

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Corporate Governance

Corporate governance is about maximizing shareholder value ethically and on sustainable basis. The Company believes that sound corporate governance is vital for enhancing and retaining investor trust. Your Company's philosophy on Corporate Governance is to ensure transparency in all its dealings with a wide group of stakeholders encompassing employees, customers, vendors, regulators and shareholders (including the minority shareholders).

The Company will continue to focus its resources, strengths and strategies to achieve its vision of brand building, maximizing stakeholders return and developing people to deliver the same, while upholding the core values of excellence, integrity, responsibility, unity and understanding, which are fundamentals to the running of the company's business. The Company is complying with the requirements of Corporate Governance as per Clause 49 of the Listing Agreement entered into with the stock exchanges.

2. Board of Directors

- (i) The composition of the Board is a mix of Executive and Non-Executive Directors. As on March 31, 2015, the Company comprises of four Directors out of which three directors are Non-Executive Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreements entered into with the Stock Exchanges.
- (ii) None of the Directors on the Board are Members in more than 10 committees or act as Chairman of more than five committees across all companies in which he is a director. The directors have disclosed to the company about the committee positions they occupy in other companies and have notified changes as and when they take place.
- (iii) The names and categories of the Directors on the Board, the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies are given herein below.

Name of Directors	Category	Other Directorship	Details of Committee	
			Chairman	Member
Mr. Hitesh C. Kothari (DIN: 01217705)	Managing Director	0	Nil	Nil
Mr. C.K. Kothari* (DIN: 00996771)	Non-Executive Director	0	Nil	Nil
Mr. Hasmukh M. Thakker (DIN: 03560743)	Independent & Non-Executive Director	0	Nil	Nil
Mr. Bhavesh P. Mamnia (DIN: 02208146)	Independent & Non-Executive Director	2	Nil	Nil
Ms. Reema C. Kothari** (DIN: 02698529)	Non-Executive Director	0	Nil	Nil

*Mr. C. K. Kothari ceased to be a director with effect from 23/09/2014.

**Ms. Reema C. Kothari appointed as Non-Executive Director with effect from 23/09/2014.

Other directorships do not include alternate directorships, directorships of private limited companies, Section 8 companies and of companies incorporated outside India. Chairmanships/Memberships of Board Committees include only Audit Committee and Stakeholders Relationship Committee.

3. Board Procedure

The company has held at least one meeting in every quarter and the maximum time gap between the two meetings was not more than four months. During the year ended 31st March, 2015; seven (07) meetings of the Board of Directors were held on 07-04-2014, 29-05-2014, 28-07-2014, 28-08-2014, 01-10-2014, 14-11-2014, 06-02-2015.

The information as required under Annexure X to Clause 49 of the Listing Agreement is made available to the Board. The agenda points for discussion at the Board meeting are circulated to the Directors in advance. Adequate information is circulated as part of the Board papers and is also available at the Board Meeting to enable the Board to take decisions.

The attendance of each Director at the Board Meetings and last Annual General Meeting held during the year under review are as under:

Name of Directors	No. of Board Meetings		Attendance at last AGM
	Held	Attended	
Mr. Hitesh C. Kothari	7	4	No
Mr. C.K. Kothari*	7	1	Yes
Ms. Reema C. Kothari**	7	4	Yes
Mr. Hasmukh M. Thakkar	7	7	Yes
Mr. Bhavesh P. Mamnia	7	7	Yes

*Mr. C. K. Kothari ceased to be a director with effect from 23/09/2014.

**Ms. Reema C. Kothari appointed as Non-Executive Director with effect from 23/09/2014.

4. Committees of the Board

A. Audit Committee

During the year under review, the Audit Committee was re-constituted as per provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with the stock exchange. The Audit Committee comprises of three directors, out of which two members namely Mr. Hasmukh M. Thakkar (Chairman) and Mr. Bhavesh P. Mamnia are Independent Directors. Due to resignation of Mr. C.K. Kothari, Mr. Hitesh C. Kothari, Managing Director, is appointed as member of the committee. All members of the Committee are financially literate.

The terms of reference of Audit Committee are revised by the Board to comply with Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Terms of Reference:

- i) Reviewing with the management quarterly and annual financial statements before submission to the Board for approval.
- ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- iii) Supervising of the Company's financial reporting process and the disclosure of its financial information.
- iv) Reviewing with the management, the statement of uses / application of funds, raised through an issue (public issue, rights issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

- v) Review and monitor the Auditor's independence and performance and effectiveness of audit process.
- vi) 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.
- vii) Reviewing the compliance with Listing Agreement and various other legal requirements concerning financial statements and related party transactions.
- viii) Discussion with internal auditors on any significant findings and follow up thereon.
- ix) Evaluation of internal financial controls and risk management systems.
- x) Scrutiny of inter-corporate loans and investment.
- xi) Valuation of undertakings or assets of the company, wherever it is necessary.
- xii) To review the functioning of the Vigil Mechanism, in case, the same exists.
- xiii) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The composition and attendance of the meeting held during the year under review is as under:

Name of Directors	Designation	No. of Meetings held	No. of Meetings attended
Mr. Hasmukh M. Thakker	Chairman	04	04
Mr. C. K. Kothari*	Member	04	01
Mr. Bhavesh P. Mamnia	Member	04	04
Mr. Hitesh C. Kothari**	Member	04	00

*Mr. C. K. Kothari ceased to be a member with effect from 23/09/2014.

**Mr. Hitesh C. Kothari appointed as member with effect from 01/10/2014.

The quorum was present at the meetings. During the year under review, the Audit Committee Meetings were held four times on 29-05-2014, 28-07-2014, 14-11-2014 and 06-02-2015.

The Chairman of the committee was present at the last Annual General Meeting held on 23rd September, 2014.

The Secretary to the company acts as a Secretary to the Committee.

B. Nomination and Remuneration Committee

The role of the Remuneration Committee is to recommend to the Board the appointment / reappointment of the Executive and Non-Executive Directors. The Committee has also been vested with the authority to determine the periodic increments in salary and annual incentive of the Executive Directors.

During the year under review, the Committee was re-constituted as per provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with the stock exchange. The Committee comprises of three Non-Executive Directors, out of which two members namely Mr. Hasmukh M. Thakker (Chairman) and Mr. Bhavesh P. Mamnia are Independent Directors. Due to resignation of Mr. C.K. Kothari, Ms. Reema C. Kothari, Non-Executive Director, is appointed as member of the committee.

The Remuneration Committee has been renamed as Nomination and Remuneration Committee and its terms of reference were revised by the Board to comply with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

**Terms of Reference:**

- i) Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of directors, key managerial personnel and other employees;
- ii) Identify persons who are eligible to become directors and recommend to the Board their appointment and removal.
- iii) Formulation of criteria for evaluation of Independent Directors and the Board.
- iv) To recommend/review remuneration of Managing Director and Whole time Director / Executive Director based on their performance.
- v) To carry any other function as is required to be implemented by the Board from time to time and / or enforced by any other act, rules or regulations as may be applicable.

During the year under review, the Nomination and Remuneration Committee Meetings was held on 19-07-2014.

The composition and attendance of the meeting held during the year under review is as under:

Name of Directors	Designation	No. of Meetings held	No. of Meetings attended
Mr. Hasmukh M. Thakker	Chairman	01	01
Mr. C. K. Kothari*	Member	01	00
Mr. Bhavesh P. Mamnia	Member	01	01
Mr. Reema C. Kothari**	Member	01	00

*Mr. C. K. Kothari ceased to be a member with effect from 23/09/2014.

**Ms. Reema C. Kothari appointed as member with effect from 01/10/2014.

Remuneration Policy:**i) Executive Directors:**

The Committee decides the remuneration payable to the Managing Director / Executive Director and as approved by the Board of Directors and approved by the members, within the ceiling prescribed under the Companies Act.

ii) Non-Executive Directors:

The Committee may decide as and when necessary, to pay remuneration by way of sitting fee to Non-Executive Independent Directors.

Details of Remuneration:**i) Executive Directors:**

There is only one Executive Director i.e. Mr. Hitesh C. Kothari who is Managing Director of the Company. During the year, Mr. Hitesh C. Kothari has been paid Rs.3,91,400/- as remuneration by way of salary.

ii) Non-Executive Directors:

During the year, no sitting fee paid to Non-Executive and Independent Directors.

C. Stakeholders Relationship Committee**Composition and Attendance:**

During the year under review, the Committee was re-constituted as per provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with the stock

exchange. The Committee comprises of three directors, out of which two members namely Mr. Bhavesh P. Mamnia (Chairman) and Mr. Hasmukh M. Thakker are Independent Directors and Mr. Hitesh C. Kothari is Executive Director. The composition and attendance of the meeting held during the year under review is as under:

Name of Directors	Designation	No. of Meetings held	No. of Meetings attended
Mr. Bhavesh P. Mamnia	Chairman	10	10
Mr. Hasmukh M. Thakker	Member	10	10
Mr. Hitesh C. Kothari	Member	10	05

The Secretary to the company acts as a Secretary to the Committee. The quorum was present at the meetings. No complaints of any material nature was noticed or received during the year under review.

The Share Transfer and Investors' Grievance Committee has been renamed as Stakeholders Relationship Committee and its terms of reference were revised by the Board to comply with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Terms of Reference:

The Committee supervises the mechanism for redressal of Investor grievances and ensures cordial investor relations. The Committee takes care of the following matters:

- i) Redressal of Shareholders' and investors' complaints like transfer of shares, non-receipt of Balance Sheet, non receipt of declared dividend etc.
- ii) Scrutinize the performance of the Registrar & Share Transfer Agent and recommends measures for overall improvement of the quality of service.
- iii) Any allied matter(s) out of and incidental to these functions and not here in above specifically provided for.

Details of Complaints:

Quarter-wise summary of Investors' complaints received and resolved during the year under review is as under.

Quarter Period	Complaints pending at the beginning of the quarter	Complaints received during the quarter	Complaints resolved during the quarter	Complaints pending at the end of the quarter
01.04.2014 to 30.06.2014	NIL	NIL	NIL	NIL
01.07.2014 to 30.09.2014	NIL	NIL	NIL	NIL
01.10.2014 to 31.12.2014	NIL	NIL	NIL	NIL
01.01.2015 to 31.03.2015	NIL	NIL	NIL	NIL

D. Risk Management Committee

During the year under review, Company has formed Risk Management Committee which comprises of three directors. Mr. Hitesh C. Kothari, Managing Director, is appointed as Chairman of the committee. Mr. Bhavesh P. Mamnia, Independent Director and Ms. Reema C. Kothari, Non-Executive Director are members of the committee.

The Company has established robust risk assessment and minimization procedures, which are reviewed by the committee periodically. The Company has a structure in place to identify and

mitigate the various risks that would be faced by it from time to time.

No meetings of Risk Management Committee were held during the year.

5. General Body Meetings

i) The last three Annual General Meetings were held as follows: -

Financial Year	Venue	Date	Time	No. of Special Resolutions Passed
2013-14	No. 3, Murthy Lane, 1 st Floor, Off. Devaraja Mudali Street, Ratan Bazaar, Chennai 600 003	23-09-2014	11.00 a.m.	-
2012-13	No. 3, Murthy Lane, 1 st Floor, Off. Devaraja Mudali Street, Ratan Bazaar, Chennai 600 003	26-09-2013	11.00 a.m.	-
2011-12	No. 3, Murthy Lane, 1 st Floor, Off. Devaraja Mudali Street, Ratan Bazaar, Chennai 600 003	28-09-2012	11.00 a.m.	2

ii) Postal Ballot

There were no circumstances necessitating the Company to seek the approval of its members through a Postal Ballot as required under the provisions of Section 110 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014.

6. Disclosures

- i) During the year under review there were no materially significant related party transactions with its promoter, director and management that had a potential conflict with the interest of the Company at large except to the extent duly disclosed in the notes on accounts as enclosed along with this report.
- ii) The Company has followed the guidelines of accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.
- iii) The Company has fulfilled all the mandatory requirements as prescribed in Clause 49 of the Listing Agreements with the Stock Exchanges.
- iv) The Company has put in place an un-codified system through which employees and business associates may report unethical business practices at work place without the fear of reprisal. The Company has set up a direct contact initiative under which all employees/business associates have direct access to the Chairman of the Audit Committee.
- v) A qualified Practicing Company Secretary carried out secretarial audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The secretarial audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- vi) The CEO/CFO has furnished a Certificate to the Board for the year ended 31st March, 2015 in compliance with Clause 49 of the Listing Agreement.
- vii) In compliance with the SEBI regulation on prevention of insider trading, the Company has

instituted a comprehensive code of conduct for its management and staff. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them of the consequences of violations.

viii) There have been no instances of non-compliance on any matter relating to the capital market during the last three years.

8. Code of Conduct

The Board has laid down a Code of Conduct for its Members and Senior Management Personnel of the Company. The code of conduct is available with the Board of Directors. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct. The CEO has affirmed to the Board that this Code of Conduct has been compiled by the Board Members and Senior Management Personnel.

9. Means of Communication

The company has promptly reported to the Stock Exchange where the shares of the Company are listed, about all the material information including quarterly, half yearly and annual financial results in the prescribed format.

The quarterly, half yearly and annual financial results and other statutory information were published in 'Trinity Mirror' in English daily and in 'Makkal Kural' in regional language. The company has also posted the same on its website www.islconsulting.in

As the quarterly and half yearly financial results are published in leading newspapers as well as posted on the company's website, the results are not sent to the shareholders individually.

10. Management Discussion and Analysis Report

The management discussion and analysis report forms part of this report.

11. General Shareholders Information

a) 23rd Annual General Meeting

Date : 29th day of September, 2015

Time : 11.00 A.M.

Venue : No. 3, Murthy Lane, 1st Floor, off. Devaraja Mudali Street, Ratan Bazar, Chennai - 600003

b) Financial Year / Calender

The Company follows April to March as its Financial Year. The financial results will be declared as per the following schedule.

Particulars	Tentative Schedule
Quarterly results	
Quarter ending on June 30, 2015	On or before August 14, 2015
Quarter ending on September 30, 2015	On or before November 14, 2015
Quarter ending on December 31, 2015	On or before February 14, 2016
Quarter ending on March 31, 2016	Within sixty days from March 31, 2016

**c) Date of Book Closure:**

The Register of Members and Share Transfer Books of the Company will be closed from Tuesday, September 22, 2015 to Tuesday, September 29, 2015 (both days inclusive) for the purpose of 23rd Annual General Meeting of the Company scheduled to be held on September 29, 2015.

d) Listing on Exchange:

Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001

e) Script Code:

Bombay Stock Exchange Limited : 511609
Demat ISIN Number in NSDL and CDSL : INE569B01014

f) Market Price Data:

Month	High (Rs.)	Low (Rs.)
April, 2014	17.30	13.75
May, 2014	17.77	13.50
June, 2014	18.39	14.10
July, 2014	19.07	12.75
August, 2014	18.15	12.05
September, 2014	21.00	10.75
October, 2014	17.35	10.20
November, 2014	20.60	12.70
December, 2014	18.00	13.23
January, 2015	22.70	13.20
February, 2015	22.83	12.40
March, 2015	28.65	14.90

g) Share Transfer / Demat system:

All the shares related work is being undertaken by our R & T Agent, M/s. Purva Sharegistry (India) Pvt. Ltd., having its office at 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011. Shares lodged for transfer at the R & T Agent address in physical form are normally processed within 15 days from the date of receipt, subject to the documents been valid and complete in all respect. The requests for dematerialization of shares are processed and the confirmed to the depository by R & T Agent. Investors' grievances are also taken up by our R & T Agent.

The Company has obtained and filed with the Stock Exchange, the half yearly certificates from a Company Secretary in Practice for due compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement.

h) Distribution of Shareholding:**(a) Distribution of Equity Shareholding as on 31st March, 2015**

No. of shares held	No. of share holders	% of Total	No. of Shares	% of Total
Upto-500	8848	94.78	1089490	9.08
501-1000	213	2.28	174182	1.45
1001-2000	140	1.50	190054	1.58
2001-3000	39	0.42	100997	0.84
3001-4000	13	0.14	43735	0.37



4001-5000	7	0.08	31300	0.26
5001-10000	15	0.16	109300	0.91
10001 & above	60	0.64	10260942	85.51
Total	9335	100.00	12000000	100.00

(b) Dematerialization of Shares and Liquidity

The Company's shares are in compulsory demat segment and as on 31st March, 2015, equity shares of the company forming 87.05% of the Company's paid up equity share capital is in dematerialized form. Following is the breakup of shares in physical and demat form as on 31st March, 2015.

Particulars	No. of Shares held	% of Holding
No. of Shares in Physical form	1554220	12.95%
No. of Shares in Demat form	10445780	87.05%
Total	12000000	100.00%

(c) Shareholding Pattern as on 31st March, 2015

Category	No. of Shares held	% of Share Holding
Promoters & Promoter Group	4865153	40.543%
Mutual Fund / UTI	-	-
Banks, Financial Institutions, Insurance Cos.	-	-
FII	-	-
NRI	557	0.004%
Corporate Bodies	390704	3.256%
Clearing Member	25525	0.213%
Indian Public	6718061	55.984%
Total	12000000	100.000%

i) Instruments:

The Company has not issued GDRs' / ADRs' / Warrants / Convertible Instruments.

j) Address for Correspondence:

Registered Office : No. 3, Murthy Lane, 1st Floor,
Off. Devaraja Mudali Street,
Ratan Bazar, Chennai – 600003

Corporate Office : 501, 5th Floor, Abhijeet – II,
Above Standard Chartered Bank,
Nr. Mithakhali Six Road, Ahmedabad – 380009

k) Address for Investor Correspondence:

In case of any query shareholders can contact at:

Address: 501, 5th Floor, Abhijeet – II, Above Standard Chartered Bank, Nr. Mithakhali Six Road, Ahmedabad – 380009, Gujarat.

Tel : 079-40030351/352

Email : innogroup@gmail.com



Shareholders may also contact Company's Registrar & Transfer Agent at:

Name : Purva Shareregistry (India) Private Limited

Address: 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (E), Mumbai – 400 011

Tel : 022-23016761

Email : busicomp@gmail.com

Place: Chennai

For and on behalf of the Board of Directors

Date: 12/08/2015

Hitesh C. Kothari
Managing Director
(DIN: 01217705)

Regd. Office:
No. 3, Murthy Lane, 1st Floor,
Off Devaraja Mudali Street,
Ratan Bazar,
Chennai – 600 003 Tamilnadu.
CIN: L67120TN1993PLC024144