



## REPORT ON CORPORATE GOVERNANCE

In Compliance with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company sets forth the report on the Corporate Governance on the matters as mentioned in the said schedule and practices followed by the company.

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large it is imperative that our Company's affairs are managed in a fair and transparent manner. We ensure that we evolve and follow not just the stated corporate governance guidelines, but also global best practices. We consider it our inherent responsibility to disclose timely, adequate and accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company has executed fresh Listing Agreements with the Stock Exchanges. The Company is in compliance with the requirements stipulated under regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

### 2. BOARD OF DIRECTORS:

#### i. Composition and Category of the Directors as on 31st March, 2019

In terms of compliance with the requirement companies act, 2013/and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company endeavor to have an optimum combination of Executive and Non-Executive Director with one woman director to maintain the independence of the Board and separate the functions of Governance and Management through Board and Committees.

As on 31st March 2019, the Board consist of 6 (Six) Directors. There is 1(One) Managing Director, 2(Two) Whole-time Directors and 3(three)Non-executive Independent Directorsincluding 1 (One) chairman and 1(one) Woman Director.

#### ii. Attendance of each Director at the Board Meetings and the last Annual General Meeting.

The particulars of attendance of Board Meetings and Annual General Meeting by Directors for the financial year ended 31.03.2019 has been set out here below:

SL. No.	Name of the Director	Board Meetings attended during the financial year (2018-2019)	Attendance at previous AGM held on 22.09.2018
1	Sri RamadasKasarneni Chairman and Independent Director	3	Yes
2	Sri N. Seethaiah Managing Director	5	Yes
3	Sri K. SrinivasaRao Whole-time Director	5	Yes
4	Sri. Mohammad Shafi Whole-time Director	4	No
5	Sri P. MadhavaRao Independent Director	1	Yes
6	Smt. Ch. Lakshimi Kumari Independent Director	4	Yes

#### iii. Number of other Boards or Board Committees in which he/she is a member or Chairperson.

None of the directors are members of more than ten committees or chairman of more than five committees in public limited companies in which they are directors. Necessary disclosures have been obtained from all the directors regarding their directorship and have been taken on record by the Board.



The names of the Directors and the details of other chairmanship / directorship / committee membership of each Director as on 31st March 2019 is given below:

Sl. No.	Name of the Director	Position	No. of Directorships in other Companies	Committee Membership in other Companies	Committee Chairmanship in other Companies
1	Sri N. Seethaiah	Managing Director	8	6	0
2	Sri K. SrinivasaRao	Whole-time Director	10	6	0
3	Sri. Mohammad Shafi	Whole-time Director	0	0	0
4	Sri Ramadas Kasarneni	Chairman and Independent Director	3	3	2
5	Smt. Ch. Lakshimi Kumari	Independent Director	4	4	4
6	Sri P. MadhavaRao	Independent Director	3	4	0

iv. Number of Board Meetings held and Dates on which held:

The Board met 5 (Five) times during the financial year 2018-2019. The Board of Directors of the Company had met not exceeding with a maximum time gap of one hundred and twenty days.

First Quarter		Second Quarter		Third Quarter		Fourth Quarter	
Meeting No.	Date	Meeting No.	Date	Meeting No.	Date	Meeting No.	Date
579	04.04.2018	581	13.08.2018	582	12.11.2018	583	11.02.2019
580	28.05.2018						

The Company places before the Board all those details as required under Listing Regulations. The dates for the board meetings are fixed after taking into account the convenience of all the directors and sufficient notice is given to them. The Company has video conferencing facilities to enable director's participation at board meetings. Detailed agenda notes are sent to the directors. All the information required for decision making are provided in the agenda. Those that cannot be included in the agenda are tabled at the meeting. The Chairperson and the Managing Director appraise the Board on the overall performance of the Company at every board meeting. The Board reviews performance, approves capital expenditures, sets the strategy of the Company should follow and ensures financial stability. The Board takes on record the actions taken by the Company on all its decisions periodically.

The Board also takes on record the declaration made by the Company secretary, Chairman and Managing Director regarding compliances of all laws on a quarterly basis.

### 3. AUDIT COMMITTEE:

i. Brief description of terms of reference:

In terms of compliance with the requirement of Regulation 18 of the Listing Regulations, the Audit Committee has been constituted consisting of qualified and independent Board members for providing accurate and transparent financial reporting to the Board and shall have the powers and roles to perform the functions as mentioned in Listing Regulations and respectively read with Section 177 of the Companies Act, 2013.

ii. Composition, Name of Members and Chairperson:

The Audit Committee comprises of the following members as on 31st March 2019:

1. Smt. Ch. Lakshimi Kumari, Independent Director as Chairperson
2. Sri N. Seethaiah, Managing Director as Member
3. Sri P. Madhava Rao, Independent Director as Member

iii. Meeting and attendance during the year:

In terms of compliance with the requirement of Regulation 18 (2) of the Listing Regulations, the Audit Committee met 4 (Four) times during the financial year under review, on 28.05.2018, 13.08.2018, 10.11.2018 and 11.02.2019 and the attendance of the members of the Audit Committee as recorded is as under:



SL. No.	Name of the Director	Status	No. of meetings attended
1	Smt. Ch. Lakshimi Kumari	Chairman	4
2	Sri N. Seethaiah	Member	4
3	Sri P. Madhava Rao	Member	1

Head of Finance & Accounts Division and Internal Auditors attended the meetings of the Audit Committee as Invitees.

In terms of compliance with the requirement of Listing Regulations, the Audit Committee reviews the information from time to time as specified in the said clause.

#### 4. NOMINATION AND REMUNERATION COMMITTEE:

##### i. Brief description of terms of reference:

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

1. To determine the Company's policy on specific remuneration package for Executive Directors including compensation payment, if any, on behalf of the Board of Directors and Shareholders.
2. To review, assess and recommend the appointment of Executive Director from time to time and also remuneration package including Employees Stock Option Scheme to the Board of Directors.
3. Any other function as may be delegated by Board of Directors.

##### ii. Composition and Role of Nomination and Remuneration Committee:

Nomination and Remuneration Committee was reconstituted in Board Meeting dated 13.08.2018 and now comprises of the following non-executive independent directors as on 31st March 2019:

- 1) Smt. Ch. Lakshimi Kumari, Woman Independent Director as Chairperson
- 2) Sri. Ramadas Kasarneni, Independent Director as Member
- 3) Sri. P. Madhava Rao, Independent Director as Member

This committee recommends the appointment/reappointment of executive directors and the appointments of employees from the level of vice-president and above along with the remuneration to be paid to them. The remuneration is fixed keeping in mind the persons track record, his/her potential individual performance, the market trends and scales prevailing in the similar industry.

##### iii. Attendance during the year:

The Nomination and Remuneration Committee met 3 (Three) times, during the financial year under review, on 28.05.2018, 13.08.2018 and 09.02.2019 and approved re-appointment of Sri. Mohammad Shafi and increase in remuneration of Sri SrinivasaRaokamma, appointment of Chairman and Non-executive Independent Director, Sri RamadasKasarneni and re-appointment of Managing Director & CEO, Sri Seethaiah Nama. The attendance of the meeting by the members of the Committee as recorded is as under:

SL. No.	Name of the Director	Position	No. of meetings Attended
1	Smt. Ch. Lakshimi Kumari	Chairperson	3
2	Sri. Srinivasa Rao Kamma*	Member	2
3	Sri. P Madhava Rao	Member	2
4	Sri. Ramadas Kasarneni **	Member	1

\* ceased as member w. e. f. 13.08.2018

\*\* became member w. e. f. 13.08.2018

##### iv. Remuneration Policy:

The Policy provides for the following:

- a) Attract, recruit, and retain good and exceptional talent;
- b) List down the criteria for determining the qualifications, positive attributes, and independence of the directors of the Company;
- c) Ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognizes their merits and achievements and promotes excellence in their performance;



- d) Motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;
- e) Ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board; and
- f) Fulfil the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

Criteria for performance evaluation as laid down by Nomination and Remuneration Committee

The performance of Directors is evaluated by the Board (excluding the Director being evaluated) on the following criteria, as laid down by the Nomination and Remuneration Committee.

Evaluation Criteria:

- Active Participation in Board discussions and deliberations
- Contribution to development of strategy and risk management
- Guidance on corporate strategy, risk policy, corporate governance practices
- Independence and unbiased decisions/opinions etc.

v. Details of Remuneration to Executive Directors:

Of the total 6 (Six) directors, 3 (Three) are executive directors. The remuneration payable to these directors is determined by the Board on the Recommendation of the Nomination and remuneration committee. This is subject to the approval of the shareholders at the Annual General Meeting. The non-executive directors do not draw any remuneration/ sitting fees from the Company for attending the meetings of the board and the committees. Details of Remuneration of the executive Directors for the financial year 2018-2019 are as follows:

Sl. No.	Director	Consolidated Salary (Per Month) (Rs)	Perquisites, Allowances and other Benefits	Performance Bonus/ Incentive/ Commission/ Stock Option	Sitting Fees	Total (Per Annum)
1	Sri N. Seethaiah Managing Director	5,00,000/-	-	-	-	60,00,000/-
2	Sri K. SrinivasaRao Whole-time Director	3,00,000/-	-	-	-	36,00,000/-
3	Sri. Mohammad Shafi Whole-time Director	3,00,000/-	-	-	-	36,00,000/-

vi. Details of shareholding of Directors as on 31st March 2019:

As on 31st March 2019, the Company had 3 (Three) executive directors and 3 (Three) non-executive Independent directors, the two executive directors hold equity shares in the Company. The other non-executive directors do not hold any shares in the Company. The details are as follows:

SL. No.	Name of the Director	Status	No. of Shares held	Percentage (%) of total shares
1	Sri. Ramadas Kasarneni	Chairman & Independent Director	Nil	Nil
2	Sri. Nama Seethaiah	Managing Director	6001800	8.13
3	Sri. Kamma Srinivasa Rao	Whole-time Director	1031304	1.40
4	Sri. Mohammad Shafi	Whole-time Director	Nil	Nil
5	Sri. P. Madhava Rao	Independent Director	Nil	Nil
6	Smt. Ch. Lakshmi Kumari	Independent Director	Nil	Nil

## 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Committee is empowered to oversee the redressal of Shareholders/Investors Complaints/ Grievances pertaining to share transfers/non-receipt of Annual Reports/dividend payments, issue of duplicate share certificates, transmission of shares and other complaints etc.



## i. Composition of the Committee:

The Stakeholders' Relationship Committee comprises of the following Members as on 31st March 2019:

1. Smt. Ch. Lakshimi Kumari, Independent Director as Chairperson
2. Sri P Madhava Rao, Independent Director as Member
3. Sri K. Srinivas Rao, Whole -time Director as Member

## ii Attendance during the year:

The Shareholders/Investors Grievances Committee/ Stakeholders' Relationship Committee met 1 (One) time during the year on 06.04.2018 and the attendance of the members of the Committee as recorded is as under:

Sl. No.	Name of the Director	Position	No. of meetings attended
1	Smt. Ch. Lakshimi Kumari	Chairperson	0
2	Sri K. Srinivas Rao	Member	1
3	Sri P. Madhava Rao	Member	1

## ii. Name and Designation of Compliance Officer: Mr. Deepakbhai Kumudray Joshi, Chief Financial Officer and Company Secretary.

## iii. Number of Shareholders' Complaint received during the year under report:

All the requests and complaints received from the shareholders were attended to within the stipulated time and nothing was pending for disposal at the end of the year. During the period under review, the Company has received 6 Complaints from Shareholders and disposed of 6 and the balance is Nil.

## iv. Number of Complaints not solved to the satisfaction of Shareholders as on the date of approval of Directors Report - Nil

## v. Number of Pending Complaints as on the date of approval of Directors Report - Nil

## vi. E-mail ID for redressed of Shareholders' Grievances:

The Company has created a separate e-mail ID: cs@madhucon.com for the Grievance Redressal Division / Compliance Officer exclusively for the purpose of registering and redressal of complaints by investors / shareholders.

**6. GENERAL BODY MEETINGS:**

## i. Location and Time for the last three Annual General Meetings held and

## ii. Special resolutions passed in the last three Annual General Meetings held:

The particulars of previous 3 (Three) Annual General Meetings of the Company held is set out here under:

Particulars	Date & Time	Venue	Special Resolution passed
28th AGM	22.09.2018	Regd. Office: Madhu Complex, 1-7-70, Jublipura, Khammam	Nil
27th AGM (2016-2017)	23.09.2016 3.00 PM	Regd. Office: Madhu Complex, 1-7-70, Jublipura, Khammam	Nil
26th AGM (2015-2016)	24.09.2016 3.00 PM	Regd. Office: Madhu Complex, 1-7-70, Jublipura, Khammam	Nil



iii. Postal Ballot:

During the year no resolution was passed through postal ballot.

None of the business which is proposed to be transacted at the ensuing Annual General Meeting requires passing of a resolution through postal Ballot process.

iv. Meeting of Independent Directors

Pursuant to the companies Act, 2013 read with rules made there under and Secretarial Standard-I issues by the Institute of Company Secretaries of India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a meeting of the Independent Directors of the Company for the calendar year 2018 was held on 15th February, 2019 and next meeting of the Independent Directors will be held in calendar year 2018.

## 7. DISCLOSURES :

i. Related Party Transaction (RPT):

There has been no materially significant Related Party Transactions (RPT) with the Company's promoters, directors, the management, their subsidiaries or relatives which may have potential conflict with the interests of the Company at large. The necessary disclosures regarding the transactions are given in the notes to accounts. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the audit committee and Board of directors will be taken wherever required in accordance with the Policy.

The Company has also formulated a policy for determining the Material RPT and the details of such policy for dealing with RPT are disseminated in the website of the Company under the following link: <http://www.madhucon.com/corporate/investors.html>

ii. Disqualification of Directors: As on March 31, 2019 none of the Directors of the Company were disqualified under section 164(2) of the Companies Act, 2013.

iii. Details of non-compliance by the Company, penalties, and structures imposed on the Company by Stock Exchanges or SEBI or Statutory Authority on any matters relating to capital markets during the last three years as follows:

Sr. No	Stock Exchange	Details of \ violation	Details of Penalties	Observations/ remarks of the Company.
1	Bombay Stock Exchange (BSE) and National Stock Exchange (NSE)	Bombay Stock Exchange (BSE) and National Stock Exchange (NSE)	Imposed fine of Rs.1,21,540/- (including GST calculated up to 28th February, 2019 for Delay of 103 Days.	The company has paid the fine amount to BSE and NSE on 24.05.2019& 26.07.2019 and Company has appointed Company Secretary as Compliance officer w.e.f. 01.03.2019.

iv. Whistle Blower Policy:

The Company has an established mechanism for Directors / Employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of directors/employees who avail of the mechanism. The Company has formulated a Policy of Vigil Mechanism and has established a mechanism that any personnel may raise Reportable Matters within 60 days after becoming aware of the same. All suspected violations and Reportable Matters are reported to the Chairman of the Audit Committee at e-mail ID. [whistleblower@madhucon.com](mailto:whistleblower@madhucon.com). The key directions/actions will be informed to the Managing Director of the Company.

v. The Managing Director has issued certificate pursuant to the provisions of Listing Regulations 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.

vi. Auditors' Report certifying the compliance of Corporate Governance as required under Schedule V, Part C



of Listing Regulations is annexed herein forming a part of Corporate Governance Report.

vii. **Subsidiary Companies:**

The financials of all the subsidiary companies have been duly reviewed by the audit committee. The Board is also periodically informed about all significant transactions and arrangements entered into by the subsidiary companies.

The Company has also formulated a policy for determining the Material Subsidiary and the details of such policy are disseminated in the website of the Company under the following link: <http://www.madhucon.com/corporate/investors.html>

viii. **SEBI Prevention of Insider Trading:**

With SEBI imposing the responsibility of "Prohibition of Insider Trading" in the Organizations, Board has designed a Code of Conduct strictly in accordance with the Model Code of Conduct prescribed under SEBI (Prohibition of Insider Trading Regulations) 2015. The Code, besides other relevant matters, prohibits an insider from dealing in the shares of the Company, while in possession of the unpublished price sensitive information in relation to the Company. As on the date, there have been no violations of insider trading regulation.

ix. **The Company has adhered to all the mandatory requirements of corporate Governance norms as prescribed in Schedule V, Part C of Listing Regulations.**

x. **Code of Conduct for the Board of Directors and the Senior Management:**

The standards for business conduct provide that the directors and the senior management will uphold ethical values and legal standards as the Company pursues its objectives, and that honesty and personal integrity will not be compromised under any circumstances. The Board of Directors has adopted a code of conduct for all Board members and senior management of the Company and affirmed its compliance on annual basis for the Financial Year ended 31st March 2019. In terms of compliance with the requirement of Regulation 46 of the Listing Regulations are disseminated in the website of the Company under the following link: <http://www.madhucon.com/corporate/investors.html>

xi. **Discretionary requirements under Listing Regulations:** The Company has complied with all the discretionary requirements of Corporate Governance stipulated under Part E of Schedule V of the Listing Regulations. Certificate to this effect has been issued by **Sri S V KRISHNA REDDY**, Practicing Company Secretary and the same has been incorporated as an Annexure to the Directors Report.

## 8. **SHAREHOLDER'S COMMUNICATION:**

The quarterly financial provisional un-audited results of the Company published in the leading daily newspaper within 45 days from the end of the respective quarter and fourth quarter duly audited within 60 days as per the Regulation 31 of Listing Regulations.

The financial calendar events of 2018-19 relating to quarterly un-audited and Quarterly & Yearly audited financial results are as follows:

<b>Financial Reporting for the :</b>	
1st Quarter ended 30th June 2018	13th August, 2018
2nd Quarter ended 30th September 2018	12th November, 2018
3rd Quarter ended 31st December 2018	11th February, 2019
4th Quarter ended and financial year ended on 31st March 2019	28th May, 2019

ii. **The financial provisional un-audited results are published in a leading daily newspaper in English and in Regional language having nationwide circulation viz. Financial Express and ManaTelangana and are disseminated in the website of the Company under the following link :** [http://www.madhucon.com/i/FinancialResults\\_31032019.pdf](http://www.madhucon.com/i/FinancialResults_31032019.pdf)

iii. **These financial provisional results and shareholding pattern are submitted to National Stock Exchange in <https://www.connect2nse.com/LISTING/> and to Bombay Stock Exchange in <http://listing.bseindia.com/>**

iv. **The performance of the quarterly, half yearly and annual together with financial results of the Company**



released time to time in media by the press statements and also displays on Company's website.

- v. The Company from time to time made the presentations through video conference to institutional investors and/or to the analysts.

## 9. GENERAL SHAREHOLDER'S INFORMATION:

- i. AGM: Date, Time and Venue:

Date : 21st September, 2019  
Day : Saturday  
Time : 03:00 PM  
Venue : Regd. Office: Madhu Complex, 1-7-70, Jublipura,  
Khammam-507 003, Telangana

- ii. Financial Year:

The Company follows the financial year commencing from 1st April to 31st March on consistent basis.

- iii. Listing on Stock Exchanges:

Bombay Stock Exchange (BSE)

Stock Code No.: BSE - 531497

National Stock Exchange (NSE)

Stock Code No.: NSE - MADHUCON

Luxembourg Stock Exchange

Security Name: Madhucon Projects Ltd.

- iv. Stock Code: INE 378D01032

- v. Market Price Data:

High and Low during each month in last financial year 2018-2019:

High and Low of Market Price of the Company's Equity Shares Traded on the BSE & NSE during the 12 months period ended 31st March 2019 are as under-

### A) BSE:

Period	High (Rs.)	Low (Rs.)	No. of Shares	No. of Trades
April 2018	26.15	19.70	9,00,000	4299
May 2018	22.90	15.05	6,00,000	2954
June 2018	15.60	10.80	4,00,000	2003
July 2018	13.00	8.60	6,00,000	1709
August 2018	13.00	10.06	4,00,000	1355
September 2018	10.99	7.68	3,00,000	882
October 2018	7.94	5.66	3,00,000	874
November 2018	8.65	6.70	3,00,000	494
December 2018	7.48	6.30	1,00,000	302
January 2019	7.29	5.65	1,00,000	453
February 2019	6.44	4.25	2,00,000	534
March 2019	8.03	5.32	3,00,000	366





## A) NSE:

Period	High (Rs.)	Low (Rs.)	Traded Quantity No. of Shares	No. of Trades
April 2018	26.25	19.80	43,34,091	20376
May 2018	22.70	15.20	29,06,615	13457
June 2018	15.95	10.35	23,01,910	9488
July 2018	12.90	8.60	23,75,352	7154
August 2018	13.00	9.85	22,69,770	6119
September 2018	11.20	7.55	18,18,372	4277
October 2018	7.95	5.60	14,80,622	2966
November 2018	8.70	6.55	8,05,489	2496
December 2018	7.70	6.20	6,15,100	2159
January 2019	7.20	5.75	5,60,977	2246
February 2019	6.50	4.30	11,49,618	3528
March 2019	7.95	5.30	8,74,852	1270

## vi. Registrar and Transfer Agents:

M/s. KarvyFintech Private Limited

(formerly known as Karvy Computershare Pvt Ltd.)

Karvy Selenium Tower B, Plot 31- 32, Gachibowli, Financial District,

Nanakramguda Hyderabad, Telangana-500 032 Phone No.040-67161605

## vii. Share Transfer System:

All the Share Transfers that are received will be processed by the Registrar and Share Transfer Agents (RTA) and approved and registered by the Board of Directors within 15 days from the date of lodgment and de-mat requests are normally confirmed within an average period of 15 days from the date of lodgment for transfer.

## viii. Others:

Shareholders holding shares in physical form should communicate the change of address, if any, directly to the Registrars and Share Transfer Agent of the Company.

It has become mandatory for transferees to furnish a copy of Permanent Account Number for registration of transfer of shares held in physical mode.

Shareholders holding shares in physical form, who have not availed nomination facility and would like to do so are requested to avail the same, by submitting the nomination in Form No. SH.13. the form will be made available on request. Those holding shares in electronic form are advised to contact their DPs.

## A) Distribution of Shareholding as on 31st March, 2019

Equity Share holding of nominal Value of Rs. 1/- each	Equity Shareholders		Equity Shares Amount	
	Numbers	%	In Rs.	%
1 - 5,000	18,012	95.69	10,391,540	14.08
5,001 - 10,000	408	2.20	3,063,613	4.15
10,001 - 20,000	189	1.00	2,756,176	3.73
20,001 - 30,000	80	0.42	1,988,530	2.69
30,001 - 40,000	32	0.17	1,129,889	1.53
40,001 - 50,000	26	0.14	1,177,156	1.60
50,001 - 1,00,000	33	0.17	2,303,717	3.12
1,00,001 - Above	44	0.23	50,984,319	69.09
<b>Total</b>	<b>18824</b>	<b>100.00</b>	<b>73794940</b>	<b>100.00</b>

**ix. Dematerialization of shares and liquidity:**

7,35,40,130 Equity Shares equivalent to 99.66 % of the total equity share capital have been de-materialized and 2,54,810 are in physical form equivalent to 0.34% as on 31st March 2019.

Trading of equity shares in Demat Form is made compulsory with effect from 1st January 2002 as per the Notification issued by Securities and Exchange Board of India (SEBI). Therefore, shareholders are advised to use the Demat facilities for trading in shares.

Electronic/Physical	No of Shares held	% of Capital
NSDL	4,78,02,158	64.78
CDSL	2,57,37,972	34.88
Physical	254810	0.34
Total	73794940	100.00

Shareholders are requested to convert their physical holding to demat /electronic form through any of the DPs to avoid any possibility of loss, mutilation etc., of physical share certificates and also to ensure safe and speedy transaction in securities.

- x. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity - No outstanding instruments.
- xi. Plant Locations - Not applicable since the Company is not engaged in manufacturing activities.
- xii. Address for Investors Correspondence:

For any assistance in respect of status on Dematerialization of Shares, Transfer, Transmission, Transposition, Issue of Duplicate Certificates, Change of Address etc., members are requested to contact the following Registrar and Transfer Agent of the Company.

**M/s. KarvyFintech Private Limited**

(formerly known as Karvy Computershare Pvt Ltd.)

Karvy Selenium Tower B, Plot 31- 32,  
Gachibowli, Financial District, Nanakramguda Hyderabad,  
Telangana-500 032. Phone No.040-67161605

For any queries regarding shares held in Demat Form, members are requested to contact their respective Depository Participants.

Company Secretary & Compliance Officer:

**Mr. Deepakbhai Kumudray Joshi**

Corp. Off: "Madhucon House", Plot No.1129/A,  
Road No.36, Jubilee Hills, Hyderabad - 500 033 India  
Telephone: (040) 23556001 / 2 / 3 / 4  
Fax No: (040) 23556005, E-Mail: cs@madhucon.com

**10. LISTING FEES:**

Listing fee has been paid to BSE & NSE within the prescribed time limit as set in the Listing Regulations for the Financial Year 2019-2020.

**11. RECONCILIATION OF SHARE CAPITAL AUDIT:**

The Quarterly Audit on Share Capital will be conducted by Practicing Company Secretary in accordance with circular of SEBI No. D&CC /FITTC/CIR-16/2002 dated 31st December 2002 and Certificates will be issued accordingly.

**12. RECORD OF DIVIDEND FOR THE PAST THREE YEARS:**

Year	Type of Payment	Rate in %	Amount per Share (Rs.)	Total Amount (Rs.)
2017-2018	Final	-	-	-
2016-2017	Final	10	0.10	73,79,494
2015-2016	Final	10	0.10	73,79,494



13. DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT:

I hereby confirm that the company has obtained from all the members of the Board and Senior Management personnel, affirmations that they have complied with code of conduct for Board Members and senior Management personnel in respect of the financial year ended March 31, 2019.

For and on behalf of the Board

Sd/-  
Nama Seethaiah  
Managing Director  
DIN-00784491

Place: Hyderabad  
Date : 13/08/2019



### CEO/CFO/GM (Finance & Accounts) Certification

In relation to the Audited Financial Statements of the Company as at March 31, 2019, NamaSeethaiah, Managing Director and DeepakbhaiKumudray Joshi, Chief Financial Officer of the Company certify that:

- A. We have reviewed the financial statements and the cash flow statement for the year and to the best of our knowledge and belief:
  1. That the Financial statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;
  2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal or violates of the Company's code of conduct.
- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal control if any of which we are aware and steps that we have taken or proposed to take to rectify these deficiencies.
- D. Further, we have indicated to the Auditors and the Audit Committee
  1. Significant changes in internal control over financial reporting during the year, wherever applicable;
  2. Significant changes in accounting policies during the year and correct information has been disclosed in the notes to the financial statements in IND AS format, wherever applicable and
  3. Instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in Company's internal control system over financial reporting, wherever applicable.

Sd/-  
(Venkateswarlu)  
G.M. (Fin. & A/cs)

Sd/-  
(DeepakbhaiKumudray Joshi)  
Chief Financial Officer

Sd/-  
(N Seethaiah)  
Managing Director & CEO  
DIN: 00784491

Place: Hyderabad

Date: 13-08-2019

**COMPLIANCE OFFICER'S RESPONSIBILITY STATEMENT :**

The Compliance Officer (Mr. Deepakbhai Kumudray Joshi) confirms as on 31st March, 2019 that the Company has:

- ◆ Maintained all the Statutory Registers required to be maintained under the Companies Act, 2013 ("the Act") and rules made hereunder.
- ◆ Filed all forms and returns and furnished necessary particulars in time to Registrar of Companies (ROC) and/or Authorities as required under the Act.
- ◆ Issued all notices as required to be given for convening the meeting of the Board of Directors and General Meetings of the shareholders within the time limits prescribed by the law.
- ◆ Conducted the meetings of the Board of Directors and Annual General Meeting as per the provisions of the Act.
- ◆ Complied with all the requirements relating to the minutes of the proceedings of the meeting of the Directors and the shareholders.
- ◆ Made due disclosures under the requirements of the Act including the requirements in pursuance to the disclosures made by the directors.
- ◆ Obtained necessary approvals of the directors, shareholders, Central Government and other authorities as per the statutory requirements.
- ◆ Given loans and made investments in accordance with the requirements of the Act.
- ◆ Not exceeded the borrowing powers of the company.
- ◆ Registered all the particulars relating to the creation, modification and satisfaction of the charges with the ROC.
- ◆ Effected share transfers and dispatched the certificates within the time limit prescribed under the Act and rules made there under.
- ◆ Complied with all the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 entered into with the Stock Exchanges.

The company has also complied with the requirements prescribed by Securities and Exchange Board of India (SEBI) and other statutory authorities and also the requirements under the Act and related statutes in force.

**Sd/-**

**(DEEPAKBHAI KUMUDRAY JOSHI)**

COMPANY SECRETARY &  
COMPLIANCE OFFICER

PLACE : HYDERABAD

DATE : 28-05-2019

**(i) AUDITORS' CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE**

To  
The Members  
Madhucon Projects Limited

We have examined the compliance of conditions of Corporate Governance by Madhucon Projects Limited (the Company), for the year ended March 31,2019, as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)Regulations,2015.

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

For **Venkata Krishna & Associates**  
Company Secretaries

Sd/-  
**(S V Krishna Reddy)**  
(ACS 53083; CP 19542)

Place: Hyderabad  
Date: 13-08-2019