



CORPORATE GOVERNANCE REPORT OF GRANDEUR PRODUCTS LIMITED **For the Financial Year ended 31st March, 2019**

In accordance with the provisions of Regulation 34(3) read with Schedule V and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Directors of Grandeur Products Limited ("the Company") have pleasure in presenting the Company's Report on Corporate Governance for the Financial Year 2018-19.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is essentially a system by which Companies are governed and controlled by the management under the direction and supervision of the Board in the best interest of all stakeholders. It is not mere compliance of laws, rules and regulations, but also the application of best management practices and adherence to the highest ethical principles in all its dealings, to achieve the objects of the Company, enhance stakeholder value and discharge its social responsibility.

Your Company believes that the Corporate Governance is integral to all the functions and divisions of the organization for creating value for all the stakeholders. In this competitive business environment, both the management and employees vigorously uphold the values of integrity, transparency, responsibility and accountability.

Your Company is in compliance with the requirements of Corporate Governance stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

2. BOARD OF DIRECTORS:

The Board of Directors, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board composition is in conformity with the Companies Act, 2013 ('the Act') and Listing Regulations.

The composition of the Board of Directors is summarized below: -

1 (One) - Chairman and Whole Time Director (Executive, Non-Independent Director)

3 (Three) - Non-Executive, Independent Directors

None of the Directors is:

- a. A director in more than 20 Companies and in more than 10 public Companies- As per Section 165 of the Companies Act, 2013
- b. an Independent Director in more than seven listed Companies OR three listed companies (in case he / she serves as a Whole Time Director in any listed Company) - As per Regulation 25 of the Listing Regulations.
- c. a Member of more than 10 Committees and Chairperson of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee- as per Regulation 26(1) of the Listing Regulations), across all the Companies in which he/ she is a Director.



a) Composition of Board, their positions, other Directorships and memberships of Committees held by each of them as on 31st March 2019:

The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee positions held by them in public limited Companies are given below:

Name of Director	Category	No. of Board Meetings attended during 2018-19	Attendance at AGM held on 29th September, 2018	No. of other Directorships*	Name of the listed entity	No. of committee positions in Mandatory Committees*	
						Chairman	Member
Mr. Vijay Kumar Deekonda	Executive Director	13	Yes	2		-	-
Mr. Poppoppu Lenin Babu*	Non-Executive Independent Director	-	-	-	-	-	-
Mr. Munnangi Jayaramaprasad*	Promoter & Non- Executive Director	8	yes	-	-	-	-
Mr. Majeti Venkatesha Sridhar Kumar	Independent Non-Executive Director	12	No	1	1 Genesis Ibrc India Limited- Independent Non- Executive Director	2	-
Ms. Sridevi Dasari	Independent Non-Executive Director	13	Yes	1	-	-	-
Ramesh Babu Nemani#	Non-Executive Independent Director	11	Yes	2	-	-	-

Notes:

- * Mr. Poppoppu Lenin Babu, Independent Director and Mr. Munnangi Jayaramaprasad Non-Executive Director have resigned w.e.f. 5th April, 2018 and 23rd October, 2018 respectively.
- #Mr. Ramesh Babu has been appointed as Independent Director of the Company w.e.f. 5th April, 2018.
- Excludes Directorships in Associations, Foreign Companies, Government Bodies and Companies registered under Section 8 of the Act.
- For committee positions, only Audit & Stakeholder's committees of public limited companies are considered as per Regulation 26 of SEBI (LODR) Regulations, 2015.

**b) Inter-se relationships between the Directors:**

None of the directors of the Company are related to each other.

c) Board Meetings during the year 2018-19:

The Company held 13 Board Meetings during 2018-19 and the gap between two meetings did not exceed 120 days. The dates on which the Board Meetings were held on 5th April, 2018, 10th April, 2018, 11th April, 2018, 5th May, 2018, 7th May, 2018, 30th May, 2018, 24th July, 2018, 14th August, 2018, 5th September, 2018, 23rd October, 2018, 14th November, 2018, 26th November, 2018 and 12th February, 2019.

d) Shareholding of Directors as on 31st March, 2019:

None of the present Directors are holding Equity Shares of the Company.

e) Independent Directors:

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 12th February, 2019, as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations. At the Meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of the Managing Director and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

f) Details about familiarization program:

The Company has an orientation programme upon induction of new Directors, as well as other initiatives to update Directors on a continuous basis. Any new Director who joins the Board is presented with a brief background of the Company, its operations and is informed of the important policies of the Company including the Code of Conduct for Directors and senior management personnel and the Code of Conduct for Prevention of Insider Trading, Policy on Related Party Transactions, Policy on Remuneration, Policy of Vigil Mechanism, etc.

The details of the familiarization program are placed on the Company's website at <http://www.grandeurproducts.com>

g) Resignation of Independent Directors:

During the year Mr. Poppoppu Lenin Babu tendered their resignation before the expire of his tenure from the office of Independent Director of the Company with effect from 5th April, 2018 due to him pre occupations and he has confirmed there is no other material reason, other than those provided by him.

h) Statement on Declaration by Independent Directors:

Mrs. Sridevi Dasari, Mr. Majeti Venkatesha Sridhar Kumar and Mr. Ramesh Babu Nemani are the Independent Directors on the Board of the Company as on 31st March, 2019. All the Independent



Directors have given their respective declarations under Section 149 (6) and (7) of the Companies Act, 2013 and the Rules made thereunder.

The Board of Directors, based on the declaration(s) received from the Independent Directors and confirms that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and are independent of the management. As required by SEBI (LODR) Regulations, 2015, a certificate from Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities & Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority, is attached to this Report as Annexure-A.

i) Skills Matrix for the Board of Directors:

We recognize the importance of having a Board comprising of Directors who have a range of experiences, capabilities and diverse point of view which helps in creating an effective and well-rounded Board. The list of Core skills / expertise / capabilities for the Board Members outlined by the Nomination and Remuneration Committee of the Board of Directors and approved by the Board. The Board as a whole possesses the identified skills, expertise and competencies as are required in the context of business of the Company.

3. AUDIT COMMITTEE:

a) Composition and Attendance during the year:

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and the provisions of Section 177 of the Act and comprises of three members, out of three, two members are Independent Non – Executive Directors. All members of the Committee are financially literate.

Further, the Quorum for a Meeting of the Audit Committee shall either be 2 (two) Members or 1/3rd (One Third) of the total strength of the Committee, whichever is greater, with at least 2 (two) Independent Directors in attendance and the Audit Committee shall meet at least 4 (Four) times in a year and not more than 120 (One Hundred and Twenty) days shall elapse between two Meetings.

During the Financial Year 2018-19, there were 4 (Four) Meetings of the Audit Committee of the Board of Directors i.e. 30th May, 2018, 14th August, 2018, 14th November, 2018 and 12th February, 2019. The necessary quorum was present for all the Meetings of the Audit Committee of the Board of Directors.

The composition of the Audit Committee and the details of Meetings attended by the Members during the year are given below:

Name of the Director	Category during the year	No. of meetings held attended	No of meetings
Mr. Poppoppu Lenin Babu*	Chairman	4	0
Mr. Ramesh Babu Nemani#	Chairman	4	4
Ms. Sridevi Dasari	Member	4	4
Mr. Vijay Kumar Deekonda	Member	4	3

* resigned as an independent director of the company w.e.f. 5th April, 2018.

Appointed as an Independent Director of the company w.e.f. 5th April, 2018.

**b) Terms of reference:**

The Audit Committee functions according to its Charter that defines its composition, authority responsibilities and reporting functions. The terms of reference of the Audit Committee, inter alia, are as follows:

- ◆ Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- ◆ Discuss and review with the management the annual/ half yearly/ quarterly financial statements and the auditor's report thereon, before submission to the Board for approval.
- ◆ Review of the Company's accounting policies, internal accounting and financial controls, risk management policies and such other matters.
- ◆ Discuss with the statutory auditors, before the audit commences, about the nature and scope of audit, as well as post audit discussion to ascertain any area of concern.
- ◆ Hold timely discussions with the statutory auditors regarding critical accounting policies and practices and significant financial reporting issues and judgments made.
- ◆ Recommend to the Board the appointment, re-appointment and, if required, the replacement or removal of statutory auditors, remuneration and terms of appointment of auditors, fixation of audit fees and to approve payment for any other services rendered by the statutory auditors.
- ◆ Review and monitor the auditor's independence, qualification and performance and effectiveness of audit process.
- ◆ Review with the management, performance of the statutory and internal auditors.
- ◆ Review the adequacy of the internal audit function and the adequacy and efficacy of the internal control systems, including the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, budget, coverage and frequency of internal audit.
- ◆ Evaluate internal financial controls and risk management systems.
- ◆ Scrutinize inter-corporate loans and investments.
- ◆ Discuss any significant findings with internal auditors and follow-up thereon.
- ◆ Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- ◆ Look into the reasons for substantial defaults in payments to depositors, debenture holders, shareholders and creditors.
- ◆ Approve transactions, including any subsequent modifications, of the Company with related parties.
- ◆ Valuation of undertakings or assets of the Company, wherever it is necessary.
- ◆ Review and monitor the statement of use and application of funds raised through public offers and related matters.



- ◆ Review the functioning of the Whistle Blower mechanism/Vigil Mechanism.
- ◆ Review the effectiveness of the system for monitoring compliance with laws and regulations and oversee compliance with legal and regulatory requirements, including the Tata Code of Conduct for the Company and its subsidiaries.
- ◆ Provide guidance to the Compliance Officer for setting forth policies and implementation of the Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices.
- ◆ Oversee financial reporting controls and process for subsidiary companies.
- ◆ Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate.
- ◆ Generally, all items listed in Part C of Schedule II to the Listing Regulations and in Section 177 of the Act and any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee has been given the powers prescribed under Regulation 18(2)(c) of the Listing Regulations.

4. **Nomination and Remuneration Committee:**

a) Composition and Attendance during the year

The composition of the Nomination and Remuneration Committee shall be as mentioned herein below or as may be prescribed by the Companies Act and the Listing Regulations. The Chairperson of the Nomination and Remuneration Committee shall be an Independent Director and shall be present at Annual General Meeting.

The Quorum for the Meeting of the Nomination and Remuneration Committee shall either be 2 (two) Members or 1/3rd (one third) of the total strength of the Committee, whichever is higher (including at least one Independent Director in attendance) and the Nomination and Remuneration Committee shall meet at least once in a year.

During the Financial Year 2018-19, there were 3 (three) Meetings of the Nomination and Remuneration Committee of the Board of Directors were held i.e., 5th April, 2018, 5th September, 2018 and 12th February, 2019.

The composition of the NRC and the details of Meetings attended by the Directors during the year are given below:

Name of the Director	Category	No. of meetings held during the year	No of meetings attended
Mr. Majeti Venkatesha Sridhar Kumar	Chairman	3	3
Mr. Poppoppu Lenin Babu*	Member	3	0
Mr. Ramesh Babu Nemani#	Member	3	2
Ms. Sridevi Dasari	Member	3	3

* resigned as an independent director of the company w.e.f. 5th April, 2018.

Appointed as an independent director of the company w.e.f. 5th April, 2018.

**b) Brief description of terms of reference:**

The terms of reference of Nomination and Remuneration Committee have been re-stated at the to include amendments made by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

The terms of reference of the Nomination and Remuneration Committee are as follows: -

- ◆ To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the appointment and remuneration in whatever form payable to the Directors, Key Managerial Personnel and other Senior Management employees;
- ◆ To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors in accordance with the Nomination and Remuneration Policy;
- ◆ To devise a policy on diversity of Board of Directors;
- ◆ To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and or removal;
- ◆ To consider extension or continuation of the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors;
- ◆ To specify the manner for effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- ◆ To recommend to the Board of Directors, qualifications, appointment, remuneration (in whatever form) and removal of directors, key managerial personnel and persons in senior management positions in accordance with the Nomination and Remuneration Policy;
- ◆ To consider grant of stock options to eligible Directors and employees, to formulate detailed terms and conditions of Employee Stock Option Scheme (ESOS) and to administer and exercise superintendence over ESOS;
- ◆ To make necessary recommendation(s) to the Board of Directors for amendment / revision of the Nomination and Remuneration Policy of the Company from time to time, as it may deem fit;
- ◆ To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable.

c) Board and Director Evaluation and criteria for evaluation:

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee (NRC) has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation include inter alia, structure of the Board, including qualifications, experience and competency of Directors, diversity in Board and process of appointment; Meetings of the Board, including regularity and frequency, agenda, discussion and dissent, recording of minutes and dissemination of information; functions of the Board, including strategy and performance evaluation, corporate culture and values, governance and compliance, evaluation of risks, grievance redressal for investors, stakeholder value and responsibility, conflict of interest, review of Board evaluation and facilitating Independent Directors to perform their role effectively; evaluation of management's performance and feedback, independence of management from the Board, access of Board and management to each other, succession plan and professional development; degree of fulfillment of key



responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning and quality of relationship between the Board and management.

Criteria for evaluation of individual Directors include aspects such as professional qualifications, prior experience, especially experience relevant to the Company, knowledge and competency, fulfillment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution, integrity, independence and guidance/ support to management outside Board/ Committee Meetings. In addition, the Chairman is also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer meetings, impartiality, ability to keep shareholders' interests in mind and effectiveness as Chairman.

Criteria for evaluation of the Committees of the Board include mandate and composition; effectiveness of the Committee; structure of the Committee; regularity and frequency of meetings, agenda, discussion and dissent, recording of minutes and dissemination of information; independence of the Committee from the Board; contribution to decisions of the Board; effectiveness of meetings and quality of relationship of the Committee with the Board and management.

5. NOMINATION AND REMUNERATION POLICY:

In accordance with the provisions of the Companies Act, 2013 and the Listing Regulations, the Company has put in place the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees of the Company including criteria for determining qualifications, positive attributes, independence of a Director as well as a policy on Board Diversity. This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company and also for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

- i. The Company formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:
 - a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
 - b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
 - c) Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.
- ii. In evaluating the suitability of individual Board members, the NR Committee may take into account factors, such as:
 - a. General understanding of the Company's business dynamics, global business and social perspective;
 - b. Educational and professional background Standing in the profession; Personal and professional ethics, integrity and values;
 - c. Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- iii. The Committee will assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.
- iv. The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Executive Directors and Non-Executive Directors of the Company within the overall limits approved by the shareholders.



6. REMUNERATION OF DIRECTORS:

The remuneration committee of Board of Directors of the Company generally decides and makes recommendations to the Board of Directors about the remuneration to be paid to the Directors and other Key Managerial Persons of the Company. The remuneration recommendations about the remuneration of Directors are subject to the approval of the Members of the company and the remuneration of the Key Managerial Persons is to be recommended by the remuneration committee to the Board. The Non-Executive directors are paid sitting fees for attending meetings of Board/ Committee.

The nomination and remuneration policy as adopted by the Board is placed on the Company's website at www.grandeurproducts.com.

Remuneration of the Whole Time Director:

The remuneration paid to Mr. Vijay Kumar Deekonda, Whole Time Director for the Financial Year 2018-19 is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors and the Shareholders of the Company.

The current tenure of Mr. Vijay Kumar Deekonda as the "Whole Time Director" of the Company is for a term of 3 (three) years for the period from 1st October 2017, i.e., upto 30th September, 2020.

The details of remuneration paid to Mr. Vijay Kumar Deekonda, Whole Time Director during the Financial Year 2018-19 are as follows: -

Salary	₹ 13,80,000/-
Perquisites and allowances	NIL
Commission for the financial year 2017-18, paid during 2018-19	NIL
Period of Agreement	Re-appointed w.e.f. 1st October, 2017 upto 30th September, 2020
Notice period	The Agreement may be terminated by either party giving the other party 3 months' notice
Severance fees	NIL
Stock Options	NIL

Remuneration of the Non-Executive Directors:

1. Remuneration: The remuneration shall be in accordance with the statutory provisions of the Act and the Rules made thereunder for the time being in force.
2. Sitting Fees: The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of the Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed by the applicable law from time to time.
3. Stock Options: An Independent Director shall not be entitled to any stock option of the Company. Certain Non-Executive Directors are entitled to receive Sitting Fees for attending the Meetings of the Board and of Committees thereof in which they are Members.



The details of Sitting Fees paid to Non-Executive Directors during the Financial Year 2018-19 are as follows: -

Name of the Director	Sitting Fees Paid (₹)
Mr. Ramesh Babu Nemani	1,55,000
Ms. Sridevi Dasari	1,65,000
Mr.Majeti Venkatesha Sridhar Kumar	1,55,000
Mr.Munnangi Jayaramaprasad	80,000

8. STAKEHOLDERS RELATIONSHIP COMMITTEE :

a) Composition and Attendance during the year

The Stakeholders' Relationship Committee shall comprise of at least 3 (three) Directors, at least one being Independent Director or the composition shall be as may be prescribed by the Companies Act and the SEBI Listing Regulations. The Chairperson of the Stakeholders' Relationship Committee shall be an Independent Director and shall be present at every Annual General Meeting of the Company.

The Stakeholders' Relationship Committee shall meet at least once in a year.

During the Financial Year 2018-19, the Meeting of the Stakeholders' Relationship Committee of the Board of Directors held 4 (four) times i.e. 5th April, 2018, 5th September, 2018, 14th November, 2018 and 5th January, 2019.

The necessary quorum was present for the said Meetings of the Stakeholders' Relationship Committee of the Board of Directors. The Stakeholders Relationship Committee has been formed in compliance of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013 comprising of 2 Independent Directors and 1 Executive Director.

Name of the Director	Category	No. of meetings held during the year	No of meetings attended
Majeti Venkatesha Sridhar Kumar	Chairman	4	4
Mr. Poppoppu Lenin Babu*	Member	4	0
Mr. Ramesh Babu Nemani#	Member	4	3
Vijay Kumar Deekonda	Member	4	4

* resigned as an independent director of the company w.e.f. 5th April, 2018.

Appointed as an independent director of the company w.e.f. 5th April, 2018.

b) Terms of reference:

The terms of reference of the Stakeholders Relationship Committee (SRC) are as follows:

- ◆ Review statutory compliance relating to all security holders.
- ◆ Consider and resolve the grievances of security holders of the Company, including complaints related to transfer of securities, non-receipt of annual report/ declared dividends/ notices/ balance sheet.
- ◆ Oversee compliances in respect of dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund.
- ◆ Oversee and review all matters related to the transfer of securities of the Company.



- ◆ Approve issue of duplicate certificates of the Company.
- ◆ Review movements in shareholding and ownership structures of the Company.
- ◆ Ensure setting of proper controls and oversee performance of the Registrar and Share Transfer Agent.
- ◆ Recommend measures for overall improvement of the quality of investor services.
- ◆ Review the concerns received under the Tata Code of Conduct.

Name and Designation of Compliance Officer:

Miss. Priyanka Kumari is the Company Secretary & Compliance Officer of the Company.

Details of Investor Complaints received during the Financial Year 2018-19, are as follows:

The Stakeholders' Relationship Committee and the Registrar and Transfer Agent (RTA) attend to all grievances of investors.

The details of investor complaints during the Financial Year 2018-19 are as follows: -

Complaints outstanding as on 1st April, 2018	Nil
Complaints received during the period from 1st April, 2018 upto 31st March, 2019	Nil
Complaints resolved during the period from 1st April, 2018 upto 31st March, 2019	Nil
Complaints outstanding as on 31st March, 2019	Nil

9. GENERAL BODY MEETINGS:

a) Location, date and time of Annual General Meetings held during the last 3 years and special resolutions passed:

Day, Date and Time	Location	Special Resolutions
2017-18 (35th AGM) Saturday, 29th September, 2018 at 10:00 A.M.	Marigold Hotel, by and beside Green Park Hotel, 7-1- 25, Greenlands, Begumpet, Hyderabad - 500016	To appoint Mr. Ramesh Babu Nemani (DIN 08089820), as an Independent Director of the Company.
2016-17 (34th AGM) Wednesday, 27th September, 2017 at 09.30 A.M.	H. No. 1-62-192, 3rd Floor, Dwaraka Avenue, Kavuri Hills, Madhapur, Hyderabad, Telangana-500033	Re-appointment of Mr. Vijay Kumar Deekonda (DIN- 06991267) as Whole Time Director of the Company w.e.f 1st October, 2017
2015-16 (33rd AGM) Friday, 30th September, 2016 at 11:00 A.M.	10-2-9 & 10-2-249, Flat No 703, 6th Floor, Nasr Apartments, AC Guards, Hyderabad- 500004	There was no matter that required passing of Special Resolution.

b) Details of Postal Ballot and Extra Ordinary General Meeting conducted last year:

During the last year, the following resolutions were passed by the Members by requisite majority by means of ballot and e-voting. The Board of Directors of the Company appointed Mrs. N. Vanitha, Practicing Company Secretary, as the Scrutinizer for scrutinizing the postal ballot and e-voting process.

Date of Extra Ordinary General Meeting- 5th May, 2018

Voting Period: 2nd May, 2018 to Friday 4th May, 2018

Date of declaration of result: 5th May, 2018

Date of Approval: 5th May, 2018



Day, Date and Time	Location	Special Resolutions
Saturday, 5th May, 2018 at 10:00 A.M.	H. No. 1-62-192, 3rd Floor, Dwaraka Avenue, Kavuri Hills, Madhapur, Hyderabad, Telangana-500033	1. Preferential Issue of Equity Shares 2. Increase in borrowing limits 3. Creation of charges on the movable and immovable properties of the Company, both present and future in respect of borrowings under section 180(1)(a) of the Companies Act, 2013

10) GENERAL SHAREHOLDER INFORMATION

a) Details of the forthcoming 36th Annual General Meeting

Date	30th September, 2019
Day	Monday
Time	09.30 A.M
Venue	Marigold Hotel, by and beside Green Park Hotel, 7-1-25, Greenlands, Begumpet, Telangana - 500016

b) Financial Calendar for 2019-20 (tentative)

The Financial year of the Company is April - March of every year and the tentative details of the financial calendar for the year 2019-20 are as under:

Financial Results for the Quarter ending 30th June 2019	First/Second of August, 2019
Financial Results for the Quarter ending 30th September 2019	First/Second week of November, 2019
Financial Results for the Quarter ending 31st December 2019	First/Second week of February 2020
Financial Results for the year ending 31st March 2020	Third/fourth week of May ,2020

- c) **Date of Book closure:** From Monday, 23rd September, 2019 to Monday, 30th September, 2019 (both days inclusive).
- d) **Dividend Payment Date:** Company is not paying any dividend for the Financial Year 2018-19.
- e) **Listing Details & Listing Fees:**

Payment of Listing Fees: -

The Company is listed on BSE Limited ("BSE") The International Securities Identification Number (ISIN) Number of the Company is INE545R01010. Your Company has paid the Annual Listing fees for the Financial Year 2018-19 to BSE.

Payment of Depository Fees: -

Annual Custody / Issuer Fee for the Financial Year 2018-19, has been paid by your Company to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).



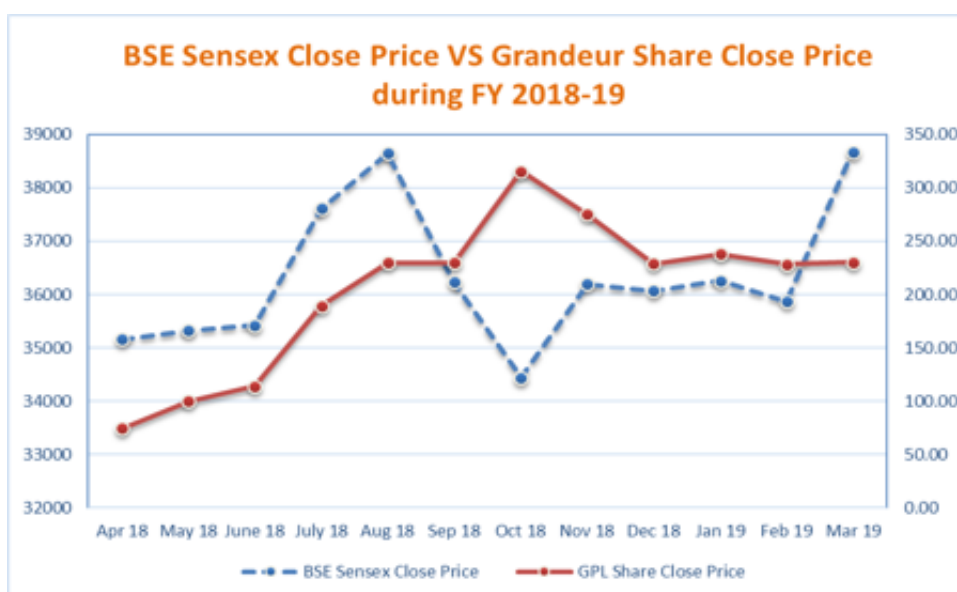
The equity shares of the Company are listed on the following Stock Exchange with the stock codes as indicated against each Stock Exchange:

Name of the Stock Exchange	Stock Code
The Bombay Stock Exchange Limited Phiroze Jheejeebhoy Towers, Dalal Street, Mumbai – 400 001	539235

f) Market Price Data

High, low during each month and trading volumes of the Company's Equity Shares during the last financial year 2018-19 at The BSE Limited (BSE) are as under:

DATE	BSE			
	High	Low	Close	Qty Traded
Apr-18	-	-	-	-
May-18	99.85	74.90	99.85	950
Jun-18	114.15	104.8	114.15	50
Jul-18	189.20	119.85	189.20	1
Aug-18	229.85	198.65	229.85	101
Sep-18	229.85	229.85	229.85	25001
Oct-18	323.35	234.40	315.60	90001
Nov-18	315.60	275	275.00	127035
Dec-18	269.50	228.75	228.75	13
Jan-19	247.85	228.65	237.80	1
Feb-19	233.70	219.40	228.20	7195
Mar-19	239.20	228.35	230.00	30300



**g) Registrar and Share Transfer Agent**

Venture Capital and Corporate Investments Private Limited is the Registrar and Share Transfer Agent (RTA) for handling the physical and electronic registry work. The Shareholders are requested to address their share related requests / queries to the RTA at the following address:

Venture Capital and Corporate Investments Private Limited
12-10-167, Bharat Nagar, Hyderabad, 500018,
Phone : +91 040-23818475/23818476/23868023
Fax : +91 040-23868024

h) Share Transfer System

The requests for physical Share Transfers, Transmissions, Transposition etc., are received by the Company or by the Registrar and Share Transfer Agent. In respect of shares, which are traded in the dematerialised form, the transfers are processed and approved in electronic form by NSDL/CDSL through their Depository Participants. The physical Share Transfers, Transmissions, Transposition, etc., are processed based on number of requests received and keeping in view the prescribed timeline. The shares lodged for physical Transfer/Transmission/ Transposition are registered as per the requirement of the SEBI (LODR) Regulations, 2015, if the documents are complete in all respects. Adequate care is taken to ensure that no share transfers are pending for more than the period stipulated in the SEBI (LODR) Regulations, 2015. Shares requested for dematerialisation are generally confirmed within prescribed time period.

To ensure swift processing of the Share Transfers, Transmissions, Transposition etc., the Board of Directors have delegated necessary powers to the Stakeholders' Relationship Committee.

i) Secretarial Audit and other certificates:

- ◆ Pursuant to Regulation 40 (9) of the Listing Regulations, certificates have been issued on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.
- ◆ A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).
- ◆ In accordance with the SEBI Circular dated 8th February, 2019, the Company has obtained an Annual Secretarial Compliance Report from Mr. MB Suneel Practicing Company Secretary confirming compliances with all applicable SEBI Regulations, Circulars and Guidelines for the year ended 31st March, 2019.

j) Shareholding Pattern as at 31st March 2019:

S.No	Category of Shareholders	No.of Shares	Percentage
1	Promoter & Promoter Group	3195000	14.32
2	Other Bodies Corporate	4229319	18.96
3	Resident Individuals	14273804	63.97
4	Trust	611960	2.74
5	Clearing Member	1459	0.01
6	Non-Resident Indian (NRI)	418	0.00
	Total	22311960	100.00

**k) Distribution of Shareholding as at 31st March 2019:**

S. No	Nominal Value	No. of Share Holders	% to Total Capital	Amount in ₹	% to Total Holders
1	Upto - 5000	405	79.72	101430	0.05
2	5001 - 10000	21	4.13	197270	0.09
3	10001 - 20000	7	1.38	131090	0.06
4	20001 - 30000	7	1.38	187310	0.08
5	30001 - 40000	1	0.2	40000	0.02
6	40001 - 50000	5	0.98	237650	0.11
7	50001 - 100000	2	0.39	165340	0.07
8	100001 and above	60	11.81	222059510	99.52
	Total	508	100	223119600	100

h) Dematerialization of Shares and Liquidity

The equity shares of the Company are admitted in the following Depositories of the country under the International Securities Identification Number (ISIN) INE545R01010. This number is required to be quoted in each transaction relating to the dematerialized equity shares of the Company. The Company has entered into Agreements with both NSDL and CDSL to facilitate the shareholders to dematerialize their equity shares with any one of the Depositories.

Name of the Depository and Address

National Securities Depository Limited: Trade World, A wing, 4th & 5th Floors, Kamala Mills, Compound, Lower Parel, Mumbai - 400 013.

Central Depository Services (India) Limited: Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai 400013

As at 31st March 2019, 2,23,02,860 equity shares, representing 99.96% of the Company's total number of shares, have been dematerialized.

m) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on Equity:

The Company does not have any outstanding GDRs / ADRs / warrants / convertible instruments.

n) Commodity price risk or foreign exchange risk and hedging activities: Not Applicable**o) Plant Location: Not Applicable****p) Address & E-mail id for investors Correspondence, queries and grievances:**

Priyanka Kumari,
Company secretary & Compliance Officer
H. No. 1-62-192, 3rd Floor, Dwaraka Avenue, Kavuri Hills,
Madhapur, Hyderabad, Telangana-500033
e-mail: cs@grandeurproducts.com



11. DISCLOSURES

(A) Related Party Transactions:

The Policy on Related Party Transactions is available on the website of the Company www.grandeurproducts.com. There are no materially significant related party transactions that may have potential conflict with the interests of the Company at large.

Attention of the Shareholders is drawn to the disclosures of transactions with Related Parties set out in Note No. 1.23 to the Standalone Financial Statement forming a part of the Annual Report.

In preparation of the Financial Statements, your Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts.

Except for drawing remuneration by the Whole Time Director and payment of sitting fees to Non-executive and Independent Directors, none of the Directors have any other material significant related party transactions, pecuniary or business relationship with the Company.

(B) Penalty / Strictures relating to Capital Markets:

There are no instances of non-compliance by the Company, and no penalties or strictures were imposed on the company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.

(C) Vigil Mechanism /Whistle Blower Policy:

The Company has a Vigil Mechanism, available at the Company's website and it is affirmed that no personnel has been denied access to the Audit Committee.

(D) Details of Compliance with Mandatory Requirements and Adoption of Non-Mandatory Requirements:

The Company has complied with the Mandatory requirements under SEBI (LODR) Regulations, 2015. The status of adoption of the Non-Mandatory requirements specified in Part E of Schedule II is given below:

i. Reporting of internal auditor: The Internal Auditor of the Company reports directly to the Audit Committee.

(E) Policy on Material Subsidiaries:

Tierra Agrotech Private Limited, is a Material Subsidiary of your Company whose turnover or net worth (i.e. Paid-up capital and free reserves) exceeds 20% (twenty per cent) of the consolidated turnover or net worth respectively of the Company and its subsidiary in the immediate preceding accounting year. Your Company has formulated a Policy for determining the Material Subsidiaries as defined in Regulation 16 of the Listing Regulations available on the website of the Company <https://www.grandeurproducts.com/InvestorsRelation.html>.

(F) Code of Conduct:

The Code of Conduct for the Board of Directors and the Senior Management Personnel has been disclosed on the website of your Company, viz., www.grandeurproducts.com. The declaration by the Wholetime Director stating that all the Board Members and Senior Management Personnel have affirmed their compliance with the laid down Code of Conduct for the Financial Year ended 31st March, 2019, is annexed to this Corporate Governance Report.

**(G) Disclosures by Management to the Board of Directors:**

The Company had received disclosures from all the Senior Management Personnel stating that none of them had any personal interest in any of the financial and commercial transactions entered into by the Company during the Financial Year 2018-19. Interested Directors, if any, neither participate in discussions, nor do they vote on such matters.

(H) Recommendations of Committees of the Board:

During the year under review, there were no instances, where the Board did not accept any recommendations of any Committees of the Board which were mandatorily required.

(I) CEO and CFO Certification:

Mr. Vijay Kumar Deekonda, Whole time Director and Chief Financial Officer, have issued the Certificate in accordance with Regulation 17(8) of the Listing Regulations with regard to Quarterly and Annual Financial Statements for the Financial Year ended 31st March, 2019.

(J) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, prohibition and redressal) Act, 2013:

- a. Number of complaints filed during the financial year: 0
- b. Number of complaints disposed of during the financial year: 0
- c. Number of complaints pending as on end of the financial year: Nil

(K) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

Your Company has also raised the Funds by way of issue and allotment of an aggregate of 67,00,000 Equity Shares of face value ₹ 10 each at a price of ₹ 40/- (including a premium of ₹ 30/-) per equity share, amounting to ₹ 26.80 Crores (Rupees Twenty-Six Crores and Eighty Lakhs Only), by way of preferential issue under Chapter VII of Securities and Exchange Board of India (Issue of Securities and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR") on 5th May, 2018. The entire proceeds of the aforesaid issues aggregating to 26.80 Crores (Rupees Twenty-Six Crores and Eighty Lakhs Only) were utilised for funding expansion, plans and activities by the Company and its subsidiaries, potential acquisitions, working capital and general corporate purposes.

(L) Fees to Statutory Auditors:

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity are as follows:

S. No.	Particulars	Amount in ₹ (including taxes)
1.	Statutory Audit Fees	2,47,800
2.	Certification Fees	11,800

(M) Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of Para C to Schedule V of the Listing Regulations:

The Company has complied with all the requirements in this regard, to the extent applicable.

(N) Disclosures of compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations:



Sr. No.	Particulars	Regulation	Compliance Status Yes/No/N.A.	Compliance observed for the following:
1.	Board of Directors	17& 17A	Yes	<ul style="list-style-type: none">• Board Composition• Meeting of Board of Directors• Review of Compliance Reports• Plans for Orderly Succession for Appointments• Code of Conduct• Fees/Compensation• Minimum Information to be placed before the Board• Compliance Certificate• Risk Assessment and Management• Performance Evaluation of Independent Directors• Explanatory Statement to be annexed to General Meeting• Maximum Number of Directorships
2.	Audit Committee	18	Yes	<ul style="list-style-type: none">• Composition• Meeting of Audit Committee• Powers of Audit Committee• Role of Audit Committee and Review of Information by the Committee
3.	Nomination and Remuneration Committee	19	Yes	<ul style="list-style-type: none">• Composition• Role of the Committee• Frequency of Meetings
4.	Stakeholders' Relationship Committee	20	Yes	<ul style="list-style-type: none">• Composition• Role of the Committee• Frequency of Meetings
5.	Vigil Mechanism	22	Yes	<ul style="list-style-type: none">• Formulation of Vigil Mechanism for Directors and Employees• Direct access to Chairperson of Audit Committee
6.	Related Party Transactions	23	Yes	<ul style="list-style-type: none">• Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions• Related Party Transactions of the Company are in accordance with contracts duly approved by the Audit Committee, Board of Directors and Shareholders.• Review of transactions pursuant to aforesaid Contracts• Disclosure of Related Party Transactions



8.	Corporate Governance requirements with subsidiary of Listed entity	24 & 24 A	Yes	<ul style="list-style-type: none">• Review of Investments made by unlisted subsidiary companies by the Audit respect to Committee.• Minutes of Meetings of Board of Directors of unlisted subsidiary companies placed at the Meetings of the Board of Directors of the Company.• Review of significant transactions and arrangements entered into by the unlisted subsidiary companies.• Secretarial Audit Report of Material Subsidiary to be annexed
9.	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none">• Maximum Directorships and Tenure• Meeting of Independent Directors• Familiarisation of Independent Directors
10.	Obligations with respect to Directors and Senior Management	26	Yes	<ul style="list-style-type: none">• Memberships / Chairmanships in Committees• Affirmation with compliance to Code of Business conduct and Ethics from Directors and Management
11.	Other Corporate Governance Requirements	27	Yes	<ul style="list-style-type: none">• Compliance with discretionary requirements• Filing of quarterly compliance report on Corporate Governance
12.	Website	46 (2)(b) to (i)	Yes	<ul style="list-style-type: none">• Terms and conditions of appointment of Independent Directors• Composition of various Committees of Board of Directors• Code of Business Conduct and Ethics for Directors Management Personnel• Details of establishment of Vigil Mechanism/ Whistle Blower Policy• Policy on dealing with Related Party Transactions• Details of familiarization programmes imparted to Independent Directors

(O) Transfer of Unpaid / Unclaimed Amounts of Dividend to Investor Education and Protection Fund:

During the year under review, the Company was not required to transfer any amount to the Investor Education and Protection Fund (IEPF) pursuant to Rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as no amount of dividend was lying in the unpaid / unclaimed dividend account.