

OMEGA AG-SEEDS (PUNJAB) LIMITED

REPORT OF THE BOARD OF DIRECTORS ON CORPORATE GOVERNANCE

Corporate Governance is the application of best management practices, compliance of law and adherence to ethical standards to achieve the Company's objective of enhancing

Shareholders' value and discharge of social responsibility. The Corporate Governance structure in the company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees etc. The Company had adopted Corporate Governance and disclosure practices keeping in view the Company's size, complexity and corporate traditions. The Company is fully committed to follow the procedures and practices in conformity with the clause 49 of the Listing Agreement of the Stock Exchanges, as applicable.

Your Directors present the Company's Report on Corporate Governance as under:

MANDATORY REQUIREMENTS

1) Company's Philosophy on Corporate Governance

Corporate governance is a synonym for sound management, transparency and disclosure. The Company's philosophy of corporate governance envisages the highest level of transparency, accountability and equity in all its dealings with shareholders, employees, government and lenders. The Company's guiding principles are focused to achieve the highest standards of corporate governance. In compliance with the disclosure requirements of Clause 49 of the Listing Agreement executed with the Stock Exchanges, the details are set out below:

2) Board of Directors

Composition:

The Board has an optimum combination of Executive and Non-Executive Directors and is in conformity with Clause 49 of the Listing Agreement entered in to with the Stock Exchange in which Company's shares are listed.

Presently the Board consists of 6 directors, whose composition is as under:

Sl.No.	Name	Designation	Category
1	Mr. Nerella Mohan Rao Venkatarama	Managing Director	Promoter
2	Mr.VenkataRaghunadh Nerella	Director	Promoter
3	Mr.N.N.Parek	Director	Independent
4	Mrs. Leena.N. Parekh	Director	Independent
5	Mr. ObulreddyPuppala	Director	Independent
6	Mr.Rakesh Jain	Director	Independent

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Conduct of the Board Meetings;

During the year ended 31stMarch, 2014, Six Board Meetings were held on the following dates: 30th May 2013, 14th August 2013, 5th September 2013, 30th September 2013, 14th November 2013, 14th February 2014.

The Directors attendance at the Board Meetings, number of directorships and committee memberships held by them in other companies are given hereunder:

Name of the Director	No.of Board Meetings Attended	Attendance at the last AGM	No.of other directorships in other public companies	Committee positions held in other public companies	
				Chair-person	Member
Mr. Nerella Venkatarama Mohan Rao	6	Yes	Nil	Nil	Nil
Mr.Venkata Raghunadh Nerella	6	Yes	Nil	Nil	Nil
Mr.N.N.Parek	0	No	1	—	—
Mrs. Leena. N. Parekh	0	Yes	Nil	Nil	Nil
Mr. Obulreddy Puppala	4	No	4	—	—
Mr.Rakesh Jain	6	Yes	Nil	Nil	Nil

** As at 31st March, 2014 (Committee positions include only Audit and Investors' Grievance Committees).

The following directors attended the last Annual General Meeting held on 30th September, 2013.

1. Mrs. L.N. Parekh
2. Mr.Nerella Venkatarama Mohan Rao
3. Mr.Venkata Raghunadh Nerella
4. Mr. Rakesh Jain

3) COMMITTEES OF THE BOARD

a) AUDIT COMMITTEE

The Audit Committee to oversee audit functions of the Company and it comprises the following three directors as on 31.03.2014

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Sl.No	Name	Nature of Directorship
1	Mr. Nerella Mohan Rao Venkatarama	Promoter
2	Mr. ObulreddyPuppala	Independent
3	Mr.Rakesh Jain	Independent

The attendance of members of the above committee at their meetings are furnished below:

Sl.No	Name	No. of meetings of audit committee attended
1	Mr.Nerella Mohan Rao Venkatarama	4
2	Mr. ObulreddyPuppala	4
3	Mr.Rakesh Jain	4

b) SHAREHOLDERS/INVESTORS GRIEVANCES COMMITTEE

The Committee comprises the following members as on 31/03/2014

Sl.No	Name	Nature of Directorship
1	Mr.Venkata Raghunadh Nerella	Promoter
2	Mr. Obulreddy Puppala	Independent
3	Mr. Rakesh Jain	Independent

The attendance of members of the above committee at their meetings are furnished below:

Sl.No	Name	No. of meetings of Shareholders/Investors Grievances Committee attended
1	Mr. Venkata Raghunadh Nerella	4
2	Mr. Obulreddy Puppala	4
3	Mr .Rakesh Jain	4

Under Clause 49 of Listing Agreement, constitution of remuneration committee is not a mandatory requirement. However company has constituted Remuneration committee to decide on remuneration to Directors.

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c) REMUNERATION COMMITTEE

The Committee comprises the following members as on 31/03/2014

Sl.No	Name	Nature of Directorship
1	Mr.Venkata Raghunadh Nerella	Promoter
2	Mr. Obulreddy Puppala	Independent
3	Mr.Rakesh Jain	Independent

The attendance of members of the above committee at their meetings are furnished below:

Sl.No	Name	No. of meetings of Remuneration committee attended
1	Mr.Venkata Raghunadh Nerella	2
2	Mr. Obulreddy Puppala	2
3	Mr.Rakesh Jain	2

4) CODE OF CONDUCT AND ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT:

The Company has laid down a code of conduct for all Board members and senior management personnel of the company. The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them.

5) DETAILS OF GENERAL BODY MEETINGS HELD:

The location and time of the last three Annual General Meetings were held as under

Financial Year	Date	Time	Venue
2012-2013	30.09.2013	10.00 A.M	Hotel Megacity, 3-6-335 to339, Basheerbagh Cross Roads, Hyderabad.
2011-2012	29.09.2012	10.00 A.M	Hotel Megacity, 3-6-335 to339, Basheerbagh Cross Roads, Hyderabad.
2010-2011	30.09.2011	10.00 A.M	Jullundhur Hotel, SCO-1052-53, Opp: ISBT, Sector 22/B, Chandigarh

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6) SPECIAL RESOLUTIONS PASSED DURING THE PREVIOUS 3 AGM'S:

a) The following special resolution was passed in the previous Annual General Meeting held on 30-09-2013

Commencement of all or any of the business proposed in sub-clause (14) covered under clause III (C) of the Memorandum of Association

b) The following special resolution was passed in the previous Annual General Meeting held on 29-09-2012

i) Amendment of Memorandum of Association to alter the object clause relating to inserting the new clause after clause III(A)(2).

ii) Create, offer, follow on offer, issue and allotment of such number of Equity shares, Global Depository Receipts, American Depository Receipts, Foreign Currency Convertible Bonds, and /or any other financial instruments convertible into Equity Shares.

c) The following special resolution was passed in the previous Annual General Meeting held on 29-09-2011

Amendment of Articles to alter the Article relating to Authorised capital due to increase of authorized capital.

7) Common Agency/Share Transfer Agent

The company has appointed M/s Bigshare Services Private Limited, Mumbai as Common Agency for share transfer work in both physical form as well as electronic. The address of Transfer Agency is given below:

M/s. Bigshare Services Private Limited
E-2/3, Ansa Industrial Estate, Sakivihar Road,
Saki Naka, Andheru (E),
Mumbai-400072,
Phone NO.022-28473747, 28475207 Fax: 022-28525207
E mail: bigshare@bom7.vsnl.net.in

8) COMMUNICATION TO SHAREHOLDERS

Company provides information relating to the company mainly through the annual reports which includes the directors report, audited accounts, cash flow statements etc. The shareholders are also intimated the quarterly and yearly and annual performance through intimation to stock exchanges.

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9) GENERAL INFORMATION TO SHAREHOLDERS

- a) Date of Incorporation : 24th November 1992
- b) Registered Office : 6-3-1099/1/3, Flat No. 203, 2nd Floor,
Bhavya'sVarun,
Saram Villa, Rajbhavan Road, Somajiguda,
Hyderabad-500082, Telangana, India
- c) Date and time of the 22nd AGM : 30th September 2014
- d) Venue of the 22nd AGM : Hotel Meghacity, 3-6-335 to 339,
Basheerbagh Cross Roads,
Hyderabad-500001
- e) Financial Calendar : 1st April, 2013 to 31st March, 2014
- f) Date of Book Closure : 22nd September to 24th September, 2014
(Both days inclusive)
- g) Dividend Payment date: Not Applicable
- h) Listing of Equity shares on
Stock Exchange at : The Bombay Stock Exchange Limited
PhirozeJeejeebhoy Towers,
Dalal Street, Mumbai- 400001,
- Stock Code : **519479**
- i) The Company ISIN Number : **INE112B01013**
- j) Listing on Stock Exchange : The Bombay Stock Exchange Limited,
Mumbai.

Stock Market Price data for the year 2013-14.

Month	High	Low
April, 2013	9.61	7.52
May, 2013	8.15	7.12
June, 2013	8.75	7.23
July, 2013	9.45	5.9
August, 2013	8.6	5.8
September, 2013	7.86	6.75
October, 2013	9.44	7.7
November, 2013	7.6	4.65
December, 2013	5.27	4.02
January, 2014	9.19	5.37
February, 2014	9.52	7.36
March, 2014	9.92	7.1

OMEGA AG-SEEDS (PUNJAB) LIMITED

Distribution of shareholding of the company as on 31/03/2014, Category wise, is as below:

Category of Shareholder	No. of Share holders	Total No. of Shares	Total Shareholding as a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group			
(1) Indian			
Individuals / Hindu Undivided Family	2	1596200	20.19
Central Government / State Government(s)	0	0	-
Sub Total	2	1596200	20.19
(2) Foreign	0	0	-
Total shareholding of Promoter and Promoter Group (A)	2	1596200	20.19
(B) Public Shareholding	0	0	-
(1) Institutions			
(a) Central Government / State Government(s)	1	799700	10.12
(b) Financial Institutions / Banks	1	47000	0.59
Sub Total	2	846700	10.71
(2) Non-Institutions			
Bodies Corporate	38	2102741	26.60
Individuals			
Individual shareholders holding nominal share capital up to Rs. 1 lakh	798	684285	8.66
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	54	2627027	33.24
Any Others (Specify)	0	0	-
Clearing Members	1	81	0.00
Non Resident Indians	7	9300	0.12
Directors & their Relatives & Friends	2	37666	0.48
Sub Total	900	5461100	69.09
Total Public shareholding (B)	902	6307800	79.81
Total (A)+(B)	904	7904000	100.00

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Distribution of Share Holding of the company as on 31.03.2014, value wise is as below:

Shareholding of Nominal value Rs.	Shareholders		Shares	
	Number	% of total	Number	% of total capital
Upto 500	553	61.1776%	162868	2.0600%
501 to 1000	146	16.1504%	126842	1.6048%
1001 to 2000	58	6.4159%	95980	1.2143%
2001 to 3000	29	3.2080%	76451	0.9672%
3001 to 4000	19	2.1018%	68530	0.8670%
4001 to 5000	10	1.1062%	47914	0.6062%
5001 to 10000	21	2.3230%	148794	1.8825%
10001 to and above	68	7.5221%	7176621	90.7973%
Total	904	100%	7904000	100.00%

Shareholding pattern of the Company as on 31st of March 2014

Category	Number of Shares held	% of Total Shareholding
A. Promoters (Incl. Persons Acting in Concert)	1596200	20.19
B. Non Promoters	6307800	79.81
i. Institutions	846700	10.71
ii. Corporate Bodies	2102741	26.60
iii. Public (individuals other than above)	3358359	42.49
Total (A+B)	7904000	100.00

By Order of the Board
For Omega AG Seeds (Punjab) Limited

Place : Hyderabad
Date : 30th August , 2014

Sd/-
[N.V.R. MOHAN RAO]
Managing Director

OMEGA AG-SEEDS (PUNJAB) LIMITED

AUDITORS RREPORT ON CORPORATE GOVERNANCE

To

THE MEMBERS OF OMEGA AG-SEEDS (PUNJAB) LIMITED

We have reviewed the implementation of Corporate Governance procedures by Omega Ag-Seeds(Punjab) Limited, during the year ended 31st March 2014, as stipulated in clause 49 of the listing agreement of the said Company with the stock exchanges, with the relevant records on corporate governance, as approved by the board of Directors. The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implantation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor a expression of opinion of the financial statements of the company.

As per schedule of implementation stipulated in clause 49 of the listing agreement with stock exchanges, the company is supposed to comply with all the conditions by 31st March 2014. During the year, the company initiated steps to comply with the requirement of clause 49 of the listing agreements.

On the basis of our review and according to the information and explanations to us, the conditions for corporate governance, as stipulated in corporate governance clause of the listing agreement with the stock exchanges have been complied with in all material respects by the company and that no investor grievances is/ are pending for a period of exceeding one month against the company as per the records maintained by the company.

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

For Mudili Vijaya Krishna & Associates
Chartered Accountants
Firm Reg. No. 011211S

Sd/-

(Mudili Vijaya Krishna)

Partner

M.No. 211105

Date: 30th August, 2014

Vijayawada