tandon	7	7	-	-	-	-	4	4
Mr Kavish Dhanda	7	4	-	-	1	1	-	-
Mr A K Doda^	6	2	-	-	1	0	-	-
Mr Pawan Jain@	7	6	4	3	-	-	4	3
Mr Samir Joshipura#	NA	NA	NA	NA	NA	NA	NA	NA

* No of meetings held during the tenure of respective directors

- Not a member of the Committee

^ Mr A K Doda ceased to be director wef January 30, 2008

@ Ceased to be director wef July 3, 2009

Appointed as Additional Director wef July 3, 2009, hence attendance in meetings is not applicable (NA) in this case.

Agenda and Minutes

The Company Secretary while preparing the agenda and minutes of the Board/Committee meeting adheres to applicable laws and statutes. All material information is incorporated in the agenda papers for facilitating meaningful and focused discussions at the meeting. The Board also takes note of the minutes of the Committee meetings duly approved by the respective Chairman.

Pecuniary relationship or transaction of Non-Executive Directors vis-à-vis the Company

The Company does not have any direct pecuniary relationship/transaction with any of its Non Executive directors except for sitting fees as approved by the Board of Directors.

Criteria for payment of Commission

The present terms of remuneration does not involve the payment of Commission to any of the Directors including the Managing Director.

Termination of agreement with Managing Director and severance fees

The employment of the Managing Director shall terminate automatically in the event of his ceasing

to be a director of the Company in General Meeting and/or in the event of his resignation as a director of the Company and subsequent acceptance of the resignation by the Board. No severance fees is payable to the Managing Director in case of his termination.

Holding of directorships in other companies

The directors of the Company also hold positions as directors, committee members, trustees, partners and shareholders in other reputed companies, trusts, associations and firms. The committee Memberships/ Chairmanships held by the Directors in other corporates in compliance with the clause 49 of the Listing Agreement has been included in their respective profiles, which are given elsewhere in this Annual Report.

Remuneration of Directors

All the Directors in the Company are unrelated to each other and do not have any type of business relationship with the Company. During the year under review, the following payments as detailed below were made to the Directors on account of sitting fees/remuneration:-

Name of directors	Remuneration paid during the year ended March 31, 2009			Total
	Sitting Fees	Salary & Perks	Commission	
Mr Arun Goyal	-	-	-	-
Mr A K Doda*	20,000	-	-	20,000
Mr Deepak Nanda	-	-	-	-
Dr M A Zahir	79,000	-	-	79,000
Mr Pawan Jain@	-	-	-	-
Mr Kavish Dhanda	-	-	-	-
Mr Ravi Tandon	-	72,00,000	-	72,00,000
Mr. Samir Joshipura#	-	-	-	-

* Mr. A K Doda ceased to be a director of the Company w.e.f. January 30, 2009

@ Mr. Pawan Jain ceased to be a director of the Company w.e.f. July 3, 2009

Mr. Samir Joshipura has been appointed as an Additional Director of the Company w.e.f July 3, 2009.

Also, during the year ended March 31, 2009, the Company did not advance any loan to the Directors. At present, the Company does not have any stock option plan as a part remuneration package for any Director.

Board Level Committees

The Board has constituted various committees for smooth and efficient operation of the activities. The constitution and the terms of reference of each committee have been approved by the Board.

Audit Committee

The constitution and the terms of reference of Audit Committee are as per Listing Agreement and the Companies Act, 1956. The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process and overseeing the work carried by internal auditor and the statutory auditor.

Share Transfer & Investors' Grievance Committee

The broad terms of reference of Share Transfer & Investor Grievance Committee meeting inter alia include monitoring share transfer, transmission, dematerialization, rematerialization, issue of duplicate shares, consolidation, conversion, splitting etc and redressal of investor complaints so as to strengthen the investor relations.

Remuneration Committee

The broad term of reference is to determine the remuneration packages of the Executive Directors and Managers including remuneration policy, pension rights and any compensation payment and/or stock options.

Management

The Management Discussion and Analysis Report on the matters specified in Clause 49 of the Listing

Agreement has been given as a separate head in this Annual Report and forms part of this Report.

Shareholders

Disclosures regarding appointment or re-appointment of Directors

Pursuant to the Articles of Association of the Company, all the Directors except the Managing Director shall retire and, if eligible, offer themselves for re-election at the ensuing Annual General Meeting. Accordingly, Mr. Arun Goyal, Dr. M A Zahir, Mr. Ravi Tandon and Mr. Kavish Dhanda retire in the ensuing Annual General Meeting. The Board has recommended their re-election who are retiring and offer themselves for re-appointment.

Mr Samir Joshipura was appointed as additional director by the Board on July 3, 2009 and holds office till ensuing Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956 proposing his name for appointment as Director of the Company. The Board recommends the appointment of Mr Samir Joshipura as director of the Company.

The brief profile of the directors being appointed and re-appointed and other relevant information is given elsewhere in this Annual Report and forms part of this Report.

Means of Communication

Pursuant to the applicability of the Listing Agreement the information relating to the quarterly, half yearly and annual financial results, quarterly shareholding pattern and new developments/material information have been provided through courier/fascimile to the Stock Exchanges on regular basis. Further, the full version of the Annual Report is sent to the shareholders within the stipulated time.

The Financial results, Shareholding Pattern and full version of Annual Report is also available on the website of the Company i.e. www.praneel.in

During the year under review, the Company published its financial results in the following newspapers:

Financial Results	Newspapers	Date of publication
Unaudited financial results for the quarter ended June 30, 2008	<ul style="list-style-type: none"> • Business Standard • Desh Sewak 	21.07.2008 21.07.2008
Unaudited financial results for the quarter ended September 30, 2008	<ul style="list-style-type: none"> • Business Standard • Desh Sewak 	01.11.2008 01.11.2008
Unaudited financial results for the quarter ended December 31, 2008	<ul style="list-style-type: none"> • Financial Express • Rozana Spokesman 	01.02.2009 01.02.2009
Audited financial results for the year ended March 31, 2009	<ul style="list-style-type: none"> • Financial Express • Rozana Spokesman 	26.06.2009 26.06.2009

Compliance Officer

Ms Ramandeep Sachdeva, Company Secretary is the Compliance Officer appointed by Board and can be contacted for any investor related matter relating to the Company. Her contact information is: Phone no. 91-161-5039999, 2304000 Fax no. is 91-161-5039900, 5038800 and e-mail ID is rdeep.sachdeva@tridentindia.com.

Annual General Body Meetings of the Company

Details of last two Annual General Meetings of the Company are given hereunder:

AGM	Day	Date	Time	Venue	Special Resolutions passed
2nd	Saturday	September 27, 2008	10.30 AM	Trident Complex Raikot Road, Barnala	1
1st	Thursday	September 27, 2007	2.00 PM	Trident Complex Raikot Road, Barnala	None

Postal Ballot

No resolution by way of Postal Ballot was passed during the year 2008-9.

Details of resolution to be passed through Postal ballot

The Company has proposed Special resolution to be passed under section 146 of the Companies Act, 1956 by way of Postal Ballot, for alteration of Registered Office of the Company outside the local limits of village, where it is already situated but within the same state under the jurisdiction of existing Registrar of Companies. The Postal ballot alongwith necessary resolution and detailed procedure is being sent to shareholders alongwith.

DISCLOSURES

Related Party Transactions

There was no materially significant related party transaction, pecuniary transactions or relationships between the Company and its Directors, promoters or the management that may have potential conflict with the interests of the Company at large except the details of transactions annexed to the Balance Sheet disclosed as per Accounting Standard 18 of the Institute of Chartered Accountants of India.

All details relating to financial and commercial transactions, where directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussion, nor do they vote on such matters. The Audit Committee also reviews related party transactions on periodical basis.

Compliances made by the Company

The Company has continued to comply with the requirements of the Stock Exchanges, SEBI and other Statutory Authorities on all matters related to capital market. Further, no penalties or strictures have been imposed by any authority related to capital market since inception of the Company.

Corporate Ethics

As a responsible corporate citizen, the Company consciously follows corporate ethics in both business and corporate interactions. The Company has framed various codes and policies, which act as guiding principles for carrying business in ethical way. Some of our policies are:

1. Code of conduct for prevention of insider trading
2. Code of corporate disclosure
3. Whistle Blower Policy

4. Code of Conduct for Directors and Senior Management Personnel
5. Values Framework
6. Risk Management Procedure

Compliance status with mandatory and non-mandatory requirements of Clause 49 of Listing Agreement

Mandatory Requirements

The Company has complied with all the mandatory requirements of clause 49 of the Listing Agreement.

Non Mandatory Requirements

The Compliance Status with non-mandatory requirements is given below:-

1. The Chairman of the Company is entitled to seek any advice and consultancy in relation to the performance of his duties and is also entitled to claim reimbursement of the expenses incurred in this regard and other office facilities.
2. Independent directors of the Company do not have a term exceeding a period of nine years in aggregate on the Board of the Company.
3. The Company has instituted a remuneration committee as per details mentioned earlier in this Report.
4. Presently the half-yearly financial performance is not being sent to each shareholder.
5. The Company intends to formulate a Board Level Committee to evaluate the performance of all Directors.
6. The Company has adopted the Whistle Blower Policy and no employee has been denied access to the Audit Committee.

General Shareholders Information

The following information would be useful to our shareholders:

a) Annual General Meeting

Date	September 30, 2009
Day	Wednesday
Time	10.30 AM
Venue	Trident Complex, Raikot Road, Barnala -148101

b) Financial Calendar

Next Financial year	April 1, 2009 to March 31, 2010
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c) The financial results will be adopted as per the following tentative schedule:

For the quarter ended 30.06.2009	July 2009 (4th week)
For the quarter & half year ended 30.09.2009	October 2009 (4th week)
For the quarter and period ended 31.12.2009	January 2010(4th week)
For the quarter & year ended 31.03.2010	May 2010(3rd week)

d) Date of Book Closure:

From Thursday, September 24, 2009 to Wednesday, September 30, 2009 (both days inclusive)

e) Listing on stock exchanges

The Company is listed on the following stock exchanges:-

- 1 Ludhiana Stock Exchange Limited
Feroze Gandhi Market, Ludhiana
- 2 The Delhi Stock Exchange Limited
DSE House, 3/1 Asaf Ali Road, New Delhi
- 3 Vadodara Stock Exchange Limited
Fortune Towers, Sayaji Ganj, Vadodara

However, the listing of 12,45,049 equity shares issued on preferential allotment basis during the year under review are in process of listing on Ludhiana Stock Exchange.

f) Registrar & Transfer Agent

The Registrar & Share Transfer Agent of the Company is :-

M/s Alankit Assignments Limited
(Unit: Praneel Corporate Services Limited)
2E/21 Jhandewalan Extension
New Delhi - 110 055
Tel : +91-11-23541234, 23531234
Fax : +91-11-51540064
E-Mail: rta@alankit.com

g) Share Transfer System

All physical share transfers, dematerialisation etc are handled by M/s Alankit Assignments Limited, Registrar & Share Transfer Agents of the Company at 2E/21 Jhandewalan Extension, New Delhi - 110 055.

h) Distribution of Shareholding

As on March 31, 2009 the distribution of shareholding was as follows:

Shareholding of nominal value in Rs	Shareholders		Shareholding	
	Number	%age	Shares	%age
Upto 5000	8327	90.61	2427011	8.32
5001 to 10000	529	5.76	369527	1.27
10001 to 20000	172	1.87	240591	0.83
20001 to 30000	30	0.33	73265	0.25
30001 to 40000	15	0.16	49974	0.17
40001 to 50000	3	0.03	13139	0.04
50001 to 100000	37	0.40	279227	0.96
100001 and above	77	0.84	25702817	88.16
Total	9190	100.00	29155551	100.00

i) Category wise shareholding as on March 31, 2009

Category	No. of shares held	Percentage of shareholding
Promoters		
Indian Promoters	2,02,92,575	69.60
Institutional Investors		
Mutual Funds	3,06,240	1.05
Others		
Corporate Bodies	9,409	0.03
Indian Public	73,02,278	25.05
Foreign Body Corporate	12,45,049	4.27
Total	2,91,55,551	100.00

j) Dematerialisation of Shares & Liquidity

The Company has been allotted ISIN No INE 198J01015.

k) Exchange of shares of Trident Infotech Corporation Limited with Praneel Corporate Services Limited (formerly Praneel Innovations Limited)

The shareholders of erstwhile Trident Infotech Corporation Limited (TICL) are requested to kindly write to the Company for getting the share certificates of the Company, in case they do not possess the same.

l) Change in Name of the Company

The name of the Company has been changed to Praneel Corporate Services Limited from Praneel Innovations Limited pursuant to fresh certificate of incorporation w.e.f. June 19, 2009 issued by Registrar of Companies.

m) Nomination

Shareholders holding shares in physical form and desirous of making nomination in respect of their shareholding in the Company are requested to submit their request to Company in Form 2B.

n) Outstanding Convertible Instruments

As on March 31, 2009 the Company has no outstanding convertible instruments.

o) Address for Correspondence

Praneel Corporate Services Limited
E-212, Kitchlu Nagar, Ludhiana-141001
Ph : +91-161-5039999,2304000
Fax: +91-161-5039900,5038800
e-mail ID: investorpil@tridentindia.com



Auditors Certificate

on Compliance with the Conditions of
Corporate Governance under Clause 49 of the listing agreement

To
The Members
Praneel Corporate Services Limited

We have examined the compliance of conditions of Corporate Governance by Praneel Corporate Services Limited for the year ended on March 31, 2009 as stipulated in clause 49 of the Listing Agreement of the said company with 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 opinion on the financial statement 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 management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the clause 49 of the abovementioned Listing Agreement.

We state that no investor grievance is pending for a period not exceeding one month against the Company as per the records maintained by the Share Transfer & Investors Grievance Committee.

We further 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.

For **K K Kapoor & Associates**
Chartered Accountants

Place : Ludhiana
Date : July 3, 2009

Vinay Kohli
Partner

Membership No. 94249