

ANNEXURE I

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy

The Company aims at achieving transparency, accountability in all facets of its operations on a continuous basis and in all interactions with the stakeholders. The Company is committed to achieve the good standards of Corporate Governance on a continuous basis.

2. (a) Composition, Category and attendance of Board of Directors

Name	Category	Designation	No. of Meetings held during the last financial year	No. of Meeting attended	Directorships in other companies
Sri P.V.Krishna Reddy	Promoter Executive	Managing Director	12	12	08
Sri V. Thapovardhan	Promoter, Executive	Director	12	12	01
Sri Korpati. Venkateswara Rao	Non-Executive, Independent	Director	12	12	02
Sri. V.V. Satish	Non-Executive, Professional	Director	12	07	02
Sri. Rajasekhar Mathuru Reddy	Non executive, Promoter	Director	12	07	Nil
Sri. Syed Khaleel Ahmed	Non-Executive, Independent	Director	12	07	Nil
Sri. Veera Raghavan Pathasarathy	Non-Executive, Independent	Director	12	05	Nil
Sri. Sreedharlkkurthi	Non-Executive, Independent	Director	12	05	Nil

The Board Meetings held during the financial year are as follows (1) 14-05-2012 (2) 10-07-2012 (3) 12-07-2012 (4) 28-07-2012 (5) 09-08-2012 (6) 14-08-2012 (7) 21-08-2012 (8) 25-08-2012 (9) 01-09-2012 (10) 15-11-2012 (11) 04-09-2012 & (12) 13-02-2013.

No Director is a member in more than 10 (ten) committees and chairman in more than 5 committees.

3. **Pecuniary relationship or transactions of Non-Executive Directors**

Non-Executive Directors do not have any other material pecuniary relationship or transactions with the Company, its promoters or its management which in the judgment of the Board may affect independence of judgment of the Director.

4. **Code of Conduct**

The Board of Directors of the Company laid a Code of Conduct for Directors and senior management personnel. All Directors affirmed compliance with the Code for the year under review. A declaration to this effect duly signed by the Managing Director of the Company is annexed to this report.

5. **Audit Committee**

The Company has constituted the Audit Committee under section 292A of the Companies Act, 1956 and consists of following three Directors of the Company:

The Composition of Committee is as follows:*

- (a) Sri Veeraraghavan Parthasarthy - Chairman
- (b) Sri Sreedhar Ikkurthi - Member
- (c) Sri K. Venkateswara Rao – Member

The terms of reference as stipulated by the Board to the Audit Committee include:

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information
- b. Recommending the appointment and removal of external auditors fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with the management, the annual financial statements prior to the submission to the Board, with key focus on :
 - o Changes in accounting policies and practices
 - o Major accounting entries based on exercise on judgment by management
 - o Qualifications, if any in the draft audit report
 - o Significant adjustments arising out of audit
 - o Going concern assumption
 - o Compliance with Accounting Standards
 - o Compliance with stock exchange and legal requirements concerning financial statements
 - o Disclosure of any related party transactions
- d. Reviewing with the management, external and internal auditors, and the adequacy of internal control systems
- e. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- f. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- g. Carrying out any other function as mentioned in the terms of reference of the Audit Committee

During the year under review, four meetings were held on (1) 14-05-2012 (2) 14-08-2012 (3) 15-11-2012 & (4) 13-02-2013. Attendance of each member at the committee meetings were as follows:

S. No.	Name of the Member	No. of Meetings Attended
1	Sri Veeraraghavan Parthasarthy	04
2	Sri Sri Sreedhar Ikkurthi	04
3	Sri K. VenkateswaraRao	04

6. Remuneration Committee

The Composition of the Remuneration Committee is as follows:

- a) Sri VeeraRaghavan Pathasarathy - Chairman
- b) Sri Sreedhar Ikkurthi - Member
- c) Sri K.VenkateswaraRao - Member

The Remuneration committee has been constituted to recommend / review the Remuneration of the Executive Directors. The remuneration policy is in consonance with the existing industry practices and also with the provisions of the Companies Act, 1956

7. Investors Grievance Committee

As a measure of Good Corporate Governance and to focus on the Shareholder's grievance and towards strengthening investor relations, as Investor's Grievance Committee has been constituted as a sub-committee of the Board.

The composition of the Committee as follows:*

- i. Sri Veeraraghavan Parthasarthy - Chairman
- ii. Sri Sreedhar Ikkurthi - Member
- iii. Sri K. VenkateswaraRao - Member

The Committee met 4 times during by the financial year on (1) 14-05-2012, (2) 14-08-2012, (3) 15-11-2012 & (4) 13-02-2013. Primarily focuses on shareholder grievances, inter-alia, approves the issue of duplicate share certificates and oversees and reviews all matters connected with servicing of investors. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall quality improvement of investor services.

The Company has appointed M/s Venture Capital and Corporate Investments Private Limited as Registrar & Share Transfer Agents and they will also attend to Investors Grievances.

8. General Body Meetings

a) Date, Venue and Time of the last three Annual General Meetings

Date	Venue	Time	No. of Special Resolutions
29.09.2012	H.No: Plot No 23 Phase IV, IDA, Jeedimetla, Hyderabad – 500055	11.00 A.M.	Nil
30.09.2011	H.No: 8-2-389/A, Plot No 1367, Pagan Plaza, Road no: 45, Jubilee Hills, Hyderabad 500 033	11.00 AM	Nil
30.09.2010	Plot No: 118, Journalist Colony, Jubilee Hills, Hyderabad, 500 033	11.00 AM	Nil

- b) Pursuant to the said Scheme, your Company has completed the process of changing the Main Objects of the Company from Aqua Culture and other allied activities to Infrastructure Activities by passing the resolution through postal ballot on 05th October, 2012. Mr Manoj Kumar Koyalkar, Company Secretary in practice, AGR Reddy & Co, Hyderabad was appointed as scrutinizer for the postal ballot to conduct the proceedings in a fair and transparent manner. The resolution was passed with a requisite majority.

No Resolution is proposed to be conducted through postal ballot this year.

9. Disclosures

There are no materially significant related party transactions, i.e., transactions material in nature, with its promoters, Directors or the Management their relatives etc. that may potentially conflict with the interests of the company.

The Company has not adopted the non-mandatory requirements. And no penalties are imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

Whistle Blower Policy:

We have established a mechanism for employees to report to the management, concerns about an ethical behavior actual or suspected frauds or violation of our code of conduct policy. The mechanism also provides for adequate safeguard against victimization of employees who avail

of the mechanism and also provides for direct access to the Chairman of the Audit committee in exceptional cases.

10. Means of Communication

The main channel of communication to the shareholders is through the annual report which inter alia includes the Directors' Report, the Report of the Board of Directors on Corporate Governance, Management Discussion and Analysis Report, along with the Auditors Report, and Shareholders' Information.

The Quarterly Unaudited results are regularly sent to the Bombay Stock Exchange where shares are listed and normally published in the all India editions of the Business Standard (National Daily) and Andhra Prabha (Regional Newspaper) along with the official news release.

11. Profile of Director reappointed/appointed at the AGM

Brief profile of Directors seeking re-appointment/appointment at this Annual General (Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Veera Raghavan Pathasarathy
Date of Appointment	25.08.2012
Date of Birth	26.06.1944
Qualification	Graduate
Expertise in specific functional areas	Infrastructure Activities
List of Companies in which Directorship is held as on 31.03.2012	Nil
Chairman / Member of the Committees* of other Companies on which he is a Director as on 31.03.2013	Nil

Name of the Director	Rajasekhar Mathuru Reddy
Date of Appointment	14.08.2012
Date of Birth	09.03.1973
Qualification	Graduate
Expertise in specific functional areas	Infrastructure Activities
List of Companies in which Directorship is held as on 31.03.2012	Nil
Chairman / Member of the Committees* of other Companies on which he is a Director as on 31.03.2013	Nil

**The Committee includes the Audit Committee, the Remuneration Committee and the Shareholder / Investor Grievance Committee.*

12. Nomination Facility

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the company. As permitted under Section 109A of the Companies Act, 1956, are requested to submit to the Company the prescribed Form 2B for this purpose.

13. Company's Policy on prevention of Insider Trading

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, the Company had framed a Code of Conduct for prevention of insider trading.

Sri.V.V Satish had been appointed as the Compliance Officer for the purpose. The code is applicable to all such employees of the Company who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism.

14. Compliance with Clause 49 Mandatory Requirements

The Company complied with all the applicable mandatory requirements of Clause 49 of the Listing Agreement and is also submitting a quarterly compliance report duly certified by compliance officer of the company to the stock exchanges within the time frame prescribed under regulations.

15. General Information for shareholders

a. Annual General Meeting Day, date, time and venue	Monday, the 30 th September 2013 at 03.00 P.M at H.No: Plot No 23 Phase 4, IDA Jeedimetla, Hyderabad-500055
b. Book closure dates	From 26 th September to 30 th September 2013 (both days inclusive) for the purpose of Annual General Meeting
c. Financial Calendar(i)	1 st Quarter (ii) 2 nd Quarter (iii) 3 rd Quarter and (iv) 4 th Quarter 1 st April to 30 th June 1 st July to 30 th September 1 st October to 31 st December 1 st January to 31 st March
d. Financial Year	Year ending March 31, 2013
e. Listing of equity shares is at	The Bombay Stock Exchange Limited Floor, P J Towers, Dalal Street Fort, Mumbai - 400 001.
f. Stock Code	530361
g. Share Transfer System	Share transfer requests, which are received in physical form are processed and the share certificates returned within a period of 15 days from the date of receipt, subject to the documents being in order and complete in all respects.
h. Secretarial Audit	Secretarial Audit is being carried out every quarter by a Practicing Company Secretary and his audit report is placed before the Board for its perusal and filed with the Stock Exchange.
i. Location	Registered Office: H.No: Plot No 23 Phase 4, IDA, Jeedimetla, Hyderabad-500055 Email: seagoldacqa@gmail.com , Website: www.seagoldaqua.com
j. Registrar & Share Transfer Agents	M/s Venture Capital and Corporate Investments Private Limited #12-10-167, Bharat Nagar, Hyderabad-18. Registration No. with SEBI: INR00001203 Tel: +91-40-23818475/476, Fax: +91-40-23868024 Email: info@vccilindia.com
k. Query on the Annual Report	Sri. V.V. Satish Director / Compliance officer Sea Gold Infrastructure Limited Plot No.23, Phase IV, IDA Jeedimetla, Hyderabad – 500 055. Email: seagoldacqa@gmail.com Website: www.seagoldaqua.com
Corporate Identification No :	L70200AP1993PLC016389

I. Distribution of shareholding as on 31st March, 2013

Category	No. of shareholders	Total Shares	% of holding
Promoter & Promoter Groups	9	3897410	71.54
Foreign Institutional Investors	2	50000	0.92
Bodies Corporate	9	1287310	23.63
Resident Individuals	919	159880	2.93
Non Resident Indians	50	46230	0.85
Mutual Funds/UTI	1	7410	0.14
Total	990	5448240	100.00

m) Categories of share holders as on 31st March, 2013

Category	No. of Shared Held	Percentage
Promoters and Promoter Group	3897410	71.54
Financial Institutional Investor	50,000	0.92
Others	1500830	27.54
Total	5448240	100.00

4. Code of Conduct

The Code of Conduct as adopted by the Board of Directors is applicable to the directors, both executive and non-executive and Senior Management team comprising of members of Management one level below the Executive Directors, including the functional heads

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

To
The Shareholders

I hereby declare that all the Board members and Senior Management Personnel have affirmed compliance with the code of conduct adopted by the Company and have submitted declaration in this behalf for the year ended 31st March 2013.

For and on behalf of Board of Directors of
Sea Gold INFRASTRUCURE Limited

Sd/-

Date: 02.09.2013
Place: Hyderabad

P.V.Krishna Reddy
Managing Director