

**Corporate Governance Report for the year ended on 31<sup>st</sup> March 2017**

**1 Company Philosophy:**

We continue to believe that good corporate Governance is essential to achieve long-term corporate goals and to enhance stockholders value. Company is a listed company on the Bombay Stock Exchange.

**2 Board of Directors:**

Category	No. of directors
<b>Non-Executive &amp; Independent Directors including the Chairman</b>	3
<b>Other Non-Executive Directors</b>	-
<b>Executive Director (CEO &amp; MD)</b>	1
<b>Total</b>	4

The Chairman of the Board is an Executive Director.

Other Relevant details of Directors:

Name of Director	Date of Appointment	Category	No. of Directorship(s) held in Other Indian Public & Private Limited Companies
Mr. K. Rambabu	31/10/2012	Managing Director	1. M/S. Golden Earth Infracon Projects Private Limited 2. M/S. Center For India Marketing 3. M/S. Varthamanam Media And Publications Private Limited
Mr. K.Lohit	20/05/2014	Director	M/s. K K Solar And Technical Solutions Private Limited M/s. Gosta Foods Private Limited
P. Sai Venkateshwar Rao	31/10/2012	Director	M/s. Gosta Foods Private Limited
Uday Dinakar Kanukollu	30/09/2014	Director	

Board Meetings held during the year;

Dates on which the Board Meetings were held	Total Strength of the Board	No. of Directors Present
30/05/2016	4	4
13/08/2016	4	4
13/11/2016	4	4
13/02/2017	4	4

Name of Director	Attendance at the Board Meetings held on				Attendance at the AGM held on 30th Sep'16
	30/05/2016	13/08/2016	13/11/2016	13/02/2017	
Mr. Ram Babu K	Present	Present	Present	Present	Present
Mr. Uday Dinakar K	Present	Present	Present	Present	Present
Mr. Lohit.K	Present	Present	Present	Present	Present
Mr.P Sai Venkateshwar Rao	Present	Present	Present	Present	Present

**3. COMMITTEES OF THE BOARD**

**(a) Audit Committee (mandatory committee)**

The Audit Committee continued working under Chairmanship of Mr. P. Sai Venkateswara Rao with K. Uday Dinakar and Mr. K.Lohit as co-members. During the year, the sub-committee met on three occasions with full attendance of all the members.

The composition of the Audit Committee as at March 31, 2017 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at the Board Meetings held on			
		30/05/2016	13/08/2016	13/11/2016	13/02/2017
Mr. P. Sai Venkateswara Rao	Chairman	Present	Present	Present	Present
Mr. K. Lohit	Member	Present	Present	Present	Present
Mr. K. Uday Dinakar	Member	Present	Present	Present	Present

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and the Listing Agreement. Some of the important functions performed by the Committee are:

**Financial Reporting and Related Processes**

- Oversight of the Company’s financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors’ Limited Review Report thereon/audited annual financial statements and Auditors’ Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company’s accounting principles with reference to the Generally Accepted Accounting Principles in India (IGAAP).
- Review the investments made by the Company.

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

During the year under review, the Audit Committee held a separate meeting with the Statutory Auditors and the Chief Internal Auditor to get their inputs on significant matters relating to their areas of audit.

**(b) Nomination and Remuneration Committee**

In compliance with Section 178 of the Companies Act, 2013, the Board has renamed the existing “Compensation Committee” as the “Nomination and Remuneration Committee”.

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

The composition of the Nomination and Remuneration Committee as at March 31, 2017 and details of the Members of the Committee are as under:

Name of Director	Category	Attendance at the Board Meetings held on			
		30/05/2016	13/08/2016	13/11/2016	13/02/2017
Mr. P. Sai Venkateswara Rao	Chairman	Present	Present	Present	Present
Mr. K. Lohit	Member	Present	Present	Present	Present
Mr. K. Uday Dinakar	Member	Present	Present	Present	Present

**(c) Stakeholders’ Relationship Committee (mandatory committee)**

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing “Shareholders’/Investors’ Grievance Committee” as the “Stakeholders’ Relationship Committee”.

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees’ Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of

declared dividend / interest, change of address for correspondence etc. and to monitor action taken;

- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture

The composition of the Stakeholders’ Relationship Committee as at March 31, 2017 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at the Board Meetings held on			
		30/05/2016	13/08/2016	13/11/2016	13/02/2017
Mr. K. Uday Dinakar	Chairman	Present	Present	Present	Present
Mr. K Rambabu	Member	Present	Present	Present	Present
Mr. K. Lohit	Member	Present	Present	Present	Present

### Independent Directors’ Meeting

During the year under review, the Independent Directors met on March 29, 2017 inter alia, to discuss:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non-executive directors.
- Evaluation of the quality, content and timelines of flow of information between the 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.

### PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board’s functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

### 3 Disclosures:

#### (a) Materially Significant related party transactions

There was no transaction of material nature with any of the related party, which is in conflict with the interest of the company.

(b) Details of non compliance by the company, penalties, strictures imposed on the company by the Stock Exchange or SEBI or any authority on any matter related to capital markets during last 3 years. - There was no instance of levy of any penalties during the last three years.

**Compliance with Accounting Standards**

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

**Internal Controls**

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances.

**CEO & MD / CFO Certification**

The CEO & MD and the CFO have issued certificate pursuant to the provisions of the Listing Agreement certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company’s affairs. The said certificate is annexed and forms part of the Annual Report.

**Code of Conduct**

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all employees. The Company believes in “Zero Tolerance” to bribery and corruption in any form and the Board has laid down the “Anti-Bribery & Corruption Directive” which forms an Appendix to the Code. The Code has been posted on the Company’s website [www.abcdomain.com](http://www.abcdomain.com).

**Prevention of Insider Trading**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary/compliance officer & Head Compliance is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

**4 Means of Communication**

<b>i. Half yearly report sent to each shareholders registered address</b>	No
<b>ii. In which newspapers quarterly results were normally published</b>	BSE Official Website
<b>iii. Any Website where results or official news are displayed</b>	No

No presentation made to institutional investors or to the analysts. Management Discussion & Analysis are not a part of Annual Report.

## 5 General Shareholder Information

### Market Information

#### Listing on Stock Exchanges

The Company's shares are listed on the following Stock Exchanges and the Listing Fees have been paid to the Exchanges:

Name & Address of the Stock Exchanges	Stock Code/ Scrip Code	ISIN Number for NSDL/CDSL (Dematerialised share)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	531674	INE559F01016

#### Share Price on BSE vis-à-vis BSE Sensex April 2016 - March 2017

Month	BSE Sensex Open	Share Price			No. of shares traded during the month	Turnover
		High	Low	Close		
April	0	0	0	0	0	0
May	10.35	10.40	10.35	10.35	409	4233
June	0	0	0	0	0	0
July	0	0	0	0	0	0
Aug	0	0	0	0	0	0
Sep	0	0	0	0	0	0
Feb	0	0	0	0	0	0
Mar	0	0	0	0	0	0

### SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS

#### Share transfers

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

#### Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

#### Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

### Pending Investors' Grievances

Any Member / Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary and Head Compliance at the Registered Office with a copy of the earlier correspondence.

S. No.	Nature of Queries/Compliant	Pending as on April 1,2016	Received during the year	Redressed during the year	Pending as on March 31, 2017
1	Transfer/Transmission of Duplicate Share Certificate	0	0	0	0
2	Non-receipt of Dividend	0	0	0	0
3	Dematerialisation/Rematerialisation of Shares	0	0	0	0
4	Complaints received from:	0	0	0	0
	SEBI	0	0	0	0
	Stock Exchanges/NSDL/CDSL	00	0	0	0
	ROC/MCA/Others	0	0	0	0
	Advocates	0	0	0	0
	Consumer Forum/Court Case	0	0	0	0
5	Others	0	0	0	0
	Grand Total	0	0	0	0

### Reconciliation of Share Capital Audit

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited and is also placed before Stakeholders' Relationship Committee and the Board of Directors.

### Dematerialisation of Shares and Liquidity

The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2017, is given below:

Particulars	No. of Shares	Percentage
Physical Segment	2133418	41.38
Demat Segment		
NSDL	2623857	50.89
CDSL	398525	7.73
Total	5155800	100.00

Distribution of Shareholding as on March 31, 2017

No. of shares slab	No. of shareholders	%	No. of shares							
			Physical	% of share capital	NSDL	% of share capital	CDSL	% of share capital	Total No. of Shares	% of share capital
1-50	144	21.55	18	0.00	453	0.01	731	0.01	1202	0.02
51-100	82	12.28	5800	0.11	852	0.02	1306	0.03	7958	0.15
101-200	40	5.99	4400	0.09	1399	0.03	1960	0.04	7759	0.15
201-500	137	20.51	46100	0.89	9322	0.18	5759	0.11	61181	1.19
501-1000	99	14.82	63900	1.24	10179	0.20	13971	0.27	88050	1.71
1001-5000	114	17.07	263000	5.10	17861	0.35	24515	0.48	305376	5.92
5001-10000	18	2.69	83800	1.63	29200	0.57	26428	0.51	139428	2.70
10001 & above	34	5.09	1666400	32.32	2554591	49.55	323855	6.28	4544846	88.15
<b>Total</b>	<b>668</b>	<b>100</b>	<b>2133418</b>	<b>41.38</b>	<b>2623857</b>	<b>50.89</b>	<b>398525</b>	<b>7.73</b>	<b>5155800</b>	<b>100.00</b>

Shareholding Pattern as on March 31, 2017

Particulars	No. of shares held	%
<b>Promoters</b>		
1.Indian	1420536	27.55
2.Foreign	0	0
Bank, Financial Institutions, Insurance Companies & Mutual Funds	0	0
Body Corporates	194715	3.78
<b>Public Shareholding Individuals</b>	<b>3540549</b>	<b>68.67</b>
Insurance Companies	0	0
Mutual Funds/UTI	0	0
Central & State Governments	0	0
Foreign Institutional Investors	0	0
NRIs/Foreign Nationals	0	0
Clearing Members	0	0
Public and Others	0	0
<b>Total</b>	<b>5155800</b>	<b>100</b>

**Statement showing Shareholding of more than 1% of the Capital as on March 31, 2017**

Sr. No.	Name of the shareholders	No. of Shares	Percentage of Capital
1	H C G Investments Impex Ltd	80000	1.55
2	Sreenivasa Iyyengar Parasaram	150000	2.91
3	Vijaya Sri Parasaram	145000	2.81
4	Kalyan Kumar Velagaleti	199900	3.88
5	Kanukollu Uday DinakarRao	75950	1.47
6	Suryavenkata Subbayya Sarma Tadepalli	236605	4.59
7	Venkata Rama Devi Velagaleti	180000	3.49
8	Vijaya Durga Savadam	165200	3.20
9	Sailaja Kakita	159800	3.10
10	Moganti Tulasi Thilothama	56600	1.10
11	D L Narsimha Rao	105200	2.04
12	Madhavalatha Yella	199600	3.87
13	Alivelumangatai Komtalli	200700	3.89
14.	V K Lalasa Avva	199800	3.88
15	Noorjaha Begum Pattan	91500	1.77
16	Baby Kamireddy	179300	3.48
17	Karunasree Kompalli	183900	3.57
18	PVSSG Sastry	69200	1.34
	Total	<b>2678255</b>	<b>51.95</b>

**General Body Meetings**

Particulars of last three Annual general meetings

AGM	Year ended 31st March,	Venue	Date	Time	Special Resolutions Passed
19 <sup>th</sup>	2014	Sapthaparni, Plot No.21, Road No.8, Banjara Hills, Hyderabad-500034, Telangana	30.09.2014	3.00 P.M.	NIL
20 <sup>th</sup>	2015	Sapthaparni, Plot No.21, Road No.8, Banjara Hills, Hyderabad-500034, Telangana	30.09.2015	3.00 P.M	YES
21 <sup>st</sup>	2016	Sapthaparni, Plot No.21, Road No.8, Banjara Hills, Hyderabad-500034, Telangana	30.09.2016	3.00 P.M	NO

**Extraordinary General Meeting (EGM)**

The Company has not convened any Extraordinary General Meeting during the Year.

During the year under review, no resolution has been passed through the exercise of postal ballot.

**E-Voting Facility to members**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CSDL). Pursuant to the amendments made in the Listing Agreement by SEBI, the company has sent assent/dissent forms to the members to enable those who do not have access to e-Voting facility to cast their vote on the shareholders resolution to be passed at the ensuing Annual General Meeting, by sending their assent or dissent in writing.

**FINANCIAL CALENDAR 2017:**

<b>AGM – Date, time and venue</b>	DATE:29 <sup>th</sup> September 2017 Time: 3.00 P.M. Venue: Sri Pannalal Bansilal Pitti Auditorium, Anandanagar Colony, Khairatabad, Hyderabad, 500 004, Telangana E-mail : <a href="mailto:indoasian1995@yahoo.in">indoasian1995@yahoo.in</a>
<b>Financial Year</b>	1 <sup>st</sup> April 2016 to 31 <sup>st</sup> March 2017
<b>Book Closure Date</b>	23 <sup>rd</sup> September 2017 to 29 <sup>th</sup> September 2017
<b>Dividend Payment Date</b>	Not Applicable
<b>Listing of Eq. shares on stock exchanges.</b>	Bombay Stock Exchange
<b>Stock Code</b>	531674
<b>Market Price Data and other related information</b>	Furnished above in the report
<b>Registrar &amp; Transfer Agents</b>	M/s Venture Capital and Corporate Investments Pvt. Ltd, 12-10-167, Bharatnagar, Hyderabad -500018.
<b>Board Meeting for consideration of Accounts for the financial year ended March 31, 2017 and recommendation of dividend</b>	30.05.2017
<b>Board Meeting for consideration of unaudited quarterly results for the financial year ended March 31, 2017</b>	30.05.2017
<b>Audited results for the current financial year ending March 31, 2017</b>	30.05.2017