



REPORT ON CORPORATE GOVERNANCE

The Directors have pleasure in presenting the Company's Report on "Corporate Governance" pursuant to Clause 49 of the Listing Agreement of the Stock Exchange.

1. BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Madhucon Projects Limited aims to maximize its contribution towards enrichment of quality of life and societal welfare by nurturing an excellent organization for nation building.

Madhucon Projects Limited believes that good Corporate Governance is essential to achieve long term corporate goals and to enhance Shareholders' value. The Company's philosophy on Corporate Governance envisages attainment of high-level transparency, accountability, disclosures and integrity in the functioning of the Company. The Company believes that its systems and actions must be integrated for enhancement of corporate performance resulting in the maximization of shareholders value in the long run.

2. BOARD OF DIRECTORS:

i. Composition and Category of the Directors:

In terms of compliance with the requirement of clause 49(I)(A) of Listing Agreement, the Company endeavor to have an optimum combination of Executive and Non-Executive Directors to maintain the independence of the Board and separate the functions of Governance and Management through Board and Committees.

As on 31st March 2013, the Board consists of 4 (Four) Directors. There is 1(One) Managing Director, 1(One) Whole-time Director and 2(Two) Independent Non-Executive Directors of whom one is the elected Chairman.

ii. Attendance of each director at the Board Meeting and the last Annual General Meeting:

The particulars of attendance of Board Meeting and Annual General Meeting by Directors for the financial year ended 31.03.2013 has been set out here below.

Sl. No.	Name of the Director	Board Meetings attended during the financial year 2012-13	Meeting attended at Previous AGM held on 29.09.2012
1	Sri N. Seethaiah Managing Director	34	Yes
2	Sri S.Vaikuntanathan Whole-time Director (Upto 04.03.2013)	31	Yes
3	Sri K. Srinivasa Rao Non-Executive Director (Upto 14.11.2012) and as Wholetime Director (w.e.f. 15.11.2012)	33	Yes
4	Dr. C. Venkateswara Rao Independent Director	34	No
5	Sri P. Madhava Rao Independent Director	32	Yes



iii. **Number of other Boards or Board Committees in which director is a member or Chairperson:**

In terms of compliance with the requirement of clause 49(I) (C) (ii) of Listing Agreement, the number of directorship and membership in Board of Directors and Committees respectively in other Companies are set out 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	19	3	-
2	Sri S.Vaikunthanathan (Upto 04.03.2013)	Whole-time Director	2	-	-
3	Sri K.Srinivasa Rao (as Director up to 14.11.2012 and as Wholetime Director w.e.f. 15.11.2012)	Whole-time Director	20	-	-
4	Dr. C.Venkateswara Rao	Independent Director	17	1	2
5	Sri P. Madhava Rao	Independent Director	3	2	1

None of the Directors is a Member in more than 10 Committees and Chairman in more than 5 Committees.

iv. **Number of Board Meetings held and Date on which held:**

In terms of compliance with the requirement of clause 49(I) (C) of Listing Agreement, Thirty Four(34) Board Meetings were held during the financial year ended 31.3.2013 on the following dates:

First Quarter		Second Quarter		Third Quarter		Fourth Quarter	
Meeting No.	Date	Meeting No.	Date	Meeting No.	Date	Meeting No.	Date
457	02.04.2012	468	10.07.2012	476	06.10.2012	484	28.01.2013
458	14.04.2012	469	20.07.2012	477	29.10.2012	485	13.02.2013
459	24.04.2012	470	01.08.2012	478	14.11.2012	486	19.02.2013
460	02.05.2012	471	11.08.2012	479	01.12.2012	487	02.03.2013
461	04.05.2012	472	28.08.2012	480	12.12.2012	488	16.03.2013
462	12.05.2012	473	11.09.2012	481	22.12.2012	489	25.03.2013
463	22.05.2012	474	15.09.2012	482	27.12.2012	490	28.03.2013
464	02.06.2012	475	26.09.2012	483	31.12.2012		
465	08.06.2012						
466	20.06.2012						
467	30.06.2012						

**3. AUDIT COMMITTEE:****i. Brief description of terms of reference:**

In terms of compliance with the requirement of clause 49(II) of Listing Agreement, 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 Clause 49(II) (C) and 49(II) (D) of the Listing Agreement respectively read with Section 292 A of the Companies Act, 1956.

ii. Composition, Name of Members and Chairperson:

The Audit Committee was re-constituted on 29.04.2006 consisting of three members namely Dr. C. Venkateswara Rao, Independent Director as Chairman, Sri P. Madhava Rao, Independent Director and Sri K. Srinivasa Rao, Wholtime Director as Members of the Committee.

iii. Meeting and attendance during the year:

In terms of compliance with the requirement of clause 49(II)(B) of Listing Agreement, the Audit Committee met 5(Five) times during the financial year under review, on 12.05.2012, 11.08.2012, 28.08.2012, 14.11.2012 and 13.02.2013 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	Dr. C. Venkateswara Rao	Chairman	5
2	Sri. P. Madhava Rao	Member	5
3	Sri. K. Srinivasa Rao	Member	5

CGM (F&A), Head of Internal Auditors and representative of Statutory Auditors attended the meetings of the Audit Committee as Invitees.

In terms of compliance with the requirement of clause 49(II) (E) of Listing Agreement, the Audit Committee reviews the information from time to time as specified in the said clause.

4. REMUNERATION COMMITTEE:**i. Brief description of terms of reference:**

The terms of reference of 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, Name of the Members and Chairperson:

The Company has re-constituted the Remuneration Committee on 22.12.2012 consisting of three (3) members namely Dr.C.Venkateswara Rao, Independent Director as Chairman and Sri P. Madhava Rao, as Independent member and Sri K. Srinivasa Rao, Wholtime Director as member.

iii. Attendance during the year:

The Remuneration Committee met 1 (One) time, during the financial year under review, on 12.11.2012 and 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	Dr. C. Venkateswara Rao	Chairman	1
2	Sri P. Madhava Rao	Member	1
3	Sri K. Srinivasa Rao	Member	1

iv. Remuneration Policy:

The remuneration policies of the company are as follows:

1. The remuneration payable to the executive directors shall not exceed the limits prescribed by the Companies Act, 1956 and amendment / re-enactment, if any.
2. The remuneration payable to the executive directors is linked with their merit and performance.
3. The remuneration payable to the Directors is subject to approval of Board of Directors and Shareholders at their meetings.
4. No sitting fee to the Directors for attending the Board/Committee meetings.
5. Such other policy as may be decided from time to time.

v. Details of Remuneration to all Directors:

Details of Remuneration of the following Directors for the financial year ended 31st March 2013 are as follows:

Sl. No.	Name of the Director	Consolidated Salary (Value in Rs.)	Perquisites, Allowances and other Benefits	Performance Bonus / Incentive / Commission / Stock Option	Sitting Fees	Total (Rs.)
1	Sri N. Seethaiah Managing Director	5,00,000	Nil	Nil	Nil	60,00,000
2	Sri S. Vaikuntanathan Whole-Time Director	2,45,000 (01.04.2012 to 04.03.2013)	Nil	Nil	Nil	27,26,000
3	Sri K. Srinivasa Rao Whole-Time Director	2,50,000 (15.11.2012 to 31.03.2013)	Nil	Nil	Nil	11,33,000

5. SHAREHOLDERS / INVESTORS GRIEVANCE 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. Name of Non-Executive Director heading the Committee:

The Shareholders/ Investors Grievance Committee was reconstituted on 22.12.2012 consisting of three (3) members namely Sri P. Madhva Rao, Chairman, Sri K. Srinivasa Rao, Wholetime Director as Member, and Dr. C. Venkateswara Rao, Independent Director as Members of the Committee.

ii. Name and Designation of Compliance Officer:

Ms. Nutan Singh, the Company Secretary has been designated as the Compliance Officer of the Company.

**iii. Number of Shareholders Complaint received as on the date of approval of Directors Report:**

During the financial year under review, the Company has received 58 complaints from Shareholders and disposed off 58 and 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 redressal 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.

vii. Attendance during the year:

The Shareholders/Investors Grievances Committee met 4 (Four) times during the year on 12.05.2012, 11.08.2012, 13.11.2012 and 12.02.2013 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	Sri K. Srinivasa Rao	Chairman/ Member	4
2	Sri N.Seethaiah	Member (up to 21.12.2012)	3
3	Dr. C.Venkateswara Rao	Member	4
4	Sri P. Madhava Rao	Chairman (w.e.f. 22.12.2012)	1

vii Shares held by Non-Executive and Independent Directors:

Sl. No.	Name of the Director	Status	No. of Shares held	Percentage (%) of total shares
1	Dr. C. Venkateswara Rao	Independent	Nil	Nil
2	Sri P. Madhava Rao	Independent	Nil	Nil

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/ approved
22nd AGM (2011-12)	29.09.2012, 03.00 PM	Regd Office: Madhu Complex, 1-7-70, Jublipura, Khammam- 507003	Issue of Further Securities
21st AGM (2010-11)	30.09.2011, 03.00 PM	Regd Office: Madhu Complex, 1-7-70, Jublipura, Khammam- 507003	<ol style="list-style-type: none"> 1. Amendment of Unpaid Dividend Clause in Articles of Association 2. Insert Nomination Clause in Articles of Association 3. Insert Dematerialization of Securities Clause in Articles of Association 4. Amendment of Attorney of the Company Clause in Articles of Association 5. Issue of Further Securities
20th AGM (2009-10)	30.09.2010, 03.00 PM	Regd Office: Madhu Complex, 1-7-70, Jublipura, Khammam- 507003	<ol style="list-style-type: none"> 1. Amendment of Capital Clause in Memorandum & Articles of Association. 2. Issue of Further Securities 3. Amendment of Articles of Association to provide for issue of Securities with differential voting rights.

iii. **Special Resolution passed through Postal Ballot:**

No Special Resolution was passed through Postal Ballot during 2012-2013. None of the business proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution through Postal Ballot.

7. **DISCLOSURES:**

In terms of compliance with the requirement of clause 49(IV)(A), 49(IV)(B) and 49(IV)(C) of Listing Agreement, the Company complies with the requirement relating to related party transactions, accounting treatment, risk management as specified therein wherever required. The clause 49(IV) (D) of Listing Agreement is not applicable since the Company has not raised any proceeds from Public Issues, Rights Issues, Preferential Issues etc. during the financial year ended 31.03.2013. Similarly, clause 49(IV) (E) of Listing Agreement relating to remuneration to Non-Executive Director is not applicable since no Non-Executive Director was paid any remuneration during the financial year ended 31.03.2013.

In terms of compliance with the requirement of clause 49(IV) (F) of Listing Agreement, information as required under Management Discussion and Analysis Report (MDA) is given in the Directors' Report forming the part of this Annual Report.

i) **Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:**

None



- ii) **Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or Statutory Authority on any matters relating to capital markets during the last three years**

None

- iii) **Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee**

It is affirmed that no personnel has been denied to access to the Audit Committee.

- iv) **Details of compliances with mandatory requirements and adoption of non-mandatory requirements of Clause-49.**

Complied all the mandatory requirements from time to time. None of the non-mandatory requirements is adopted.

- v) **Pecuniary relationships or transactions with Non- Executive Directors**

None

- vi) **Material non-listed subsidiary companies as defined in Clause 49 of the Listing Agreement with Stock Exchanges**

Given elsewhere in the Report.

The details as given above are in conformity with the list of items to be included in the report on corporate governance in the Annual Report as specified in the Annexure IC of Clause-49 of Listing Agreement of the stock exchange.

8. MEANS OF COMMUNICATION:

i. Quarterly Results:

The quarterly un-audited provisional financial results of the Company will be published in the leading daily newspaper within 45 days from of the end of the respective quarter and fourth quarter duly audited within 60 days as per the amended Clause-41 of the Listing Agreement.

The financial calendar events relating to quarterly un-audited financial results are as follows:

Financial Reporting for the:	
1st Quarter ended 30th June 2013	14th August, 2013
2nd Quarter ended 30th September 2013	15th November, 2013
3rd Quarter ended 31st December 2013	15th February, 2014
4th Quarter ended 31st March 2014	30th May, 2014

ii. Newspapers wherein results normally published:

The financial provisional un-audited results will be published in all leading daily newspapers in English and in Regional language having nationwide circulation like Financial Express and Andhra Prabha.

iii. Any website where quarterly results displayed:

These financial provisional results and shareholding pattern will also be posted on SEBI's Corporate Filing & Dissemination System (CFDS) website www.corpfiling.co.in and also placed in Company's website www.madhucon.com.

iv. Whether quarterly results also displays official news releases:

The performance of the Quarterly results will be released in press by the press media from time to time.



v. The presentation made to institutional investors or to the analysts:

Yes - Through video conference.

The Report of the Directors, forming part of this Annual Report and Accounts, includes Management Discussion and Analysis Report (MDAR).

9. INVESTMENTS/EQUITY PARTICIPATION IN OTHER COMPANIES:

i) Madhucon Projects Limited Investments in Equity of Subsidiary Companies as on 31.03.2013:

Sl. No	Name of the Company	Date of Incorporation	No. of Equity Shares held by Madhucon Projects Limited	Face Value of Equity Shares (Rs)	Value of Equity shares (Rs)	Percentage (%)
1	Madhucon Infra Limited (CIN: U45200AP2006PLC049235)	22.02.2006	122,20,27,045	10	1222,02,70,450	94.894
2	Madurai-Tuticorin Expressways Limited (CIN-U45203AP2006PLC050114)	11.05.2006	8,85,61,500	10	88,56,15,000	54.12
3	Madhucon Energy Limited (CIN- U45309AP2000PLC034007)	24.03.2000	1,00,090	5	5,00,450	99.95
4	Madhucon Mega Mall Private Limited (CIN-U45400AP2007PTC056734)	18.12.2007	20,000	10	2,00,000	66.66
5	Nama Hotels Private Limited (CIN-U55101AP2007PTC056818)	24.12.2007	2,71,21,200	10	27,12,12,000	99.96
6	Madhucon Heights Private Limited (CIN-U45209AP2007PTC056733)	18.12.2007	20,000	10	2,00,000	66.66
7	Agastyamuni Hydro PowerPrivate Limited (U40108AP2010PTC068128)	28.04.2010	6,000	10	60,000	60.00
8	Rudraprayag Hydro PowerPrivate Limited (U40108AP2010PTC068130)	28.04.2010	6,000	10	60,000	60.00
9	Tilwara Hydro PowerPrivate Limited (U40300AP2010PTC068127)	28.04.2010	6,000	10	60,000	60.00

ii) Madhucon Projects Limited Investments in Equity of Foreign Subsidiary Companies as on 31.03.2013:

Sl. No	Name of the Company	Date of Incorporation	No. of Equity Shares held by Madhucon Projects Limited	Face Value of Equity Share	Value of Equity Shares held	Percentage (%)
01	Madhucon Natural Resources Limited, Singapore (200603264W)	09.03.2006	750	S\$ 1/-	S\$ 750 (Equivalent to Rs.21036)	75.00



iii) Madhucon Projects Limited Investments in Equity of Group Companies (other than subsidiaries) as on 31.03.2013:

Sl. No	Name of the Company	Date of incorporation	No. of Equity Shares held by Madhucon Projects Limited	Face Value of Equity Share Rs.	Value of Equity Shares held Rs.	Percentage (%)
1	Madhucon Sugar & Power Industries Limited (CIN:U15427AP2002PLC039859)	05.11.2002	4811500	10	48115000	10.36
2	MBN Anchored Earth Limited (CIN U45200AP1998PLC029310)	28.04.1998	40000	10	400000	40.00
3	Madhucon Properties Limited (CIN:U45200AP2005PLC045366)	15.02.2005	20000	10	200000	33.33
4	Madhucon Toll Highways Limited (CIN- U93000AP2008PLC060479)	05.08.2008	30000	10	300000	0.01
5	Madhucon Agra-Jaipur Expressways Limited (CIN-U45203AP2005PLC045689)	23.03.2005	100000	10	1000000	0.10
6	TN(DK) Expressways Limited (CIN- U45200AP2006PLC048941)	31.01.2006	100000	10	1000000	0.13
7	Trichy-Thanjavur Expressways Limited (CIN- U45200AP2006PLC049815)	13.04.2006	100000	10	1000000	0.15
8	Chhapra-Hajipur Expressways Limited (U45209AP2010PLC068742)	02.06.2010	100000	10	10,00,000	0.17
9	Simhapuri Energy Limited (CIN-U40101AP2005PLC048264)	02.12.2005	10000	10	1,00,000	0.01
10	Rajanagaram Gas Power Private Limited (U40108AP2010PTC066560)	05.01.2010	488080	10	4880800	13.56
11	Ramnagar Power Private Limited (U40108AP2010PTC071246)	16.11.2010	10000	10	100000	50.00
12	Barasat-Krishnagar Expressways Ltd (U45203AP2011PLC073469)	24.03.2011	14000	10	140000	0.04
13	Ranchi Expressways Limited (U45209AP2011PLC073568)	29.03.2011	14000	10	140000	0.02
14.	Vijayawada – Machilipatnam Expressways Limited (U45209AP2011PLC077676)	28.11.2011	8000	10	80000	3.20
15.	Rajauli-Bakhtiyarpur Expressways Limited (U45203AP2012PLC080775)	07.05.2012	12000	10	120000	24.00

iv) Madhucon Projects Limited Investments in Equity of Foreign Group Companies (other than subsidiary) as on 31.03.2013:

Sl. No	Name of the Company	Date of incorporation	No. of Equity Shares held by Madhucon Projects Limited	Face Value of Equity Share	Value of Equity Shares held	Percentage (%)
1	PT Madhucon Indonesia (Deed No.30) (H.R.01.01.TH 2006) Jakarta, Indonesia	19.12.2005	1565000	Rph.10,110	US\$1565000 (equivalent to Rs.722.72 lacs)	10.00
2	PT Madhucon Sriwijaya Power (Deed No.46) (Decree No.AHU-10886, AH:01.01.Tahun.2012 dated 28th February, 2012)	20.02.2012	1250000	Rph.9000	US\$12500000 (equivalent to Rs.657.38 lacs)	25.00



10. 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 by SEBI. 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.

11. Auditors' Certificate:

Auditors' Report certifying the compliance of Corporate Governance as required under clause 49 of the Listing Agreement is annexed herein forming a part of Corporate Governance Report and the same has been sent to National Stock Exchange (NSE), and Bombay Stock Exchange (BSE), Luxembourg Stock Exchange along with Annual Report of the Company.

12. GENERAL SHAREHOLDER INFORMATION:

i) Day, Date, Time and Venue of Annual General Meeting:

Date : 28th September, 2013
 Day : Saturday
 Time : 3:00 PM
 Venue : Regd. Office: Madhu Complex, 1-7-70, Jublipura,
 Khammam - 507 003, Andhra Pradesh

ii) Financial Year:

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

iii) Date of Book Closure:

24.09.2013 to 28.09.2013 (inclusive of both days) to determine the entitlement of shareholders to receive the dividend, if any, declared for the financial year ended 31st March, 2013. Dividend will be paid to the beneficial owner of the shares as per the details provided by the Depositors.

iv) Dividend Payment Date:

On or before 27th October, 2013

v) 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.

vi) Stock Code:

INE 378D01032

vii) Market Price Data:

High and Low during each month in last financial year 2012-2013:

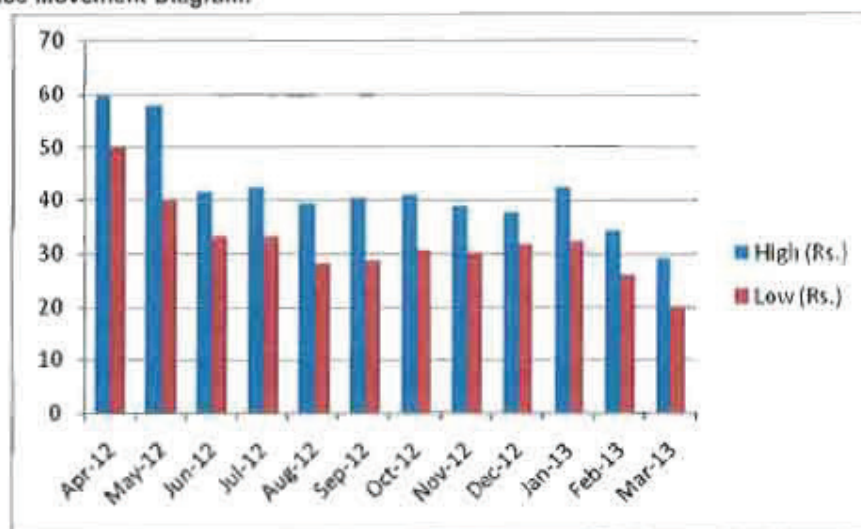
High and Low of Market Price of the Company's Equity Shares Traded on the BSE & NSE Stock Exchanges during the 12 months period ended 31st March 2013 are as under-

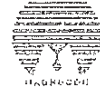
**A) BSE**

Period	High (Rs.)	Low (Rs.)	No. of Shares	No. of Trades
April 2012	59.90	50.50	50526	1158
May 2012	57.80	40.05	266833	3684
June 2012	41.60	33.35	245680	5857
July 2012	42.50	33.35	589611	9423
August 2012	39.40	28.55	214351	2761
September 2012	40.90	27.80	1129079	9537
October 2012	40.80	30.65	1648196	10770
November 2012	38.70	30.20	2023184	14292
December 2012	37.45	32.80	867984	6899
January 2013	42.40	32.60	2237302	15685
February 2013	34.20	25.50	239872	2351
March 2013	29.00	17.70	298204	3027

B) NSE

Period	High (Rs.)	Low (Rs.)	Traded Quantity No. of Shares
April 2012	60.00	50.10	183638
May 2012	57.80	40.10	668910
June 2012	41.60	33.00	1057579
July 2012	42.30	33.10	2874323
August 2012	39.50	28.00	828837
September 2012	40.40	28.50	3376374
October 2012	40.90	30.75	4476350
November 2012	38.80	30.00	5266404
December 2012	37.40	31.75	2784631
January 2013	42.40	32.30	5605926
February 2013	34.20	25.60	844940
March 2013	28.95	20.00	769951

Share Price Movement Diagram:



viii) Registrar and Transfer Agents (RTA):

Karvy Computershare Private Limited
Plot No. 17-24, Vittal Rao Nagar
Madhapur, Hyderabad-500081

Phone No.: 040-23420818 Fax: 040-23420814

E-mail: madhusudhan@karvy.com

Contact Person Name & Designation: Mr. M.S.Madhusudhan, General Manager

ix) 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 30 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.

x) A) Distribution of Shareholding as on 31st March, 2013

Equity Share holding of nominal Value of Rs. 1/- each	Equity Shareholders		Equity Share Amount	
	Numbers	%	In Rs.	%
1 - 5,000	12306	97.86	4279771	5.80
5,001 - 10,000	122	0.97	952368	1.29
10,001 - 20,000	59	0.47	854111	1.16
20,001 - 30,000	20	0.16	505534	0.69
30,001 - 40,000	9	0.07	323366	0.44
40,001 - 50,000	12	0.10	547642	0.74
50,001 - 1,00,000	8	0.06	598713	0.81
1,00,001 - Above	39	0.31	65733435	89.08
TOTAL	12575	100.00	73794940	100.00



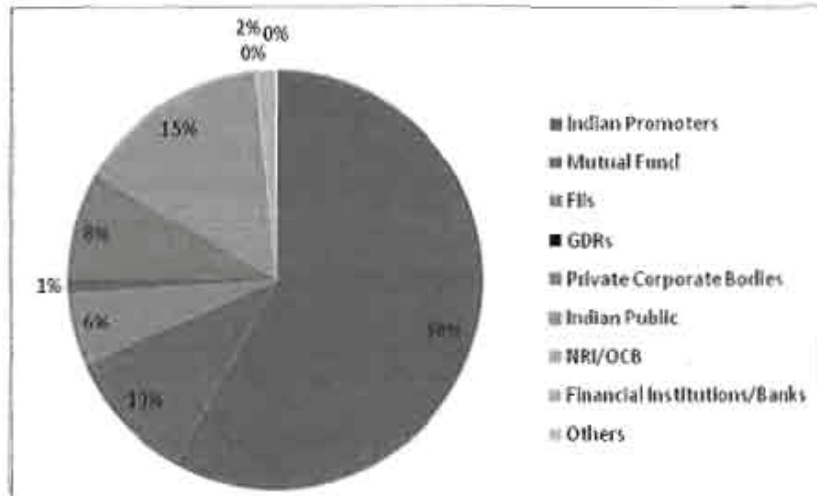
B) SHAREHOLDING PATTERN AS ON 31ST MARCH 2013:

Shareholding Pattern for the Quarter ending 31st March 2013 in terms of Clause 35 of Listing Agreement is as follows:

Category	Sub Category	No. of Shareholders	No. of Shares	% of Shares
A) Promoter's Shareholding	Indian Promoters			
	a) Individuals/ Hindu Un-dividend family	19	3033600	41.11
	b) Bodies Corporate	3	12416943	16.83
	c) Foreign Promoters	0	0	0
	d) Persons acting in Concert	0	0	0
	Total Promoters Shareholdings (A)	22	42750543	57.94
B) Public Shareholding	1) Institutions			
	a) Mutual Funds/ UTI	3	7594543	10.29
	b) Financial Institutions/Banks	3	995288	1.35
	c) Central/State Govt.(s)	0	0	0
	d) Venture Capital Funds	0	0	0
	e) Insurance Companies	0	0	0
	f) Foreign Institutional Investors	5	4280719	5.80
	g) Foreign Venture Capital Investors	0	0	0
	2) Non- Institutions			
	a) Bodies Corporate	390	6037890	8.18
	b) Individual Shareholders holding:			
	i) Nominal share capital upto Rs.1 Lakh.	11932	6497647	8.81
	ii) Nominal share capital in excess of Rs.1Lakh	10	4627518	6.27
	c) NRI/OCB	166	143343	0.19
	d) Trust	1	3000	0.00
	e) Clearing Members	40	40149	0.05
	f) Foreign Bodies-DR	2	93500	0.13
	Total Public Shareholding (B)	12552	30313597	41.05
C) Shares held by Custodians and against which Depository Receipts have been issued	Duetches Bank Trust Company Americas – GDR's	1	730800	0.99
	Total (C)	1	730800	0.99
	Grand Total: (A)+(B)+(C)	12575	73794940	100.00



SHAREHOLDING DISTRIBUTION



C) Top Shareholders as on 31st March 2013:

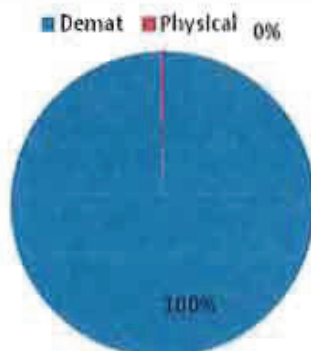
	Category	Name	No. of Shares	% of Shares
A	Promoter's Holding (holding more than 1%)			
	Individuals	NAMA NAGESWAR RAO	10147000	13.75
		NAMA CHINNAMMA	6158000	8.34
		SEETHAIAH NAMA	6001800	8.13
		NAMA KRISHNAIAH	2601800	3.53
		NAMA PRITHVI TEJA	993000	1.35
		KAMMA SRINIVASA RAO	1009000	1.37
	Bodies Corporate	MADHUCON GRANITES LIMITED	8044000	10.90
		NAMA INVESTMENTS LIMITED	3644410	4.94
		Total (A)	38599010	52.31
B	Public shareholding (holding more than 1%)			
B1	Institutional Investors			
	a) Mutual Funds	1) RELIANCE CAPITAL TRUSTEE COMPANY LIMITED A/C RELIANCE GROWTH FUND	4885592	6.62
		2) SUNDARAM MUTUAL FUND A/C SUNDARAM SELECT MIDCAP	2580904	3.50
	b) Foreign Institutional Investors:	1) COPTHALL MAURITIUS INVESTMENT LIMITED	3652778	4.95
	c) Banks	1) AXIS BANK LIMITED	950000	1.29
B2	Non-Institutions	1) ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD	3673484	4.98
B3)	Individual	1) ASHISH DHAWAN	1794999	2.43
		2) CHANDRA SINGH LODHA	1010847	1.37
		Total (B1 + B2 +B3)	18548604	25.14



xi. Dematerialization of shares and liquidity:

7,35,27,430 Equity Shares equivalent to 99.637% of the total equity share capital have been de-materialized and 267510 are in physical form equivalent to 0.363% as on 31st March 2013.

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.



xii. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity:

No outstanding instruments.

xiii. A) Plant Locations:

Not applicable, since the company is not engaged in manufacturing activities.

xiv. Address for 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.

Karvy Computershare Private Limited

Plot No. 17-24, VittalRao Nagar

Madhapur, Hyderabad-500081

Phone No.: 040-23420815-24 Fax: 040-23420814

E-mail: madhusudhan@karvy.com

Contact Person Name & Designation:

Mr. M.S.Madhusudhan, General Manager

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

For any other information about the Company, members are requested to contact the following officer of the Company.

Company Secretary & Compliance Officer:

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

**13. Listing Fees:**

Listing fee is promptly paid to BSE & NSE Stock Exchanges within the prescribed time limit as set in the clause 38(a) of Listing Agreement for the Financial Year 2013-2014.

14. Information to be placed before the Board of Directors:

In terms of Annexure I A of clause 49 of Listing Agreement, the required information will be placed before the Board of Directors as a part of agenda for discussion and decision wherever applicable.

In terms of compliance with the requirement of clause 49(I)(C)(iii) of Listing Agreement, the Board periodically reviews compliance of all laws applicable to the Company as prepared by the respective officers of the Company and also steps taken by them to rectify instances of non-compliances.

15. Code of Conduct:

In terms of compliance with the requirement of clause 49(I)(D) of Listing Agreement, 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 2013.

16. Secretarial Audit:

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

17. Record of Dividend and Cash Bonus for the past three years (For Equity Shares):

Year	Type of Payment	Rate in %	Amount per Share(Rs.)	Total Amount(Rs.)
2011-2012	Interim	---	---	---
	Final	10	0.10	7379494
2010-2011	Interim	---	---	---
	Final	25	0.25	18448735
2009-2010	Interim	---	---	---
	Final	40	0.80	29517976

In terms of compliance with the requirement of clause 49(G) of the Listing Agreement relating to shareholders, the Profile of the Director(s) including Managing Director being appointed / reappointed at the ensuing AGM is given here-below.

18. Directors retiring by rotation:**Dr. C. Venkateswara Rao, Independent Director**

Dr. C. Venkateswara Rao aged about 61 years hails from an Agriculture family. He is an Industrialist. While he was in real estate and construction business, he has successfully completed many construction ventures of residential and commercial nature in and around Hyderabad. He is involved in Educational activities in Nursing and Paramedical courses. He is also associated with telecast media by owning CVR News Channel. Presently, he is Chairman & Managing Director of Image Health Care Limited, a super speciality Hospital in Hyderabad. He was honoured with Doctorate for his achievement in Humanitarian services by Open International University for complimentary medicines.

He is a member on the Board of Directors of Madhucon Infra Limited as an Independent Director.

He is a member in the Audit Committee, Remuneration Committee and Shareholders' Grievances Committee. He is a Chairman of the Remuneration Committee as an Independent Director.

He holds no shares in the Company.



Sri K.Srinivasa Rao appointed as Wholetime Director w.e.f. 15.11.2012:

Sri K.Srinivasa Rao, aged about 40 years, is a qualified Mechanical Engineer with vast experience in Construction and Project Management particularly in road sector. He is a member on the Board of Directors of Madhucon Group of Companies and Managing Director of Madhucon Infra Limited, a subsidiary of Madhucon Projects Limited.

He is a member in the Remuneration, Shareholders' Grievances and Audit Committee.

He is holding 10,09,000 equity shares in the company representing 1.37% in the total paid up equity share capital of the Company.

Re-appointment of Sri N.Seethaiah as Managing Director of the Company:

Sri N.Seethaiah, aged about 47 years, is a qualified civil engineer, associated with Madhucon Projects Limited as Promoter and Executive Director since inception of the company and having vast experience in Construction, Engineering, Planning, Project Management and administration in Infrastructure Development Projects.

He is a member on the Board of Directors of Madhucon Group of Companies.

He is a member in the Shareholders' Grievances Committee and looks after the redressal of shareholder and investors complaints. The Board has delegated the power of share transfer to officer of the Company in case of physical share transfers.

He is holding 60,01,800 equity shares in the company representing 8.13% in the total paid up equity share capital of the Company.

19. Declaration of compliance with the Code of Conduct:

In terms of compliance with the requirements of clause 49 (I)(D)(ii) of the Listing Agreement, the members of the Board and Senior Management personnel of the Company affirm that the code of conduct, as framed by the Company, is being complied with from time to time during the period under review.

For and on behalf of the Board

N.SEETHAIAH
Managing Director

Place: Hyderabad
Date: 14.08.2013

**20. CEO/CFO Certification:**

In terms of compliance with the requirements of clause 49(V) of the Listing Agreement, Sri N. Seethaiah, Managing Director and Sri UM Bhakthavalsalan, CGM (F&A) of the Company as CEO and CFO respectively certify that:

- a) We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i. That the Financial statements do not contain any materially untrue statement or omit any material fact 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 in to 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
 - i. Significant changes in internal control over financial reporting during the year, wherever applicable;
 - ii. Significant changes in accounting policies during the year and correct information has been disclosed in the notes to the financial statements, wherever applicable and
 - iii. 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.

For and on behalf of the Board

Place: Hyderabad
Date: 14.08.2013

BHAKTHAVALSALAN UM
Chief General Manager, Finance & Accounts


N. SEETHAIAH
Managing Director

**21. Quarterly Compliance Report on Corporate Governance**

In terms of compliance with the requirements of clause 49(VI) of Listing Agreement, the company submits to stock exchange the quarterly compliance of corporate governance report within the prescribed period and in the prescribed format.

Quarterly Compliance Report on Corporate Governance for the Fourth Quarter ending on 31st March, 2013.

Particulars	Clause of Listing Agreement	Compliance Status
I. Board of Directors	49 (I)	
(A) Composition of Board	49(IA)	Yes
(B) Non-executive Director's compensation & Disclosures	49(IB)	Yes
(C) Other Provisions as to Board and Committees	49(IC)	Yes
(D) Code of Conduct	49(ID)	Yes
II. Audit Committee	49(II)	
(A) Qualified & Independent Audit Committee	49(IIA)	Yes
(B) Meeting of Audit Committee	49(IIB)	Yes
(C) Powers of Audit Committee	49(IIC)	Yes
(D) Role of Audit Committee	49(IID)	Yes
(E) Review of Information by Audit Committee	49(IIE)	Yes
III. Subsidiary Companies	49(III)	Yes
IV. Disclosures	49(IV)	
(A) Basis of related party transactions	49(IVA)	Yes
(B) Disclosures of Accounting Treatment	49(IVB)	Yes
(C) Board Disclosures	49(IVC)	Yes
(D) Proceeds from public issues, rights issues, preferential issues etc.	49(IVD)	NA
(E) Remuneration of Directors	49(IVE)	Yes
(F) Management	49(IVF)	Yes
(G) Shareholders	49(IVG)	Yes
V. CEO/CFO Certification	49 (V)	Yes
VI. Report on Corporate Governance	49(VI)	Yes
VII. Compliance	49(VII)	Yes

For and on behalf of the Board


N. SEETHAIAH
Managing Director

Place: Hyderabad
Date: 14.08.2013



Auditors' Certificate on Compliance of Corporate Governance

We have examined the compliance of conditions of Corporate Governance by Madhucon Projects Limited having its Regd. Office at: 1-7-70, Jubilipura, Khammam – 507 003, Andhra Pradesh for the year ended 31st March, 2013 as stipulated in Clause-49 of the Listing Agreement of the Company with Stock Exchanges in India.

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementations 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, the Company has complied with the conditions of Corporate Governance as stipulated in the listing agreement.

We state in respect of investor grievances received during the year ended 31st March, 2013, no Investor Grievances are pending against the Company as per the records maintained by the Company Registrar & Transfer Agents and presented to the investors/shareholders grievance committee. We further state that such compliance is neither an assurance as for the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place: Hyderabad
Date: 14.08.2013

For KOTA & COMPANY
Chartered Accountants
FRN 011982S

K.S.R.K. Prasad
PARTNER
M.No. 022964



GROUP:

Persons constituting group coming within the definition of "Group" as defined in erstwhile Monopolies and Restrictive Trade Practices Act, 1969, for the purpose of Regulation 3(1)(e)(i) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 include the following:

1. Sri N. Nageswar Rao and his relatives
2. Sri. N. Seethaiah and his relatives
3. Sri. N. Krishnaiah and his relatives
4. Sri K. Srinivasa Rao and his relatives
5. Sri M. Seetharamaiah and his relatives
6. Sri M. Madhu and his relatives
7. M/s Madhucon Granites Limited
8. M/s Madhucon Sugar and Power Industries Limited
9. M/s Nama Investments Limited
10. M/s Madhucon Infra Limited and its Subsidiaries
11. M/s Madhucon Toll Highways Limited
12. M/s Madhucon Agra-Jaipur Expressways Limited (SPV)
13. M/s TN (DK) Expressways Limited (SPV)
14. M/s Trichy-Thanjavur Expressways Limited (SPV)
15. M/s Madurai-Tuticorin Expressways Limited (SPV)
16. M/s Chhapra-Hajipur Expressways Limited (SPV)
17. M/s Barasat-Krishnagar Expressways Limited (SPV)
18. M/s Ranchi Expressways Limited (SPV)
19. M/s Vijayawada-Machilipatnam Expressways Limited (SPV)
20. M/s Rajauli-Bakhtiyarpur Expressways Limited (SPV)
21. M/s Madhucon Energy Limited
22. M/s Simhapuri Energy Limited
23. M/s Umarwada Gas Power Project Private Limited
24. M/s Rajanagaram Gas Power Private Limited
25. M/s Agastyamuni Hydro Power Private Limited
26. M/s Rudraprayag Hydro Power Private Limited
27. M/s Tilwara Hydro Power Private Limited
28. M/s Pallakurichi Power Private Limited
29. M/s Tiruchendur Power Private Limited
30. M/s Ramnagar Power Private Limited
31. M/s Madhucon Mineral Resources Limited
32. M/s Madhucon Estates Limited
33. M/s Madhucon Land Developers Limited
34. M/s Madhucon Properties Limited
35. M/s Madhucon Heights Private Limited
36. M/s Nama Hotels Private Limited
37. M/s Madhucon Mega Mall Private Limited
38. M/s Madhucon Infotech Limited
39. M/s Madhucon Natural Resources Limited, Singapore
40. M/s PT Madhucon Indonesia, Indonesia
41. M/s PT Madhucon Sriwijaya Power, Indonesia