



REPORT ON CORPORATE GOVERNANCE

(Pursuant to Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015)

In accordance with Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes at Bhagiradha Chemicals & Industries Limited is as under:

1. Company's philosophy on code of governance

The Company recognizes the importance of good Corporate Governance, which is a tool for building a strong and everlasting beneficial relationship with the customers, suppliers, bankers and more importantly with the investors.

The Company believes that its key decisions must serve the underlying goals of enhancing shareholders' value over a sustained period of time, and achieving the definite and measurable performance targets.

2. Board of Directors:

i) Composition:

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. The Board of the Company comprises Six Directors that includes one Women Director.

The details of other chairmanship / Directorship / committee membership of each Director as on 31st March 2017 is given below:

Name of Director	Relationship with other Directors	No of Shares	Category	Number of Directorships in other companies		Number of Committee Memberships in other companies	
				Chairman	Member	Chairman	Member
D. Ranga Raju	Nil	Nil	Non-Executive & Independent	1	2	1	-
Sudhakar Kudva	Nil	Nil	Non-Executive & Independent	-	1	-	2
K.S. Raju	Nil	Nil	Non-Executive & Non Independent	2	5	-	3
D. Sadasivudu	Nil	63,600	Non-Executive Promoter	None	None	None	None
S. Chandra Sekhar	Nil	23,200	Executive Promoter	None	None	None	None
S. Lalitha Sree	Wife of Shri. S. Chandra Sekhar	60,000	Non Executive & Non Independent Woman Director	None	None	None	None

All the Independent Directors of the Company at the time of their first appointment to the Board and thereafter at the first meeting of the Board in every financial year give a declaration that they meet with the criteria of independence as provided under Companies Act, 2013 and Reg. 16 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

Notes:

- Other Directorships exclude Foreign Companies, Private Limited Companies and Alternate Directorships.
- Only membership in Audit Committee and Stakeholders Relationship Committee has been reckoned for other committee memberships.

(ii) Meetings & Attendance

The Board generally meets 4 times during the year. The Directors are also given option of attending the Board Meeting through video conferencing, none of the board meeting was held through video conferencing. During the year ended 31st March, 2017, the Board of Directors had 4 meetings. These were held on 25th May, 2016, 12th August, 2016, 12th November, 2016 and 13th, February, 2017. The last Annual General Meeting (AGM) was held on 12th August 2016. All relevant information as required under Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 was placed before the Board from time to time.



The attendance record of the Directors at the Board Meetings during the year ended 31st March, 2017 and at the last AGM as under

Sl. No.	Name of the Director	Category	No of Board Meetings attended	Attendance at last AGM
1.	D. Ranga Raju	Chairman, Non-Executive, Independent	4 of 4	Yes
2.	Sudhakar Kudva	Non-Executive, Independent	4 of 4	Yes
3.	K.S. Raju	Non-Executive, Non-Independent	2 of 4	No
4.	D. Sadasivudu	Non-Executive, Non-Independent	3 of 4	Yes
5.	S. Chandra Sekhar	Managing Director	4 of 4	Yes
6.	S. Lalitha Sree	Non-Executive, Non-Independent	3 of 4	No

iii) Separate Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing (Obligation and Disclosure Requirements) Regulation, 2015, a separate meeting of the Independent Directors of the Company was held on 13th February, 2017 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties. The Independent Directors found the performance of Non-Independent Directors (including Chairman) and the Board as well as flow of information between the Management and the Board to be satisfactory. All independent directors were present in the Meeting.

(iv) Induction & Training of Board Members

(Familiarisation programme for Independent Directors) Letter of Appointment(s) are issued to Independent Directors setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Director is taken through a formal induction program including the presentation from the Chairman cum Managing Director and CEO & Whole Time Director on the Company's manufacturing, marketing, finance and other important aspects. The web link for the Familiarisation Programmes for Independent Directors is <http://www.bhagirad.com/reports/id/Familiarization-Programme-ID.pdf>

(v) Evaluation of the Board's Performance

The Board has a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board based on the criteria laid down by Nomination and Remuneration Committee which included attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest, adherence to Code of Conduct and Business ethics, monitoring of regulatory compliance, risk assessment and review of Internal Control Systems etc.

3. Audit Committee

(i) Composition, Names of Members and Chairman

The Board has reconstituted its Audit Committee in accordance with section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The composition of the Audit Committee is given below.

Name	Category	Position
Shri Sudhakar Kudva	Independent & Non executive	Chairman
Shri D. Ranga Raju	Independent & Non Executive	Member
Shri S.Chandra Sekhar	Managing Director & Promoter	Member

ii) Terms of Reference

The Audit Committee reviews the audit reports submitted by the Internal Auditors, Cost Auditors and Statutory Auditors, financial results, effectiveness of internal audit processes and the Company's risk management strategy. It reviews the Company's established systems and the Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and SEBI(LODR) Regulations, 2015.



iii) Meeting and Attendance during the year

During the year under review, four (4) meetings of the audit committee were held on the followings dates: 25th May 2016; 12th August 2016; 12th November 2016 and 13th February 2017. The attendance of each of the members of the Committee is given below:

Date of Meeting	D. Ranga Raju	Sudhakar Kudva	S. Chandra Sekhar
25.05.2016	Yes	Yes	Yes
12.08.2016	Yes	Yes	Yes
12.11.2016	Yes	Yes	Yes
13.02.2017	Yes	Yes	Yes
Total number of meetings attended	4	4	4

The Chief Financial Officer and the Statutory Auditors also attended the meetings. The Company Secretary acts as the Secretary of the Audit Committee.

4. Nomination & Remuneration Committee

i) Composition and attendance during the year:

The committee comprises of Shri D. Ranga Raju, Shri Sudhakar Kudva and Shri K.S. Raju are the members of the remuneration committee. The Chairman of the Committee is Shri Sudhakar Kudva who is a non-executive independent director. The company secretary is the secretary to the committee.

During the year the Committee had not conducted any meeting.

Name of the Director	Position	No. of Meetings held	No. of Meetings Attended
Mr. Sudhakar Kudva	Chairman	-	-
Mr. D. Ranga Raju	Member	-	-
Mr. K.S. Raju	Member	-	-

ii) Terms of reference

The Nomination and Remuneration Committee assist the Board in overseeing the method, criteria and quantum of compensation for directors and senior management based on their performance and defined assessment criteria. The Committee formulates the criteria for evaluation of the performance of Independent Directors & the Board of Directors; identifying the persons who are qualified to become directors, and who may be appointed in senior management and recommend to the Board their appointment and removal. The terms of the reference of Nomination and Remuneration Committee covers the areas mentioned under Part D of Schedule II of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 as well as section 178 of the Companies Act, 2013.

(iii) Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors which are as under

Areas of evaluation

1. Frequency of meetings attended
2. Timeliness of circulating Agenda for meetings and descriptiveness
3. Quality, quantity and timeliness of flow of information to the Board
4. Promptness with which Minutes of the meetings are drawn and circulated
5. Opportunity to discuss matters of critical importance, before decisions are made
6. Familiarity with the objects, operations and other functions of the company
7. Importance given to Internal Audit Reports, Management responses and steps towards improvement
8. Avoidance of conflict of interest
9. Exercise of fiscal oversight and monitoring financial performance



10. Level of monitoring of Corporate Governance Regulations and compliance
11. Adherence to Code of Conduct and Business ethics by directors individually and collectively
12. Monitoring of Regulatory compliances and risk assessment
13. Review of Internal Control Systems
14. Performance of the Chairperson of the company including leadership qualities.
15. Overall performances of the Board/ Committees.

5. **Remuneration of Directors:**

(i) There was no pecuniary relationship or transaction between the Non-Executive Directors and the company during the financial year 2016-2017.

(ii) **Criteria of making payments to Non-Executive Directors:**

Overall remuneration (sitting fees and commission) decided by the Board is reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives).

- a) **Remuneration / Commission:** The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.
- b) **Sitting Fees:** The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- c) **Commission:** Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.
- d) **Stock Options:** An Independent Director shall not be entitled to any stock option of the Company. Payment criteria of Non-Executive directors are the given in the Nomination and Remuneration Policy. The web link for the same is

<http://www.bhagirad.com/reports/policy/Nomination%20and%20remuneration%20policy.pdf>

(iii) **Details of Remuneration to Directors**

The details of remuneration and other benefits paid to the **Managing Director** during the year as follows:

(Amount in ₹)

Name	Salary & allowances	Other Benefits	Designation	Gross Remuneration
S. Chandra Sekhar	3,859,200	-	Managing Director	3,859,200

For Non- Executive Directors

Sitting fee paid to Non-Executive Directors is as follows:

Sr. No.	Name of the Director	Relationship with other Directors	Sitting Fees
1.	D. Ranga Raju	Nil	90,000
2.	Sudhakar Kudva	Nil	90,000
3.	K.S. Raju	Nil	20,000
4.	D. Sadasivudu	Nil	40,000
5.	S. Lalitha Sree	Wife of Sri S. Chandra Sekhar	30,000
TOTAL			270,000

Other than payment of sitting fees to Non-executive Directors, there was no material pecuniary relationship or transaction with the Company. The Company has not issued any stock options to its Directors/ Employees.



6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

- i) The Stakeholder Relationship Committee looks into shareholders and investors grievances. Shri. D. Ranga Raju, Non-Executive Independent Director is the Chairman of the Committee.
- ii) The details of the meetings held during the year as under
During the period the company had held one committee meeting i.e., 12th November, 2016.

Director	position	Meetings Held	Meetings Attended
D. Ranga Raju (Chairman)	Non-Executive Independent Director	1	1
Sudhakar Kudva(Member)	Non-Executive Independent Director	1	1
D. Sadasivudu(Member)	Non-Executive Director	1	1

- iii) No. of investors complaints received by the RTA/ Company during the year: Nil
No. of complaints not solved to the satisfaction of shareholders during the year: Nil
No. of complaints pending as at 31st March, 2017: Nil
Smt B.N. Suvarchala, Company Secretary of the Company acts as the Compliance Officer to the Committee.

7. General Body Meetings:

- i) Location and time for the last three AGMs:

Year	Date	Venue	Time	Special Resolution
2013-14	11.08.2014	Hotel Mary Gold, Ameerpet, Hyderabad	11.00 A.M	Nil
2014-15	08.08.2015	Hotel Green Park, Ameerpet, Hyderabad	11.00A.M	1. To Re-Appoint Shri S. Chandra Sekhar Managing Director 2. To alter the AOA of the company in conformity with the companies Act, 2013
2015-16	12.08.2016	Hotel Green Park, Ameerpet, Hyderabad	11.00 A.M	Nil

- ii) There were no Extraordinary General Meetings in the last three years

- iii). **One postal ballot was held during the year:**

Postal Ballot Notice dated 13.02.2017

The company successfully completed the process of obtaining approval of its members on the following resolutions through postal ballot during the financial year.

Item No 1: To re-classify the 12 existing promoters into public category

Item No 2: To increase the Authorized share capital of the company from Rs.6 Crore to Rs. 10 Crore.

Voting Pattern and Procedure for Postal Ballot:

- i. The Company appointed Mr. Y. Ravi Prasada Reddy(CP No:5360) as the Scrutinizer for conducting the postal ballot voting process.
- ii. The Company completed the dispatch of the Postal Ballot Notice dated 13th February, 2017 together with the Explanatory Statement on 19th February, 2017 along with forms and postage prepaid business reply envelopes to all the shareholders whose name(s) appeared on the Register of Members/list of beneficiaries as on 10th February 2017.
- iii. The voting under the postal ballot was kept open from 10.00 a.m. on 20th February, 2017 and end at 5.00 p.m. on 23rd March 2017. (physically or through electronic mode)
- iv. Particulars of postal ballot forms received from the Members using the electronic platform of CDSL were entered in a register separately maintained for the purpose.
- v. The postal ballot forms were kept under his safe custody in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.



- vi. Envelopes containing postal ballot forms received after close of business hours on 23rd March, 2017 had not been considered for his scrutiny.
- vii. On 24th March, 2017 at the Registered Office of the company Chairman announced the following results of the postal ballot as per the Scrutinizer's Report.

To re-classify the 12 existing promoters into public category	Particulars	Total No. of Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast	Votes invalid	% of Votes Cast
	Votes cast through Electronic mode	3152858	3151957	99.97	901	0.03	0	0.00
	Votes cast through physical postal ballots	569	566	99.47	3	0.53	0	0.00
	Total	3153427	3151923	99.95	904	0.05	0	0.00
To increase the Authorised share capital of the company from Rs.6 Crore to Rs. 10 Crore	Particulars	Total No. of Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast	Votes invalid	% of Votes Cast
	Votes cast through Electronic mode	3152858	3152858	100.00	1	0.00	0	0.00
	Votes cast through Physical postal ballots	569	569	100.00	0	0.00	0	0.00
	Total	3153427	3152526	100.00	1	0.00	0	0.00

Results:

ITEM NO 1:

As the number of votes casted in favor is 3151923 i.e., 99.95%, of the Resolutions is more than three times the number of votes cast against 904 i.e. 0.05%.

ITEM NO 2:

As the number of votes casted in favor is 3152526 i.e., 100%, of the Resolutions is more than three times the number of votes cast against 1 i.e. 0.00%.

8. Means of Communication:

Quarterly results approved by the Board are usually published in Business Standard (English) and Praja shakti/Andhra Prabha/Nava Telangana (Telugu) newspapers. In addition to this the Company is communicating its results to Bombay Stock Exchange where the shares are listed. Further, the quarterly results are also placed on the company's website, www.bhagirad.com No presentations have been made to institutional investors or to the analysts.



9. General Shareholder information

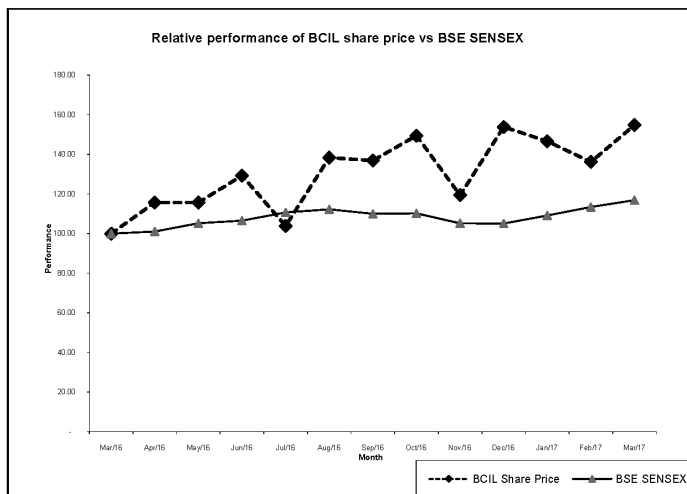
- i) Twenty Fourth Annual General Meeting
 Date : 26th September, 2017
 Day : Tuesday
 Time : 11.00 AM
 Venue : Green Park Hotel
- ii) Financial Year : April to March
- iii) Date of book closure : 18-09-2017 to 26-09-2017 (both days inclusive)
- iv) Listing on Stock Exchange : Bombay Stock Exchange
- v) Stock Code
 ISIN Under Depository System : INE 414D01019
 Stock Exchange Mumbai : 531719
 The Listing Fee as applicable have been paid within prescribed time period

vi). Market price data

The monthly high and low price quotations of the company's shares at the Bombay Stock Exchange Limited is given below:

Month	High	Low
April 2016	148.50	102.00
May 2016	155.00	120.00
June 2016	164.90	130.00
July 2016	152.00	112.20
August 2016	180.20	101.00
September 2016	185.00	129.00
October 2016	175.00	144.05
November 2016	172.00	120.25
December 2016	188.90	139.00
January 2017	186.70	152.00
February 2017	169.00	143.50
March 2017	194.40	152.85

- vii) Performance of the share price of the company in comparison to BSE Sensex for the period 1st April, 2016 to 31st March, 2017 is given below:





Month	BCIL CLOSE share price at BSE	BSE SENSEX Close	Relative index for Comparison purpose	
			BCIL Share Price at BSE	BSE SENSEX
April 2016	130.00	25606.62	115.71	101.04
May 2016	130.00	26667.96	115.71	105.23
June 2016	145.25	26,999.72	129.28	106.54
July 2016	116.75	28,051.86	103.92	110.69
August 2016	155.45	28,452.17	138.36	112.27
September 2016	153.75	27,865.96	136.85	109.96
October 2016	167.90	27930.21	149.44	110.21
November 2016	134.15	26652.81	119.40	105.17
December 2016	172.85	26626.46	153.85	105.07
January 2017	164.75	27655.96	146.64	109.13
February 2017	153.00	28743.32	136.18	113.42
March 2017	173.95	29620.50	154.83	116.88

Source: www.bseindia.com

viii) Registrars & Transfer Agents:

XL Softech Systems Limited
 8-2-269/S/3/A, Plot No. 3,
 Sagar Society, Road No. 2,
 Banjara Hills, Hyderabad - 500 034
 Phone: 91-40-23545913/5 Fax : 91-40-23553214
 E-mail : xlfield@gmail.com

ix) Share Transfer System

In order to expedite the process of share transfers, the Board has delegated the power to approve share transfers to senior executives, who attend to share transfer formalities fortnightly. The Company has appointed XL Softech Systems Limited as Registrar and Share Transfer Agents for physical transfer of securities as well as dematerialization/re-materialization of securities.

x) Distribution of shareholding as on 31st March, 2017

Sl. No.	Shareholding of nominal value	Number of shareholders	percentage of shareholders	number of shares held	percentage of shares held
1	upto 5000	1581	82.65	1864650	3.69
2	5001-10000	138	7.21	1123940	2.22
3	10001-20000	62	3.24	947670	1.88
4	20001-30000	40	2.09	1011890	2.00
5	30001-40000	12	0.63	443400	0.88
6	40001-50000	16	0.84	757840	1.50
7	50001-100000	24	1.25	1737470	3.44
8	Above 100000	40	2.09	42650140	84.39
Total		1913	100.00	5053700	100.00
Sl. No.	Mode of Holding				
1	PHYSICAL	63	3.29	50131	0.99
2	DEMAT	1850	96.71	5003569	99.01
TOTAL		1913	100	5053700	100



xi) **Categories of Shareholding as on 31st March 2017:**

Category	No. of shares held	No. of shareholders	% to Equity
Promoters & Person acting concert	1,166,687	23	23.08
Bodies Corporate	2,513,178	67	49.72
Indian Public	1,367,116	1,796	27.05
Non Resident Indian	6,673	24	0.13
Clearing Members	46	3	0.00
Total	5,053,700	1,913	100.00

*49100 shares have been forfeited, hence not included in the total shareholding.

xii) **Dematerialization of shares and liquidity**

The company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Dematerialization of shares is done through M/s. XL Softech Systems Limited, Hyderabad and on an average the dematerialization process is completed within a period of 15 days from receipt of a valid demat request along with all documents.

Electronic/Physical	No. of shares	%
Demat	5,003,569	99.01
Physical	50,131	0.99
Total	5,053,700	100.00

* 49,100 Equity shares were forfeited at the Board Meeting held on 28-01-2006.

xiii) **Outstanding GDRs/ ADRs/ Warrants/ Convertible instruments**

The Company has not issued Global Depository Receipts or American Depository Receipt or Warrants or any Convertible instruments.

(xiv) **Commodity Price Risk/ Foreign Exchange Risk and Hedging.** The Company did not engage in hedging activities.

(xv) **Plant location**

Cheruvukommupalem (Village) -523 272. Ongole (Mandal) Prakasam (District) Andhra Pradesh.

(Xvi) **Address for correspondence**

Bhagiradha Chemicals & Industries Limited.

8-2-269/S/3/A, Plot No. 3, Sagar Society, Road No. 2 Banjara Hills, Hyderabad - 500 034, Tel. (040) 42221212, Fax (040) 23540444, Email : info@bhagirad.com.

10. **Other Disclosures**

- During the financial year ended 31st March, 2017 there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large.
- There were no penalties imposed by Stock Exchange or SEBI or any statutory authority on any capital market related matters during the last three years.
- The Company has announced Vigil Mechanism for adequate safeguards against victimization of all the personnel of the company to avail the mechanism and also provide direct access to the chairperson of the Audit Committee.
- The Company has complied with the mandatory requirements of the Listing Regulation. The Company has adopted various non-mandatory requirements as well.
- The company has framed Related Party Transaction Policy and is placed on the Company's website and the web link for the same is <http://www.bhagirad.com/reports/policy/related-party-policy.pdf>
- During the financial year ended 31st March, 2017 the company did not engage in commodity hedging activities.

11. There has been no instance of non-compliance of any requirement of Corporate Governance Report.



ANNUAL COMPLIANCE WITH THE CODE OF CONDUCT FOR THE F.Y:2016-2017.

Pursuant to the schedule V(Part D) of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015. I hereby confirm that the company has received affirmations on compliance with code of conduct for the financial year ended 31st March, 2017 from all the Board members and senior Management Personnel.

For and on behalf of the Board

Place: Hyderabad
Date: 29.08.2017

S. Chandra Sekhar
Managing Director

THE MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

We, S. Chandra Sekhar, Managing Director and B. Murali, Chief Financial officer of Bhagiradha Chemicals & Industries Limited, to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year under review and certify that:
 - i. these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading.
 - ii. 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 are fraudulent, illegal or violative of the company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness and disclosed to the auditors and audit committee, the deficiencies in the design and operation of such internal controls and the steps taken to rectify these deficiencies.
- (d) We have indicated to the auditors and the audit committee that
 - i. there are no significant changes in internal control over financial reporting during the year
 - ii. there are no significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
 - iii. there are no frauds of which we are aware, that involves management or other employees who have a significant role in the company's internal controls system.

S. Chandra Sekhar
Managing Director

Place: Hyderabad
Date : 22.05.2017

B. Murali
Chief Financial Officer

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

Requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To the Members of

BHAGIRADHA CHEMICALS & INDUSTRIES LIMITED.-

We have examined the compliance of conditions of corporate governance by Bhagiradha Chemicals & Industries Limited ('the Company') for the year ended 31 March, 2017, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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 **R Kankaria & Uttam Singhi**
Chartered Accountants
Firm Regn. No.: 000442S

Place : Hyderabad
Date : 22.05.2017

Uttam Kumar Singhi
Partner
Membership No. : 027481/ICAI