

CORPORATE GOVERNANCE REPORT

The detailed report on corporate governance for the year ended as on 31st March, 2019 under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set with following details:

Company's Philosophy on Code of Governance:-

Your Company's philosophy on corporate governance envisages adherence to the highest levels of transparency, accountability and equity in all areas of its operations and in all interactions with its stakeholders. Your Company is committed to achieve highest standards of corporate governance in its pursuit of excellence, growth and value creation. It believes that all operations must be spearheaded by integrity, transparency and accountability meeting its obligations towards enhanced shareholder value.

The Board of Director of your company are responsible for and committed for good corporate governance practice. The Board plays crucial role in overseeing how the management serves for short and long term interests of the shareholders and other stakeholders of the Company.

BOARD OF DIRECTORS:

A. Composition

Your Company's Board of Directors comprises of 5 Directors, consisting of one Executive Director, Two Non-Executive Director and Two Independent Non-executive Directors as in accordance Regulation 17 of SEBI. All the Directors declared that they are not members of more than ten committees in terms of the Listing Agreement and do not act as Chairman of more than five committees across all the companies in which they are Directors. The constitution of the Board during the financial year 2018-19 is as under:

| Name of the Director | Executive/ Non-Executive/ Independent | No. of outside Directorships in Public Companies | Membershi p held in Committee of Directors of other Public Companies | Chairman-ship held in Committee of Directors of other Public Companies |
|-----------------------------|--|---|---|---|
| Mr. Sachendra Tummala | Executive | Nil | Nil | Nil |
| Mr. Sanjiv Kumar Tandon | Non-Executive Non Independent Director | Nil | Nil | Nil |
| Mr. Ravi Kumar Chennupati | Non-executive-Independent Director | Nil | Nil | Nil |
| Mr. S.M. Patel | Non-executive Non- Independent | 2 | 4 | Nil |
| Mrs. Sridevi Nadella | Non-executive Independent Director | NIL | NIL | Nil |

B. Board Meetings and Attendance of Director

The Board meets once in a quarter to consider amongst other business, the performance of the Company and the quarterly results apart from the above, additional meetings are held when it is necessary and the gap between two consecutive Board meetings did not exceed 4 months. The Board/ Committee meetings are generally held at the Corporate Office of the Company at Hyderabad. Agenda for each Board /Committee meeting along with explanatory notes are distributed well in advance to the Directors/ Members of the Committee and all the statutory reports and minutes are placed before the Board as per the applicable laws. Every Board member is free to suggest the inclusion of items on the agenda.

During the financial year 2018-19 the Board of Directors of the Company met five times viz. 30th May 2018, 14th August 2018, 14th November 2018, 14th December 2018 and 14th February 2019,

The Attendance of Directors of the Company at the Board Meetings held during the financial year 2018-19 and previous AGM held on 27.09.2018.

| Name of the Director | No. of Board Meetings held during the tenure | No. of Board meetings attended | Whether attended at last AGM |
|---------------------------|--|--------------------------------|------------------------------|
| Mr. Sachendra Tummala | 5 | 5 | YES |
| Mr. Sanjiv Kumar Tandon | 5 | 5 | YES |
| Mr. Ravi Kumar Chennupati | 5 | 5 | YES |
| Mr. S.M. Patel | 5 | 3 | NO |
| Mrs. Sridevi Nadella | 5 | 5 | YES |

C. Board Agenda

Meetings are governed by a structured agenda. The Board members, in consultation with the Chairman, may take up any matter for consideration of the Board. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions.

Brief profiles of the Directors being appointed/re-appointed have been given in the Directors' Report.

D. Details of Board Meetings held during the Year 2018-19

| Date of the Meeting | Board Strength | No. of Directors present |
|---------------------|----------------|--------------------------|
| 30.05.2018 | 5 | 5 |
| 14.08.2018 | 5 | 4 |
| 14.11.2018 | 5 | 4 |
| 14.12.2018 | 5 | 5 |
| 14.02.2019 | 5 | 5 |

E Code of Conduct

The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The text of the Code of Conduct is uploaded on the website of the Company - www.mipco.co.in. The Directors and Senior Management

personnel have affirmed compliance with the Code applicable to them during the year ended 31st March, 2019. The Annual Report of the Company contains a Certificate duly signed by the Managing Director in this regard.

F Shares held by non- executive Directors

None of Non-executive Directors are holding shares in the Company.

BOARD COMMITTEES:

The Board Committees play crucial role in corporate governance and have been constituted to deal with specific areas and the periodical meetings have been held to review the matters and the minutes of the same were placed before the Board.

Audit Committee:

Terms of reference:

The terms of reference of Audit Committee encompass the requirements of Section 177 of Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement.

The terms of reference inter-alia includes:

1. Oversee the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment and removal of external auditor and fixation of audit fees and also approval of payment for any other services.
3. Reviewing, with the management, the annual financial statements before submission to the Board focusing primarily on:
 - Any changes in accounting policies and practices.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with stock exchange and other legal requirements relating to financial statements.
4. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
5. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
6. Discussion with internal auditors any significant findings and follow up thereon.
7. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
8. Discussion with external auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
9. To Review in Company's financial and risk management policies.

Mandate, Role and Responsibilities of the Audit Committee:

As specified under the Companies Act 2013, and the Rules made thereunder, Listing Agreement, SEBI Regulations and regulatory requirements that may come into force from time to time; and as may be mandated by the Board of Directors from time to time.

Composition of the Audit Committee as on March 31, 2019:

1. Mr. Sridevi Nadella – Chairperson
2. Ms. Ravi Kumar Chennupati– Member
3. Mr. Sanjiv Kumar Tandon – Member

The Audit Committee consists of Independent Directors as members.

Meetings and Attendance:

Four Audit Committee Meetings were held during the year ended 31st March, 2019. The maximum time gap between any of the two meetings was not more than four months.

Audit Committee Meetings held during the year 2017-18 and attendance details:

| Date of the Meeting | Committee Strength | No. of Directors present |
|----------------------------|---------------------------|---------------------------------|
| 30.05.2018 | 3 | 3 |
| 14.08.2018 | 3 | 3 |
| 14.11.2018 | 3 | 3 |
| 14.02.2019 | 3 | 3 |

Company Secretary of the Company is the Secretary to the Committee. Managing Director, Chief Financial Officer were invitees for the Audit Committee Meetings. The Statutory Auditors of the Company were invited to join the Audit Committee in the meetings for discussing the financial results, financial statements and the Annual/Audited Accounts before placing it to the Board of Directors.

NOMINATION AND REMUNERATION COMMITTEE:

The terms of reference of Nomination & Remuneration Committee encompass the requirements of Section 178 of Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations And Disclosure Requirements), Regulations 2015.

The key role of this Committee is as follows:

- Provide oversight on Strategic Human Capital issues.
- Search for, evaluate shortlist and recommend the incumbent for the position of Managing Director and other Directors and their engagement terms to the Board.
- Evaluate and approve for appointment candidates recommended by Managing Directors for key senior positions.

- Review the Succession Plan for Critical Positions and suggest actions.
- Have the responsibility for setting the remuneration for the Managing Director and Whole Time Directors. Review remuneration for the Key Managerial Personnel of the Company. Remuneration in this context will include salary, and performance based variable component and any compensation payments, such as retrial benefits or stock options.

Mandate, Role and Responsibilities of the Nomination and Remuneration Committee:

As specified under the Companies Act 2013, Rules under the Companies Act 2013, Listing Agreement, SEBI Regulations and regulatory requirements that may come into force from time to time; and as may be mandated by the Board of Directors from time to time.

Composition of the Nomination and Remuneration Committee as on March 31, 2019:

1. Mr. Ravi Kumar Chennupati, Chairman
2. Mr. S.M. Patel
3. Mr. Sanjiv Kumar Tandon

Remuneration policy -

i) For Managing Director

The total remuneration pursuant to shareholders approval consists of:

- a fixed component - consisting of salary and perquisites
- a variable component by way commission as determined by the Board/Nomination and Remuneration Committee within the limits approved by the shareholders

ii) For Non- executive Directors

Criteria for making payments to Non-Executive Director will be decided by the Board. It can be on the basis of-

- Contribution during the meeting
- Active Participation in strategic decision making

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee currently comprises of the following Directors:

1. Mr. Sanjiv Kumar Tandon - Chairman
2. Mr. Surya Chilukuri - Member
3. Mr. Sachendra Tummala - Member

Meetings and Attendance

| Date of Meeting | Committee Strength | No. of Directors Present |
|-----------------|--------------------|--------------------------|
| 29.04.2018 | 3 | 3 |
| 07.06.2018 | 3 | 3 |
| 20.06.2018 | 3 | 3 |
| 29.06.2018 | 3 | 3 |
| 12.07.2018 | 3 | 3 |
| 04.08.2018 | 3 | 3 |
| 28.08.2018 | 3 | 3 |
| 14.10.2018 | 3 | 2 |
| 04.11.2018 | 3 | 3 |
| 17.11.2018 | 3 | 3 |
| 29.11.2018 | 3 | 2 |
| 13.12.2018 | 3 | 2 |
| 29.12.2018 | 3 | 2 |
| 10.01.2019 | 3 | 2 |
| 24.01.2019 | 3 | 3 |
| 28.02.2019 | 3 | 3 |
| 14.03.2019 | 3 | 3 |
| 27.03.2019 | 3 | 3 |

The Stakeholders Relationship Committee specifically looks into redressing of shareholders/ investors complaints in matters such as transfer of shares, non-receipt of declared dividends and ensure expeditious share transfer process.

| | |
|--|---|
| Number of Shareholders Complaints received during the year | 0 |
| Solved to the satisfaction of the shareholders | 0 |
| Number of pending Complaints | 0 |

GENERAL BODY MEETINGS:

Location and time where the last three Annual General Meetings were held are as under:

| Financial Year | Date | Location of the Meeting | Time |
|----------------|------------|--|----------|
| 2015-2016 | 29.09.2016 | 34, Corpus Techno Enclave, AVS Compound, 4 th Block, Koramangala, Bangalore, Karnataka-560095 | 1.30 P.M |
| 2016-2017 | 26.09.2017 | 34, Corpus Techno Enclave, AVS Compound, 4 th Block, Koramangala, Bangalore, Karnataka-560095 | 1.30 P.M |
| 2017-2018 | 27.09.2018 | 34, Corpus Techno Enclave, AVS Compound, 4 th Block, Koramangala, Bangalore, Karnataka-560095 | 1.30 P.M |

DISCLOSURES:

a. Basis of Related Party transactions:

There were no significant related party transactions during the year under review that may prejudice the interest of the Company. However a statement of summary of transactions with related parties along with all material individual transactions was placed before the Audit Committee along with management justification.

b. Disclosure of accounting treatment:

The Company follows accounting standards notified under the Companies Act, 2013 in preparation of financial statements and have not been deviated from the current accounting Standards.

c. Risk management:

The Company laid down adequate procedures to inform Board members regarding risk assessment and mitigation.

d. Whistle Blower Policy and Vigil mechanism:

In compliance with the Non-mandatory provisions of Listing Regulations the Company proposed to establish vigil mechanism to provide adequate safeguards against victimisation persons who use such mechanism and to provide direct access to the Chairman of the Audit Committee in cases such as concerns about unethical behaviour, frauds and other grievances.

e. Compliance with the Mandatory requirements and Implementation of the Non-Mandatory requirements:

The Company has complied with the mandatory requirements of the Corporate Governance Regulations of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and for the same a certificate from Statutory Auditors was obtained and attached herewith. The Company has not implemented the non-mandatory requirements enlisted by way of annexure to Regulation 27 of the Listing Regulations.

f. Management Discussion and Analysis Report:

The Management Discussion and analysis report is appended to this report.

g. Compensation to Non-executive Directors:

During the period the Company has not paid any compensation to Non-executive Directors including setting fee.

h. Means of communication

The Quarterly, half-yearly, annual financial results, notices as well as proceedings of the Annual General Meeting are communicated to the stock exchanges immediately after the conclusion of the respective meetings. The results are published in English and Kannada newspapers in district where the registered office of the Company situated.

i. Certification on Corporate Governance

As required by Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate issued by M/s. Ganesh Venkat &

Co., Chartered Accountants, Hyderabad, Statutory Auditors of the Company, regarding compliance of conditions of Corporate Governance is annexed to this report.

GENERAL SHAREHOLDER INFORMATION:

a) Annual General Meeting:

DATE : 27th September, 2019
 TIME : 1.00 P.M
 VENUE : 34, Corpus Techno Park, AVS Compound, 4th Block, Koramangala, Bangalore, Karnataka, India-560095

b) Tentative calendar for financial year 2019-20:

First Quarter results - Within 45 days of end of quarter.
 Second Quarter results - Within 45 days of end of quarter.
 Third quarter results - Within 45 days of end of quarter.
 Fourth quarter results - Within 60 days of end of quarter.
 & Annual accounts.

c) Book Closure Dates:

From 21st September, 2019 to 27th September, 2019 (both days inclusive).

d) Listing of equity shares & stock code:

The equity shares of the company are listed at Bombay Stock Exchange Limited., Mumbai, 1st Floor, New Trading Ring, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001 and Stock Code 505797.

e) Stock Price Data

| Month & Year | BSE (In Rs) | |
|----------------|-------------|-----------|
| | High Price | Low Price |
| April 2018 | 10.00 | 10.00 |
| May 2018 | 10.00 | 10.00 |
| June 2018 | 10.00 | 10.00 |
| July 2018 | 10.00 | 10.00 |
| August 2018 | 10.00 | 10.00 |
| September 2018 | 10.00 | 10.00 |
| October 2018 | 10.00 | 10.00 |
| November 2018 | 10.00 | 10.00 |
| December 2018 | 10.00 | 10.00 |
| January 2019 | 10.00 | 10.00 |
| February 2019 | 10.00 | 10.00 |
| March 2019 | 10.00 | 10.00 |

f) ISIN No: INE860N01012

g) Registrar and Transfer Agents:

M/s Venture Capital & Corporate Investments Private Limited.

12-10-167, Bharatnagar, Hyderabad-500 018

Ph: 040-23818475/8476 Fax: 040-23868024

h) Distribution of Shareholding:

i) Categories wise shareholding as on 31st March, 2019:

| Category | Holding as on 31.03.2019 |
|---------------------------------|-----------------------------|
| Promoter and Promoter Group | 1563722 |
| Bodies Corporate | 105911 |
| Clearing Member | 1011 |
| Central/State Government(s) | 0 |
| Financial Institutions/Banks | 2460 |
| Foreign Bodies Corporate | 0 |
| Foreign Institutional Investors | 0 |
| Insurance Companies | 0 |
| Mutual Funds/UTI | 15397 |
| Non Residential Individuals | 1215 |
| Public | 1894734 |
| Trust | 350 |
| Total | 3584800 |

j) Distribution of shareholding as on 31st March, 2019:

| Nominal Value | Holders | | Shares | |
|------------------|--------------|------------|----------------|------------|
| | Number | % To Total | No. of Shares | % To Total |
| Upto - 5000 | 18158 | 97.53 | 1197990 | 33.42 |
| 5001 - 10000 | 297 | 1.60 | 233148 | 6.50 |
| 10001 - 20000 | 96 | 0.52 | 138654 | 3.87 |
| 20001 - 30000 | 24 | 0.13 | 58606 | 1.63 |
| 30001 - 40000 | 12 | 0.06 | 40910 | 1.14 |
| 40001 - 50000 | 10 | 0.05 | 45138 | 1.26 |
| 50001 - 100000 | 11 | 0.06 | 81129 | 2.26 |
| 100001 and above | 10 | 0.05 | 1789225 | 49.91 |
| Total | 18618 | 100 | 3584800 | 100 |

j) Declaration

As required under Schedule V(D) of SEBI (LODR) Rules 2015, it is hereby affirmed that all the Board Members and Senior Management Personnel have complied with the code of conduct of the Company. It is also confirmed that code of conduct has already been posted on the website of the Company.

k) The Disclosure of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:

| Regulation | Particulars of Regulations | Compliance Status (Yes/No/NA) |
|-------------------|--|--------------------------------------|
| 17 | Board of Directors | Yes |
| 18 | Audit Committee | Yes |
| 19 | Nomination and Remuneration Committee | Yes |
| 20 | Stakeholder Relationship Committee | Yes |
| 21 | Risk Management Committee | NA |
| 22 | Vigil Mechanism | Yes |
| 23 | Related Party Transactions | Yes |
| 24 | Corporate Governance requirements with respect to subsidiary listed entity | NA |
| 25 | Obligations with respect to Independent Director | Yes |
| 27 | Obligations with respect to Directors and Senior Management | Yes |
| 27 | Other Corporate Governance requirements | Yes |
| 46 (2) (b) to (i) | Website | Yes |

l) Code of Conduct:

The Board has laid down a Code of Conduct covering the ethical requirements to be complied with covering all the Board members and all employees of the Company. An affirmation of compliance with the code is received from them on an annual basis.

m) CEO and CFO Certification:

The Managing Director and the CFO have given a Certificate to the Board as contemplated in Schedule -V of the Securities and Exchange Board of India. (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is separately annexed.

CODE OF CONDUCT DECLARATION

As provided under Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the financial year ended 31st March 2019.

Address for Correspondence:

Mipco Seamless Rings (Gujarat) Limited

CIN: L72900GJ1980PLC003643

Plot No:82, Abburu Heights

Door No: 1-80/40/SP/82, Hitech City

Silpa Layout, Gacchibowli, Serilingampally

Hyderabad – 500081 (AP)

Ph: 040-30787305 Fax: 040-30787314

E-mail: corpus.acs@gmail.com

Place: Hyderabad

Date: 14.08.2019

For and on behalf of the Board

Sd/-

**Sachendra Tummala
Managing Director**