

CORPORATE GOVERNANCE REPORT

In Compliance with Clause 49 of Listing Agreement with Stock Exchanges, the Company Submits the report on the matters mentioned in said clause and lists the practices followed by the company.

1. CORPORATE GOVERNANCE PHILOSOPHY:

The Company's philosophy on Corporate Governance is to practice fair and transparent governance to the benefit of its Shareholders, Lending Institutions, Customers, Employees and Society at large.

The Company relies on the strong Corporate Governance systems and policies of business for healthy growth, accountability and transparency. The code of Corporate Governance emphasizes the transparency of systems to enhance the benefit of shareholders, customers, creditors and employees of the Company. In addition to compliance with regulatory requirements, the Company endeavors to ensure that the highest standards of ethical conduct are maintained throughout the organization.

2. BOARD OF DIRECTORS:

The Board of Directors along with its committees provides focus and guidance to the Company's Management as well as directs and monitors the performance of the Company.

All the Directors on the Board of the Company have made necessary declarations/disclosures regarding their other Directorships along with Committee positions held by them in other Companies. During the year under review Four Board Meetings were held on 30.05.2013, 14.08.2013, 07.09.2013, 14.11.2013 and 14.02.2014. The maximum gap between two consecutive meetings did not exceed four months. The details of the attendance of each director at the meetings held and their other directorships and committee positions are as follows:

Name of the Director	Category	No of Board Meetings during the Year 2013-2014 and attendance		Last AGM	As on date		
		B.M.			@No. of other Directorships	Committee positions ¹	
		Hel d	Attend ed			Memb er	Chairma n
Mr. L.Srinath Reddy ²	Managing Director	4	3	No	Nil	Nil	Nil
Mr. P S Raman	Non-Executive Director	4	4	Yes	Nil	1	Nil
Mr. R. Jagadeeswara Rao	Non-Executive Director	4	4	Yes	1	Nil	Nil
Mr.S.B. Ramakumar ³	Whole-time Director	4	3	Yes	Nil	Nil	Nil
Mr. Katta Srikanth Reddy ⁴	Director	4	1	Yes	Nil	1	Nil
Mr. Viswewswara Rao Kothapalli ⁵	Director	4	3	Yes	Nil	1	1
Mr.V.Vinod Kumar Valipireddy	Director	4	4	Yes	1	1	1

Mr. Venkata Anil Kumar Ambati ⁶	Additional Director	4	3	No	Nil	1	Nil
Mr. Pandrangi Radha Kishore ⁷	Additional Director	4	3	No	Nil	1	1

@ Note: Excluding Directorship in Foreign Companies and Companies incorporated u/s.8 of Companies Act, 2013.

1. Only Audit Committee and Shareholders Grievance Committee positions.
2. Co-opted as an Additional Director w.e.f.16-08-2013.
3. Ceased to be the Director w.e.f. 31-01-2014.
4. Ceased to be the Director w.e.f. 14-08-2013.
5. Ceased to be the Director w.e.f. 31-01-2014.
6. Co-opted as an Additional Director w.e.f.14-08-2013
7. Co-opted as an Additional Director w.e.f.14-08-2013.

3. COMMITTEES OF DIRECTORS:

A. Audit Committee:

The Company constituted a Qualified and Independent Audit Committee comprising of three Non-Executive Independent Directors in accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges and Section 177 of the Companies Act, 2013.

The Committee is empowered with the powers as prescribed under Clause 49 of Listing Agreement and Section 177 of the Companies Act, 2013. The Committee also acts in terms of reference and directions of the Board from time to time.

The composition of the Audit Committee and the attendance of each Member of the Committee at the meetings were as follows:

S.No	Name of the Director	Designation	No. of meetings held during the period	No. of Meetings attended
1	Visweswra Rao Kothapalli ¹	Chairman ¹	4	3
2	Katta Sreekanth	Member	4	1

	Reddy ²			
3	V.Vinod Kumar Valipireddy	Member	4	4
4	Venkata Anil Kumar Ambati ³	Member	4	3
5	Pandurangi Radha kishore ⁴	Chairman	4	2

1. Ceased to be the Chairman of the Committee w.e.f 31-01-2014.
2. Ceased to be the member of the Committee w.e.f 14-08-2013.
3. Co-opted as member of the committee w.e.f 14-08-2013
4. Co-opted as Chairman of the committee w.e.f. 31-01- 2014.

Chairman of the Audit Committee also attended the last Annual General Meeting of the Company.

Audit Committee meetings were held during the year under review on 30th May, 2013, 14th August, 2013, 14th November, 2013 and 14th February, 2014.

The necessary quorum was present at all the meetings.

B. Stakeholders' Relationship Committee:

The present composition of the **Stakeholders' Relationship Committee** (Shareholders/ Investors grievances Committee) is as under:

Name of the Director	Designation
V Vinod Kumar Valipireddy	Chairman
Mr. L.Srinath Reddy	Member

The Stakeholders' relationship Committee of the Board is empowered to oversee the redressal of investors' complaints pertaining to share transfer, non-receipt of Annual Reports, issue of duplicate share certificate, transmission of shares and other miscellaneous complaints. In accordance with Clause 49 of the Listing Agreement with Stock Exchanges, the Board has authorized the Compliance Officer to approve the share transfers/transmissions and comply with other formalities in relation thereto. All investor's complaints, which cannot

be settled at the level of the Compliance Officer, will be placed before the Committee for final settlement.

There were no pending share transfers and un-resolved shareholders' grievances pertaining to the Financial Year ended 31st March, 2014.

C. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of Three (3) Non-Executive Directors. The present composition of the Nomination and Remuneration Committee is as follows:

S.No.	Name of the Director	Nature of Directorship	Designation
1	V Vinod Kumar Valipireddy	Independent Director	Member
2	Venkata Anil Kumar Ambati	Independent Director	Member
3	Pandrangi Radha Kishore	Independent Director	Member

The Nomination and Remuneration Committee reviews the remuneration package payable to Executive Director(s) and Other Senior Executives in the top level management of the Company and other elements of their appointment and gives its recommendations to the Board and acts in terms of reference of the Board from time to time.

The details of remuneration paid during the year to the Managing Director and Whole-time Director, is as follows:

(Rs. in Lakhs)

Details of Payment	Managing Director	Whole-time Director [@]
Salary	20.40	3.00
Allowances, Perquisites & others	9.60	7.00

Total	30.00	10.00
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@ Ceased to be the Director w.e.f. 31-01-2014.

Managing Director is also eligible for the Leave encashment, Leave Travel Concession, Gratuity, Superannuation and other benefits in terms of his appointment and rules of the Company.

During the year, the details of compensation paid to the Non Executive Directors, is as follows:

(Rs. in Lakhs)

S.No	Name of the Director	Sitting and other Consultancy Fees	No. of Shares held on 31-03-2014
1	R.Jagadeeswara Rao	2.25	59237
2	P.S.Raman	2.25	50000
3	P Radha Kishore	0.30	0
4	Anil Kumar Ambati	0.30	0

Other than the sitting and consultancy fees to Non-Executive Directors, there was no material pecuniary relationship or transactions with the Company. The Company has not issued any stock options to its Directors/Employees.

4 General Body Meetings:

Year	Place of Meeting	Date & Time	Special Resolutions

2012-13	Hotel Devi Grand, #11-5-152, Bhavani Nagar, Moosapet 'X' Roads, Hyderabad – 500 018.	27-06-2013 10.00 A.M	Appointment of Mr. Suraneni Butchi ramakumar as a Whole-time Director of the company for a period of 5 years with effect from 14 th March, 2013
2011-12	Pariwar Hotel, Beside Radhika Theatre, A.S.Rao Nagar, Main Road, Secunderabad	18-10-2012 12.30 P.M	NIL
2010-11	Nagarjuna Nagar community Hall, 8-3-903/4/A, Nagarjuna Nagar, Ameerpet, Hyderabad	15-11-2011 10.00 A.M	NIL

(i) During the last three years the following Extra-Ordinary General Meetings were held:

Year	Date	Time	Venue of the meeting	Special Resolutions
2013-14	15 th October, 2013	11.00 A.M	Registered Office, Hyderabad	a) Approval for Appointment of and Payment of Remuneration to Mr.L.Srinath Reddy as Managing Director w.e.f.16 th August, 2013.
2012-	18 th Octob		Pariwar Hotel, A.S.Rao	a) Approval of Scheme of Arrangement between

13	er, 2012	11.00 A.M	Nagar, Main Road, Secunderabad	Company and its Shareholders and its unsecured lenders as directed by the Hon'ble High Court of Andhra Pradesh.
2011- 12	-	-	-	-

5. DISCLOSURES:

A. Disclosures on Materially Significant Related Party Transactions

There were no materially significant related party transactions compared to the business volume of the Company during the year conflicting with the interest of the Company.

- B.** As per the Internal Code of Conduct the employees have been given access to the Audit Committee.

C. Code of Conduct:

The Company has framed the Code of Conduct for Directors and Senior Management. The Code of Conduct is applicable to all Directors and senior Management of the Company. All the members of the Board and Senior Management of the Company have affirmed compliance with their respective Codes of Conducts for the financial year ended 31st March, 2014.

D. Whistle Blower Policy:

As per internal code of conduct the employees have been given access to the Audit Committee.

E. CEO Certification:

The Managing Director (CEO) has certified and submitted a certificate on the financial results and other compliance of statutory requirements to the Board in accordance with Clause 49(V) of the Listing Agreement pertaining to CEO certification for the financial year ended 31st March, 2014.

F. Details of Compliances with Mandatory Requirements and Adoption of the non-Mandatory Requirements:

The Company has complied with all the mandatory requirements of Clause 49 and is in the process of implementation of Non-Mandatory requirements.

G. Relationship inter-se among directors:

In accordance with the provisions of as per section 2 (77) of the Companies Act, 2013, read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014, none of the directors is related to each other.

6. MEANS OF COMMUNICATION:

A. The financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement.

B. Management Discussion and Analysis forms part of this Annual Report.

7. GENERAL SHAREHOLDER'S INFORMATION

A. Annual General Meeting

Date and Time	Wednesday, 10 th Day of September, 2014 at 11.00 AM
Venue	Hotel Devi Grand, #11-5-152, Bhavani Nagar, Moosapet 'X' Roads, Hyderabad-500 018.
Last Date of Proxy forms submission	11.00 AM on 08 th September, 2014

B. Financial Year : 1st April 2013 to 31st March 2014.

C. Book Closure : 29.08.2014 to 10.09.2014 (both days inclusive)

D. Listing on Stock Exchanges : BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai.

E. Stock Code

Name of the Stock Exchange	Stock Code	Scrip Code
Bombay Stock Exchange Limited	530951	RAMINFO
Demat ISIN No. for CDSL & NSDL	INE357B01022	

The Company's shares are listed on the BSE Limited (BSE). The listing fee for the year 2014-2015 has been paid to above said Stock Exchange.

E. Market Price Data & Share Performance of the Company:

Trading details such as monthly High, Low and trading volumes of the Company's Equity Shares took place during the last financial year 2013-2014 at BSE Limited are given below:

Month	BSE		
	High (Rs.)	Low (Rs.)	Volume
April, 2013	3.55	2.21	14,889
May, 2013	NIL	NIL	NIL
June, 2013	NIL	NIL	NIL
July, 2013	20.00	14.11	2,699
August, 2013	9.51	10.45	7,520
September, 2013	11.55	9.51	4,067
October, 2013	13.30	10.05	4,697
November, 2013	11.68	9.00	13,723
December, 2013	13.12	10.27	5,557
January, 2014	12.37	10.50	3,815
February, 2014	12.64	10.85	5,629

March, 2014	12.55	10.30	22,996
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G. Distribution of Equity Shares as on 31st March 2014

No. of shares	Holders		Amount	
	Number of holders	Holding % To Total shares	In Rs	% To Total
Upto - 5000	7682	97.66	3277480	5.22
5001 - 10000	79	1	612160	0.97
10001 - 20000	47	0.6	660170	1.05
20001 - 30000	7	0.09	174570	0.28
30001 - 40000	8	0.1	267630	0.43
40001 - 50000	5	0.06	234460	0.37
50001 - 100000	7	0.09	470570	0.75
100001 and above	31	0.39	57109360	90.93
Total	7866	100	62806400	100

H. Shareholding Pattern as on 31st March, 2014

Category	No. of Shares held	% of Capital
Indian Promoters	2302350	36.66
Banks, Financial institutions, Insurance Companies & Mutual Funds	570	0.01

Foreign Institutional Investors	0	0.00
Indian Public & HUFs	1264805	20.14
Private Corporate Bodies	2621835	41.74
NRIs /OCBs/ FCBs	91010	1.45
Others	190	0.00
Total	6280640	100.00

I. Registrar and Share Transfer Agent/ Common Agency for Share Registry work:

M/s. Venture Capital and Corporate Investments Private Limited

12.10.167, Bharat Nagar,
Hyderabad – 500 018
Phone No. 040-23818475/476
Fax No. 040-23868024
E-mail: info@vccilindia.com

The Company periodically gets audited the operations of share transfer agent.

J. Share Transfer System:

Share Transfers in physical form shall be lodged with the Registrar at the above-said address. The share transfers are generally processed by our Registrars within 10 days from the date of receipt provided the documents are complete in all respects.

K. Dematerialization of shares and liquidity:

The Company has made necessary arrangements with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for dematerialization facility. Shareholders can open accounts with the depository participant registered with both depositories.

L. Address for Correspondence:

Ram Informatics Limited, 1st Floor, SVR Towers 8-2-1/B/1 Srinagar Colony Road, Panjagutta, Hyderabad, A.P-500 082 Phone No. 040-2374 1894, Fax: 040-23748240.