

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Good Corporate Governance is imperative, for the Organization aimed at achieving the highest level of transparency and integrity through efficient system and procedures that ensure the highest returns to the shareholders, customers, employees and the community at large.

At Wockhardt, we create an environment to nurture good governance practices as per the standards defined under clause 49 of the Listing Agreement and to follow it in letter and spirit for achieving the highest level of transparency and accountability towards the stakeholders of the Company.

2. BOARD OF DIRECTORS

(a) Composition and other related matters

The Board of Directors of the Company has optimum combination of Executive and Non- Executive Directors and represents optimal mix of professionalism, knowledge and experience. As on March 31, 2010, the Board consists of eight Directors comprising three Executive Directors and five Non-Executive Independent Directors.

The composition of the Board of Directors along with the number of outside directorships and committee positions as on March 31, 2010, attendance of directors at the Board meetings and at the Annual General Meeting held during the period under review are given in the table below:

Name of the Director	Category of Directorship	Number of directorships held in other companies ⁽²⁾	Number of committee positions held in other companies ⁽³⁾		Attendance at	
			Chairman	Member	Board Meetings	Last Annual General Meeting (June 29, 2009)
Mr. H. F. Khorakiwala Chairman	Executive	2	None	None	10	Yes
Mr. Shekhar Datta	Non-Executive Independent	3	0	2	9	Yes
Dr. Abid Hussain	Non-Executive Independent	10	None	4	5	Yes
Mr. Aman Mehta	Non-Executive Independent	6	3	2	5	Yes
Mr. Bharat Patel	Non-Executive Independent	4	1	1	7	Yes
Mr. R. A. Shah	Non-Executive Independent	15	5	5	6	Yes
Mr. Huzaifa Khorakiwala	Executive	3	None	1	9	Yes
Dr. Murtaza Khorakiwala	Executive	3	2	None	10	Yes
Mr. Rajiv Gandhi ⁽¹⁾	Executive	2	1	None	10	Yes

⁽¹⁾ Mr. Rajiv Gandhi has resigned from the directorship of the Company w.e.f. March 31, 2010.

⁽²⁾ The number of other directorships are calculated as per Section 275 of the Companies Act, 1956. It excludes Private Limited Companies, Foreign Companies, Companies under Section 25 of the Companies Act, 1956 and Alternate Directorships.

⁽³⁾ This includes the Chairmanships/Memberships only in the Audit Committee and Shareholders' Grievance Committee of all listed and unlisted public limited companies.

None of the other Directors are related inter-se except Mr. Huzaifa Khorakiwala and Dr. Murtaza Khorakiwala who are sons of Mr. H. F. Khorakiwala.

(b) Board Meetings

Board meetings are held at least once in every quarter and the time gap between two meetings was not more than four months. During the fifteen months period ended March 31, 2010, Ten Board Meetings were held viz on March 31, 2009, April 24, 2009, May 29, 2009, June 12, 2009, June 29, 2009, July 27, 2009, July 30, 2009, October 31, 2009, November 18, 2009 and January 25, 2010.

The Board is regularly apprised and informed of important business-related information. The agenda papers are circulated in advance to all the Board members. The quarterly results of the company, the annual operating plans and budgets, capital budgets, performance of various operating divisions are placed before the Board meetings. Further, information regarding recruitment of senior executives, show cause notices which are materially important, default if any, in financial obligations, details of joint ventures & collaborations, labour problems etc. are placed before the Board as and when the same takes place. The compliance reports of applicable laws and the minutes of the meetings of the Audit Committee, Investors Grievance Committee and other board committees are placed before the Board at regular intervals.

(c) Details of Directors seeking re-appointment

The details of the Directors seeking re-appointment at the forthcoming Annual General Meeting as required under clause 49(IV)(G) of the Listing Agreement are given in the Directors Report.

3. AUDIT COMMITTEE

The terms of Reference of the Audit Committee are in accordance with Section 292A of the Companies Act, 1956 and the provisions of Clause 49(II) of the listing agreements with the Stock Exchanges which inter alia includes oversight of financial reporting process, reviewing the quarterly results and annual financial statements and auditors' report (before submission to the board), recommending appointment/re-appointment of auditors, fixation of audit fees, approval of payment to auditors for any other services, discussion of audit plan, reviewing accounting policies and practices, adequacy of internal controls and internal audit systems, discussions with internal auditors on any significant findings and follow up action, reviewing related party transactions, risk management policies and practices, investments made by subsidiaries and internal audit reports.

During the fifteen months period ended March 31, 2010, the Audit Committee met six times on March 31, 2009, April 24, 2009, May 28, 2009, July 30, 2009, October 31, 2009 and January 25, 2010.

The constitution of the Committee and the particulars of attendance at the committee meetings as on March 31, 2010 are given below:

Name of the Director/Member	Designation	Category	Profession	No. of Meetings Attended
Mr. Shekhar Datta	Chairman	Non-Executive Independent	Business Professional	5
Dr. Abid Hussain	Member	Non-Executive Independent	Consultant	4
Mr. Aman Mehta	Member	Non-Executive Independent	Business Professional	4
Mr. Bharat Patel	Member	Non-Executive Independent	Business Professional	5
Mr. R. A. Shah	Member	Non-Executive Independent	Solicitor	4

Mr. Rajiv B. Gandhi was secretary of the committee till March 31, 2010 and with effect from March 31, 2010, Mr. Jayant Manmadkar, Company Secretary acts as Secretary to the Committee.

The statutory auditors, Head of internal audit and finance are invited to attend and participate at the meetings from time to time.

4. INVESTORS GRIEVANCE COMMITTEE

The Investors Grievance Committee specifically looks into redressing of shareholders and investors complaints such as transfer of shares, non-receipt of shares, non-receipt of dividends etc. During the fifteen months period ended March 31, 2010, five meetings of the Committee were held on March 31, 2009, April 24, 2009, July 30, 2009, October 31, 2009 and January 25, 2010.

The constitution of the Committee and the particulars of attendance at the committee meetings as on March 31, 2010 are given below:

Name of the Director/Member	Designation	Category	No. of meetings attended
Mr. Shekhar Datta	Chairman	Non-Executive Independent	5
Dr. Abid Hussain	Member	Non-Executive Independent	4
Mr. Aman Mehta	Member	Non-Executive Independent	4
Mr. Bharat Patel	Member	Non-Executive Independent	4
Mr. R. A. Shah	Member	Non-Executive Independent	3

During the fifteen months period ended March 31, 2010, the Company received and resolved 39 communications from the shareholders as per the summary given below:

Nature of communication	Received	Resolved
Non-receipt of Dividend Warrants	13	13
Non-receipt of Share Certificates	20	20
Non-receipt of Annual Report	3	3
Non-receipt of Bonus Shares	3	3

As on March 31, 2010, no complaint was pending.

With effect from March 31, 2010, Mr. Jayant Manmadkar, Company Secretary is responsible for monitoring the share transfer process. The Board has designated Mr. Vijay Khetan, Associate Vice President - Finance as Compliance Officer of the Company.

5. REMUNERATION COMMITTEE

The terms of reference of Remuneration Committee includes recommendation for fixation and revision of remuneration packages of Managing Director and Executive Directors to the Board for approval and review. During the period of fifteen months ended March 31, 2010, Two Remuneration Committee meetings were held on April 24, 2009 and January 25, 2010.

The constitution of the Committee and the particulars of attendance at the committee meetings as on March 31, 2010 are given below:

Name of the Director/Member	Designation	Category	No. of meetings attended
Mr. Bharat Patel	Chairman	Non-Executive Independent	1
Mr. Shekhar Datta	Member	Non-Executive Independent	2
Mr. R. A. Shah	Member	Non-Executive Independent	2

Remuneration Policy

The Company's remuneration policy is structured in line with the trend in the Indian Pharmaceutical Industry. The remuneration policy of the Company for managerial personnel is primarily based on the criteria like performance of the Company, potential and experience and performance of individual managerial personnel and external environment.

Remuneration of Directors

The remuneration of the Executive Directors is decided by the Board based on the recommendations of the Remuneration Committee as per the Remuneration Policy of the Company, within the limits fixed and approved by the shareholders in the general meeting. The remuneration to Non – Executive Directors comprises of sitting fees and commission. The Non-executive Directors are paid sitting fees of ₹ 20,000/- for each meeting of the Board, Audit Committee and Investor Grievance Committee attended by them. The table below gives the details of the remuneration paid to each director for the fifteen months period ended March 31, 2010. During the fifteen months period ended March 31, 2010, the Company did not advance any loans to the Directors.

Director	Material Pecuniary relationship with the Company if any	Tenure	No. of equity shares held by non-executive director	Remuneration for the fifteen months period ended March 31, 2010 (₹ In Millions)			
				Sitting fees	Salary & Perquisites	Commission	Total
Mr. H. F. Khorakiwala	Promoter	# Upto February 28, 2015	N.A	—	27.53	0.00	27.53
Mr. Shekhar Datta	None	N.A	600	0.38	—	0.00	0.38
Dr. Abid Hussain	None	N.A	Nil	0.26	—	0.00	0.26
Mr. Aman Mehta	None	N.A	Nil	0.26	—	0.00	0.26
Mr. Bharat Patel	None	N.A	Nil	0.32	—	0.00	0.32
Mr. R. A. Shah	None	N.A	Nil	0.26	—	0.00	0.26
Mr. Huzaifa Khorakiwala	Promoter	Upto March 30, 2014	N.A	—	4.16	0.00	4.16
Dr. Murtaza Khorakiwala	Promoter	Upto March 30, 2014	N.A	—	4.16	0.00	4.16
Mr. Rajiv Gandhi*	Executive	Upto February 21, 2012	N.A	—	13.78	0.00	13.78

Mr. H. F. Khorakiwala has been re-appointed for a period of five years w.e.f March 1, 2010 subject to the approval of members in the ensuing Annual General Meeting.

* Mr. Rajiv Gandhi has resigned from the Directorship of the Company w.e.f March 31, 2010.

Notes:

- The applications for approval of payment of managerial remuneration to Mr. H. F. Khorakiwala, Chairman, Dr. Murtaza Khorakiwala, Managing Director, Mr. Huzaifa Khorakiwala, Executive Director and Mr. Rajiv Gandhi, Director - Corporate Finance and Information for the financial year 2009-10 were submitted to Central Government. The Ministry of Corporate Affairs ("the Central Government") vide their letter in March 2010, approved managerial remuneration upto the permissible limit under Schedule XIII of the Companies Act, 1956. An application has been made to the Central Government for review and reconsideration, which is currently pending.
- In view of loss incurred by the Company for the fifteen months period ended March 31, 2010, no commission has been paid to Executive and Non- Executive Directors.
- There is no provision for payment of severance fees and no performance linked incentives are paid to any director. The notice period is governed by service rules of the Company.
- No Stock Options have been granted during the period under review to any of the above directors.

6. GENERAL BODY MEETINGS

(a) Details of last three Annual General Meetings are as under:

Financial Year	Day, Date and Time of AGM	Location
2008	Monday, June 29, 2009 at 3.00 p.m.	Y. B. Chavan Auditorium, Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai 400021
2007	Monday, April 28, 2008 at 3.15 p.m.	Y. B. Chavan Auditorium, Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai 400021
2006	Friday, May 18, 2007 at 3.00 p.m.	Y. B. Chavan Auditorium, Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai 400021

(b) Special Resolutions passed in the previous three Annual General Meetings:

Seven special resolutions were passed unanimously by show of hands in the Annual General Meeting held on June 29, 2009 as per the details given below:

- Approval of remuneration paid to Mr. Habil F. Khorakiwala, Executive Chairman for the Financial Year 2008
- Approval of payment of remuneration to Mr. Habil F. Khorakiwala, Executive Chairman for a period of three financial years starting from the Financial Year January 1, 2009
- Appointment of Mr. Huzaiifa Khorakiwala as Executive Director and fixation of remuneration payable to him
- Appointment of Dr. Murtaza Khorakiwala as Managing Director and fixation of remuneration payable to him
- Approval of remuneration paid to Mr. Rajiv Gandhi, Director-Corporate Finance and Information for the Financial Year 2008
- Approval of payment of remuneration to Mr. Rajiv Gandhi, Director-Corporate Finance and Information for a period of three financial years starting from the Financial Year January 1, 2009
- Alteration of Articles of Association of the Company

No special resolution was passed in the Annual General Meeting held on April 28, 2008.

One special resolution was passed unanimously by show of hands for appointment and payment of remuneration to Mr. Rajiv Gandhi, a Whole-time Director of the Company in the Annual General Meeting held on May 18, 2007.

(c) Postal Ballot:

During the fifteen months period ended March 31, 2010, the members of the Company passed following special resolutions through postal ballot:

1. Special Resolution for alteration of Article 4 of the Articles of Association of the Company, relating to Authorised Share Capital.
2. Special Resolution for preferential issue of not more than 160 crores Convertible and/or Non-Convertible Redeemable Preference shares of ₹ 5 each.

Mr. Virendra G. Bhatt was appointed as the scrutinizer for conducting the Postal Ballot and based on his report, the postal ballot results were declared.

The details of postal ballot procedure, voting process is as under:

The Board of Directors of the Company at their meeting held on November 18, 2009 approved the postal ballot notice, form and calendar of events. The postal ballot notice along with postal ballot form and self-addressed pre-paid postage envelope were sent to the shareholders on November 23, 2009. The last date for receipt of the Postal Ballot form from the shareholders was December 23, 2009.

Mr. Virendra G. Bhatt submitted his report dated December 24, 2009 to the Chairman and based on the said report, results of Postal Ballot were declared on December 24, 2009 as under:

1. Result for special Resolution for alteration of Article 4 of the Articles of Association of the Company.

Particulars	Number of Postal Ballot	No. of Shares
Valid Postal Ballot forms received	1,757	89,618,581
Invalid Postal Ballot forms received	54	36,457
Total No. of Postal Ballot forms received	1,811	89,655,038

Sr. No.	Particulars of Valid Ballots	No. of Postal Ballots	No. of Shares	Percentage (%) of shareholding voted
1.	Number of votes in favour of the Resolution (Assent)	1,547	88,991,859	99.30%
2.	Number of votes against the Resolution (Dissent)	83	583,029	0.65%
3.	Neutral	127	43,693	0.05%
	Total	1,757	89,618,581	100.00%

2. Result for Special Resolution for preferential issue of not more than 160 crores Convertible and/ or Non-Convertible Redeemable Preference shares of ₹ 5 each

Particulars	Number of Postal Ballot	No. of Shares
Valid Postal Ballot forms received	1,757	89,618,581
Invalid Postal Ballot forms received	54	36,457
Total No. of Postal Ballot forms received	1,811	89,655,038

Sr. No.	Particulars of Valid Ballots	No. of Postal Ballots	No. of Shares	Percentage (%) of shareholding voted
1.	Number of votes in favour of the Resolution (Assent)	1,522	88,988,449	99.30%
2.	Number of votes against the Resolution (Dissent)	110	584,814	0.65%
3.	Neutral	125	45,318	0.05%
	Total	1,757	89,618,581	100.00%

No special resolutions are proposed to be passed through postal ballot at the ensuing Annual General Meeting.

7. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report for the fifteen months period ended March 31, 2010 is published separately in this Annual Report.

8. DISCLOSURES

a. Related party disclosures

During the period under review, there were no materially significant related party transactions i.e transactions of material nature with its promoters, directors, management or their subsidiaries or relatives etc that may

have potential conflict with the interest of the Company at large. The independent Directors on the Company's Board, apart from receiving Directors' remuneration, do not have any other material pecuniary relationship or transactions with the Company, its promoters, its management or its subsidiaries, which in the judgment of the Board affect the independence of judgment of the Directors. The register of contracts/arrangements containing the transactions in which the Directors are interested is placed before the Board regularly for its approval and is signed by the Directors present at the meeting. Statement in summary form of transactions with related parties is placed before the audit committee for review. In compliance with Accounting Standard 18, details of transactions with related party are disclosed in the notes to Accounts.

b. Compliance

The Company has established procedures to enable its Board to periodically review compliance of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances. The Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years except non-compliance of clause 41 of the listing agreement relating to submission of audited results for the year ended December 31, 2008. No penalties or strictures have been imposed on the Company by the stock exchanges or SEBI or any other statutory authorities relating to the above.

c. Code of Business Conduct and Ethics

The Company has laid down a "Code of Business Conduct and Ethics" for the Directors and the Senior management personnel. The Code has been posted on the website of the Company. All Board members and senior management personnel have affirmed compliance with the Code for the period ended March 31, 2010. A declaration to this effect signed by Dr. Murtaza Khorakiwala, Managing Director forms part of this report as Annexure I.

d. CEO/CFO Certification

In terms of requirements of clause 49(V) of the listing agreement, Dr. Murtaza H. Khorakiwala, Managing Director has made certification to the Board in the prescribed format for the period under review, which has been reviewed by the Audit Committee and taken on record by the Board. As the Chief Financial Officer (CFO) has resigned and the Company is in the process of appointing a new CFO, the said certification has been done only by the Managing Director.

e. Risk management policy

The Company has defined and adopted a Risk Management Policy, and the Head of Internal Audit assesses the risks and lays down the procedure for minimization of the risks. The above facilitates not only in risk assessment and timely rectification but also helps in minimization of risk associated with any strategic, operational, financial and compliance risk across all business operations. These control procedures and systems ensure that the Board and the audit committee are periodically informed on the material risks faced by the Company and the steps taken by the Company to eliminate those risks.

f. Compliance with mandatory and non-mandatory requirements

The Company has complied with all the mandatory requirements of clause 49 of the listing agreement relating to corporate governance. The Company has adopted the non-mandatory requirements of the clause 49 of the listing agreement pertaining to the constitution of remuneration committee as per the details given in point 5 above and shareholders' rights as per the details given in point 9 below.

9. MEANS OF COMMUNICATION

The Company regularly intimates unaudited as well as audited financial results to the stock exchanges immediately after being approved by the Board. The quarterly, half yearly and annual results of the Company are generally published in one English daily newspaper (The Free Press Journal) and one Marathi newspaper (Navshakti). In addition to this, the quarterly, half-yearly and annual results are sent to all the shareholders by way of Chairman's Letter to the shareholders. The quarterly, half-yearly as well as annual results and official news releases, the presentations, if any, made to institutional investors or to the analysts are also posted on Company's website, www.wockhardt.com

10. CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

The Certificate from Mr. Virendra Bhatt, Practicing Company Secretary regarding compliance of conditions of corporate governance for the fifteen months period ended March 31, 2010 forms part of this report.

GENERAL SHAREHOLDER INFORMATION

1. ANNUAL GENERAL MEETING

- Date and Time : Monday, September 20, 2010 at 3.30 p.m.
- Venue : Y. B. Chavan Auditorium, Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai 400021

2. FINANCIAL YEAR AND TENTATIVE FINANCIAL CALENDAR

The Financial Year of the Company is April 1 to March 31.

Tentative Financial reporting for the Financial Year 2010 is as under:

Quarter ending June 30, 2010	August 2010
Quarter ending September 30, 2010	November 2010
Quarter ending December 31, 2010	February 2011
Year ending March 31, 2011	May 2011
Annual General Meeting for the year ended March 31, 2011	September 2011

3. DATE OF BOOK CLOSURE FOR ANNUAL GENERAL MEETING

Monday, September 13, 2010 to Monday, September 20, 2010 (both days inclusive).

4. DIVIDEND PAYMENT DATE : No dividend has been declared for the period ended March 31, 2010.

5. LISTING ON STOCK EXCHANGES AT

A) Equity Shares	1. Bombay Stock Exchange Limited (BSE) 2. National Stock Exchange of India Limited (NSE)
B) Global Depository Receipts (GDRs)	Luxembourg Stock Exchange

6. LISTING FEES

The Company has paid listing fees to all the above stock exchanges for the year 2009-2010.

7. STOCK MARKET DATA

(a) Stock code

Bombay Stock Exchange Limited (BSE) : 532300
National Stock Exchange of India Limited (NSE) : WOCKPHARMA

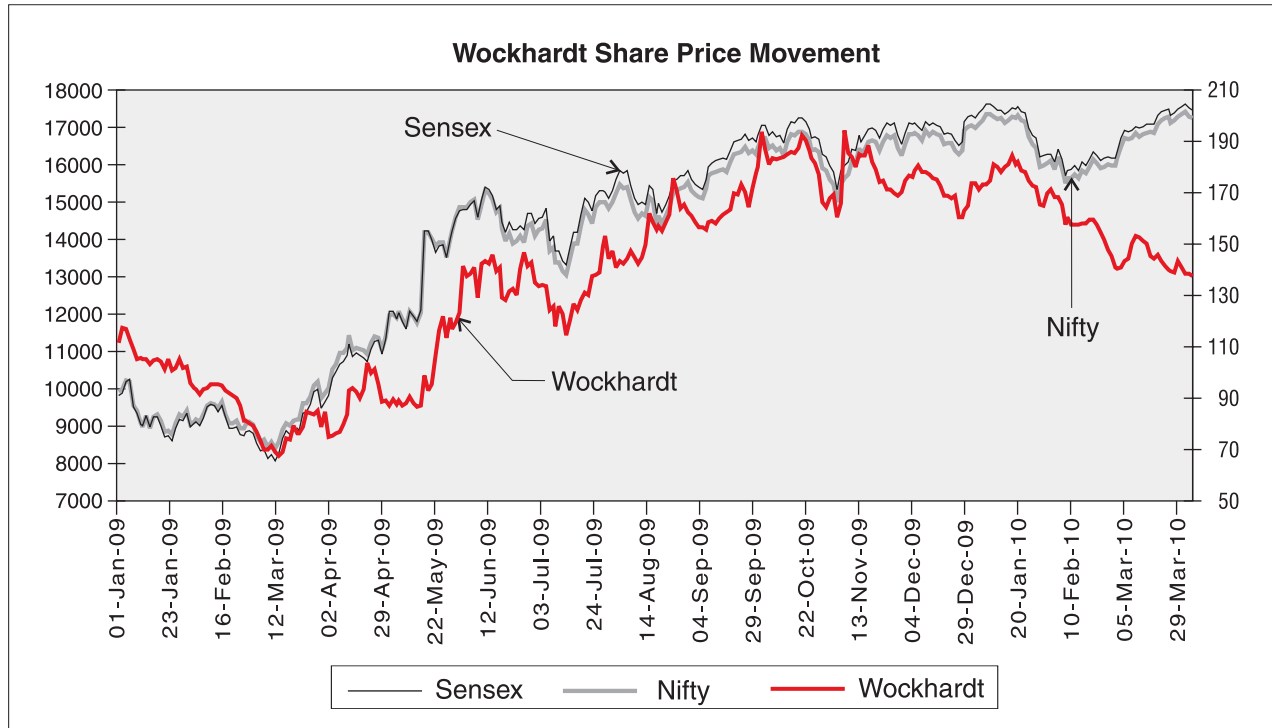
(b) Corporate Identity Number (CIN) : L24230MH1999PLC120720

8. MARKET PRICE DATA FOR THE FIFTEEN MONTHS PERIOD ENDED MARCH 31, 2010

Month	NSE			BSE		
	High (₹)	Low (₹)	Monthly Volume	High (₹)	Low (₹)	Monthly Volume
January 2009	125.00	96.60	1,353,699	123.00	97.00	606,035
February 2009	104.00	79.50	1,189,465	104.50	79.60	711,988
March 2009	89.00	68.00	2,482,163	88.15	67.50	1,276,158
April 2009	109.65	66.50	14,959,965	108.00	68.45	8,357,537
May 2009	126.90	85.50	9,329,565	126.20	85.00	4,237,815
June 2009	157.90	117.05	14,987,889	157.40	118.30	7,122,647
July 2009	158.95	115.00	3,443,643	159.00	115.00	1,812,899
August 2009	187.50	140.00	5,323,217	187.35	140.00	2,726,650
September 2009	197.85	155.05	3,401,275	197.90	156.10	1,510,075
October 2009	200.00	162.00	2,184,573	197.80	160.25	1,128,006
November 2009	205.75	158.55	4,005,308	201.45	159.55	1,711,887
December 2009	185.45	160.20	3,245,372	185.70	159.35	1,630,709
January 2010	190.00	159.10	2,785,584	193.00	159.30	1,198,068
February 2010	175.90	141.00	954,569	176.00	141.00	400,958
March 2010	157.00	133.55	2,528,359	157.00	138.25	972,972

Source: website of BSE and NSE

9. STOCK PERFORMANCE INDEX



Source: website of BSE and NSE

10. REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai 400 078
Tel : 022 2594 6970-78 • Fax : 022 2594 6969
Email: rnt.helpdesk@linkintime.co.in

11. SHARE TRANSFER SYSTEM

The shares in dematerialized mode are transferable through depositories. The shares in physical mode lodged for transfer are processed by Registrar & Transfer Agent. Mr. Jayant Manmadkar, Company Secretary looks after the process of share transfers. The Share transfer requests received at the Registrar & Transfer Agent are normally processed and delivered within 21 days from the date of lodgement if the documents are complete in all respects. Requests for dematerialization of shares are processed and the confirmation is given to depositories within 15 days from receipt if the documents are in order.

12. DISTRIBUTION OF SHAREHOLDING AS AT MARCH 31, 2010

Slab of shareholding No. of shares	No. of Shareholders	% of total shareholders	Amount in ₹	% of total amount
1 – 500	47,736	86.16	27,540,210	5.03
501 – 1000	5,874	10.60	19,443,465	3.55
1001 – 2000	1,061	1.92	7,640,990	1.40
2001 – 3000	270	0.49	3,426,340	0.63
3001 – 4000	114	0.20	2,038,985	0.37
4001 – 5000	70	0.13	1,634,230	0.30
5001 – 10000	125	0.23	4,616,815	0.84
Above 10000	152	0.27	480,838,480	87.88
TOTAL	55,402	100.00	547,179,515	100.00

SHAREHOLDING PATTERN AS ON MARCH 31, 2010

Categories	Number of shares	Amount in ₹	% to total paid-up capital
Promoters	80,585,382	402,926,910	73.64
Directors/relatives of Directors	110,255	551,275	0.10
Financial Institutions	96,503	482,515	0.10
Banks	153,795	768,975	0.14
Mutual Funds	934,292	4,671,460	0.85
Insurance Companies	8,789,464	43,947,320	8.03
Foreign Institutional Investors	1,972,357	9,861,785	1.80
Bodies Corporates	1,913,211	9,566,055	1.75
Non Resident Indians	568,015	2,840,075	0.52
Shares Representing GDRs	647,966	3,239,830	0.59
Public	13,385,652	66,928,260	12.23
Clearing Member	276,986	1,384,930	0.25
Trusts	2,025	10,125	0.00
TOTAL	109,435,903	547,179,515	100.00

13. DEMATERIALISATION OF SHARES AND LIQUIDITY

The Company's equity shares are compulsorily tradable in dematerialised form since listing and are available for trading with both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2010, 107,074,462 equity shares representing 97.84% of the Company's total paid-up capital were held in dematerialized mode. Out of public holding of 28,202,555 equity shares, 26,685,554 equity shares representing 94.62% of public holding is in dematerialized mode. The International Securities Identification Number (ISIN) assigned to company's equity shares is INE049B01025.

14. OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

Number of outstanding Global Depository Receipts (GDRs) as on March 31, 2010 are 647,966 representing 647,966 equity shares of ₹ 5/- each constituting 0.59% of paid-up capital of the Company. In March 2010, the Company had allotted, 208,555,274 Optionally Convertible Cumulative Redeemable Preference Shares (Series 1) and 215,608,331 Optionally Convertible Cumulative Redeemable Preference Shares (Series 2) as per approved CDR package dated July 4, 2009. The Series 1 Preference Share holders shall have the right to convert the Optionally Convertible Cumulative Redeemable Preference shares along with accumulated dividend, into fully paid equity shares of the Company, in one or more tranches, commencing October 25, 2015 till December 31, 2018, at a price to be calculated as per the SEBI pricing formula prevalent at the time of conversion. The Series 2 Preference Share holders shall have the right to convert the Optionally Convertible Cumulative Redeemable Preference shares, along with accumulated dividend, into fully paid equity shares of the Company, in one or more tranches, commencing July 4, 2016 till December 31, 2018, at a price to be calculated as per the SEBI pricing formula prevalent at the time of conversion. The Series 1 & Series 2 Optionally Convertible Cumulative Redeemable Preference shares, in case not converted, shall get redeemed along with accumulated dividend on December 31, 2018 without any redemption premium. The Company is in the process of restructuring the liability towards Foreign Currency Convertible Bonds. There will be no impact of conversion of GDR's as the Company has allotted the underlying shares. As regards to Optionally Convertible Cumulative Redeemable Preference Shares, it is not possible to ascertain the likely impact on equity, as the conversion will take place on the price of equity shares and SEBI pricing formula prevalent at the time of conversion.

15. REGISTERED OFFICE AND ADDRESS FOR CORRESPONDENCE

Jayant Manmadkar, Company Secretary
Wockhardt Limited
Wockhardt Towers, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051
Tel: 022-26534444 • Fax: 022- 26534242
Email: investorrelations@wockhardt.com

16. PLANT LOCATIONS

	Formulation Plants	Bulk Drugs
❖ L-1, MIDC Area Chikalthana, Aurangabad-431 210 Maharashtra	❖ Survey No. 106/4,5,7 Daman Industrial Estate Kadaiya, Nani Daman-396 210	❖ Plot No. 138, GIDC Industrial Estate Ankleshwar-393 002 Dist. Bharuch, Gujarat, India (including Cephalosporin Bulk)
❖ B-15/2, MIDC Area, Waluj, Aurangabad, Maharashtra	❖ Plot No. H-14/2 Waluj Industrial Area MIDC, Waluj, Aurangabad, Maharashtra	
❖ Plot No. 87-A, Silver Industrial Estate Patiala Road, Bhimpore, Nani Daman-396 210	❖ 57, Kunjhal, Barotiwala, Nalagarh, District Solan, Himachal Pradesh-174 103	

For and on behalf of Board of Directors

H. F. Khorakiwala
Chairman

Mumbai, May 20, 2010

ANNEXURE I TO CORPORATE GOVERNANCE REPORT

AFFIRMATION OF COMPLIANCE WITH CODE OF CONDUCT AND BUSINESS ETHICS

Pursuant to the requirements of clause 49(I)(D) of the listing agreement, I hereby affirm that all the Board Members and the Senior Management Personnel have affirmed compliance with code of conduct and business ethics for the period of fifteen months ended March 31, 2010.

Dr. Murtaza Khorakiwala
Managing Director

Mumbai, May 20, 2010

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of Wockhardt Limited

We have examined the compliance of conditions of Corporate Governance by **Wockhardt Limited** for the period of 15 months ended **March 31, 2010**, 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 company's management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the Compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of Corporate Governance as stipulated in the above-mentioned Listing Agreements.

In our opinion and to the best of our information and according to the explanation given to us and based on the representations, made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned listing agreements.

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

VIRENDRA BHATT
Practicing Company Secretary
ACS No.: 1157; CP No.: 124

Place : Mumbai
Date : May 20, 2010