

**REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE****I. COMPANY'S PHILOSOPHY :**

The Company's philosophy on Corporate Governance hinges on transparency, fairness and prudence in all its functions, consistent with market dynamics, while endeavoring towards maximisation of the shareholders' value and protection of all the stakeholders' interests.

II. BOARD OF DIRECTORS :

The Board consists of experienced professionals drawn from diverse fields. The Board as on 31st March, 2010 consists of 6 members out of which 3 are Independent Directors. The composition is in conformity with the listing requirement.

a) The names and categories of the Directors on the Board, their attendance at the Board Meetings during the year 2009-10 and at last Annual General Meeting and also the number of Directorship and Committee Membership/Chairmanship held by them in various companies are given below:

FY 2009-10

Name of the Director	Category	Attendance Particulars		No. of ¹ other Directorships and ² Committee Membership/Chairmanship		
		Board Meeting	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Shri T. M. Nagarajan	Executive Chairman	10	Yes	5	4	1
Shri Bipin Agarwal	NI/NE Promoter	9	Yes	7	1	-
Shri Swaran Singh*	NI/NE Promoter	2	No	4	1	-
Dr. B. Samal	NI/NE	10	Yes	12	10	4
Shri R. S. Loona	I/NE	10	Yes	2	4	1
Shri R. K. Mittal	I/NE	9	No	4	8	5
Shri Venkatesan Narayanan**	I/NE	8	Yes	1	1	-

NE- Non Executive Director

NI- Non Independent Director, I- Independent Director

* Resigned w.e.f. 27th June, 2009.

** Appointed w.e.f. 27th June, 2009.

¹Excludes Alternate Directorships and Directorships in Foreign Companies, Companies registered under section 25 of Companies Act, 1956 and Private Limited Companies.

²As required under Clause 49 of Listing Agreement, disclosure includes membership or Chairmanship of Audit Committee and the Shareholders'/Investor' Grievance and Share Transfer Committee in Indian Public Companies (Listed and Unlisted including of the Company). Committee Membership includes Chairmanship also.

b) During the year, information as mentioned in Annexure 1A to Clause 49 of the Listing Agreement has been placed before the Board for its consideration.

c) **Meetings of the Board of Directors :**

During the Financial year 2009-10, Ten (10) Board Meetings were held on the following dates:

17th April 2009, 27th June 2009, 22nd July 2009, 27th August 2009, 12th October 2009, 17th November 2009, 16th January 2010, 13th February 2010, 10th March 2010 and on 17th March 2010.

III. AUDIT COMMITTEE :

The Audit Committee was constituted on 30th June, 2001. It was last reconstituted on 27th June, 2009. The Audit Committee comprises Independent Directors. The members of the committee have knowledge of finance, accounts, Company law etc. The Chairman of the Committee has accounting and financial management expertise.

Ms. Radhika Ramchandran is the secretary to the Audit Committee.

The terms of reference to the committee includes, inter alia, overseeing financial reporting processes, reviewing the financial statements, quarterly, half yearly/ annual financial results and adequacy of internal control/ audit systems, discussion with the Auditors on any significant findings etc.

During the year under review, Five(5) meetings of the Audit Committee were held, the dates being 18th May 2009, 27th June 2009, 22nd July 2009, 12th October 2009 and 16th January 2010.

The composition and attendance of members at the Audit Committee Meetings are as follows:

Audit Committee Members	Status	No. of Audit Committee Meetings Attended
Shri R. K. Mittal	Chairman	5
Shri R. S. Loona	Member	5
Shri T. M. Nagarajan#	Member	2
Shri Venkatesan Narayanan ##	Member	3

Ceased to be member of the Audit Committee from the conclusion of Board Meeting held on 27th June, 2009.

Appointed as member of the Audit Committee in the Board Meeting held on 27th June, 2009.

IV REMUNERATION COMMITTEE (Non Mandatory):

The Remuneration Committee was constituted on 16th December, 2002. It was last reconstituted on 27th June, 2009. The Remuneration Committee comprises of three Non-Executive Directors.

Main functions of the Remuneration Committee includes recommendation to the Board of Directors for the appointment of Managing Director / Whole-time Director and the salary, perquisites, allowances, commission and retirement benefits and finalisation package payable to them.

During the year under review, 1 (one) meeting of the Remuneration Committee was held on 17th April 2009.

The Composition and attendance of the members at the Remuneration Committee Meeting are as follows :

Remuneration Committee Members	Status	No. of Remuneration Committee Meetings Attended
Shri R. S. Loona	Chairman	1
Shri R. K. Mittal	Member	1
Dr. B. Samal#	Member	1
Shri Venkatesan Narayanan##	Member	-

Ceased to be member of the Remuneration Committee from the conclusion of the Board Meeting held on 27th June, 2009.

Appointed as member of the Remuneration Committee in the Board Meeting held on 27th June, 2009.

Remuneration paid to the Chairman during the year 2009-10

Shri T.M. Nagarajan, Executive Chairman of the Company was paid remuneration during the financial year as per the recommendation of the Remuneration Committee at its meeting held on 17th April, 2009 and approval by the Members at the Annual General Meeting held on 27th August, 2009. The tenure of office of the aforesaid Executive Chairman is for a period of 3 years w.e.f. 1st April, 2009.

There are no notice period and severance fees applicable.

The details of the remuneration including Company's contribution to the provident fund as per the Company's rules paid to Shri T. M. Nagarajan during the financial year 2009-10 is given below:

	(Rs.)
Salary	15,00,000
Contribution to the provident fund	1,80,000
Gratuity Payable at a rate not exceeding half a month's salary of each completed year of service	NIL
Encashment of leave at the end of tenure	NIL

**Details of sitting fees to Non-Executive Directors for the year 2009-2010 are given below:**

Name	Board Meetings Rs.	Committee Meetings Rs.	Total Rs.
Shri Bipin Agarwal	45,000	Nil	45,000
Dr. B. Samal	50,000	5,000	55,000
Shri R. S. Loona	50,000	17,500	67,500
Shri R. K. Mittal	45,000	17,500	62,500
Shri Venkatesan Narayanan	40,000	7,500	47,500
* Shri Swaran Singh	10,000	Nil	10,000

During the year, the Non-Executive Directors are paid sitting fee at the rate of Rs. 5,000/- for attending each meeting of the Board and Rs. 2,500/- for attending each Committee meeting thereof.

* Shri Swaran Singh resigned from the Company w.e.f 27th June, 2009.

During the year, the Company has paid Rs. 88,240/- as professional fees to M/s. Alliance Corporate Lawyers, a legal firm in which Shri R.S. Loona, Director of the Company, is a partner. There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company. None of the Directors held any equity shares in the Company as on 31st March, 2010.

Stock Options :

Presently the Company does not have any practice of granting stock options.

COMPLIANCE OF SECTION II(B) OF PART II OF SCHEDULE XIII OF THE COMPANIES ACT, 1956:*

(i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors :

(Rs.)

Name	Remuneration	Perquisites/Benefits
Shri D. P. Goyal	2,00,000 pm	Reimbursement of mobile phone expenses, driver salary, and expenses for running car used for the purpose of the Company to a maximum ceiling of Rs. 25, 000/- pm

The Non-Executive and Independent Directors of our Company are not paid any remuneration till date, but are paid sitting fees for attending meetings. A sitting fee of Rs. 10,000/- for attending each meeting of the Board and Rs.5,000/- for attending each committee meeting was decided by a resolution of the Board dated April 15, 2010.

No other remuneration, professional fees, perquisites, profit sharing, bonus etc. is given to the other Directors other than sitting fees.

(ii) Details of fixed components and performance linked incentives along with the performance criteria;

Details of fixed components as mentioned above in point no (i) and there are no performance linked incentives for any Director of the Company.

(iii) Service contracts, notice period, severance fees:

Shri D. P. Goyal, Managing Director of the Company is appointed for a period of three years w.e.f. July 5, 2010. According to his service contract with the Company, his appointment may be terminated by either party, by giving three month's notice in writing. Notice period and severance fees are not applicable to other Directors of the Company.

(iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable:

Not Applicable

**Since Shri. D. P. Goyal's appointment is made in the Financial Year 2010-11, therefore the disclosures which are to be mentioned in the Board of Directors' Report under the heading Corporate Governance, attached to the Annual Report is not provided.*

V. SHAREHOLDERS' / INVESTORS' GRIEVANCE & SHARE TRANSFER COMMITTEE :

The Shareholders' / Investors' Grievance & Share Transfer Committee was constituted on 16th December, 2002. It was last reconstituted on 27th June, 2009. All the members are Non Executive Directors and majority of them are independent Directors.

The Committee:

- 1) approves and monitors transfers, transmissions, splitting and consolidation of shares and the issue of duplicate certificates; and
- 2) looks into various issues relating to share holders, including redressing of complaints received from shareholders, relating to transfer of shares, non-receipt of annual reports, dividends etc.

During the year under review, 1 (one) meeting of the Shareholders' / Investors' Grievance & Share Transfer Committee was held on 30th January, 2010.

The Composition and attendance of the members at the Shareholders' / Investors' Grievance & Share Transfer Committee Meeting are as follows:

Shareholders' / Investors' Grievance & Share Transfer Committee Members	Status	No. of Shareholders' / Investors' Grievance & Share Transfer Committee Meetings Attended
Shri R. K. Mittal@	Chairman/Member	1
Shri R.S.Loona@@	Chairman	1
Dr.B. Samal	Member	1

@Ceased to be Chairman of the Shareholders' / Investors' Grievance & Share Transfer Committee from the conclusion of the Board Meeting held on 27th June, 2009.

@@Appointed as Chairman of the Shareholders' / Investors' Grievance & Share Transfer Committee in the Board Meeting held on 27th June, 2009.



Name and designation of Compliance Officer: Ms. Radhika Ramchandran-Company Secretary.

The total number of complaints received and replied to the satisfaction of shareholders during the year under review was nil. There were no outstanding complaints as on 31st March, 2010. The Company attends to investor & shareholders grievances within 10 days from the date of receipt of the same.

VI. GENERAL BODY MEETINGS:

Details of the last three Annual General Meetings of the Company and Special Resolutions passed thereat are as under :

Financial Year	AGM	Day, Date & Time	Venue	Special Resolution passed
2006-2007	13th AGM	Friday, 28th September 2007 at 3.30 p.m.	Registered Office : R. No. 11, 22-A, Jagjivan Mansion, 1st Floor, 2nd Fanaswadi, Dadiseth Agiary Lane, Mumbai 400 002	Re-appointment and revision in Remuneration payable to Smt. Usha Singhania, Managing Director of the Company.
2007-2008	14th AGM	Saturday, 27th September, 2008 at 11.00 a.m.	Registered Office : Rajabhadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Fort, Mumbai 400 001.	<ol style="list-style-type: none"> 1) Increase in Authorised Share Capital. 2) Change of Main Object Clause of Memorandum of Association. 3) Authority for payment of Remuneration to Non-Executive Director. 4) Alteration in Articles of Association.
2008- 2009	15th AGM	Thursday, 27th August, 2009 at 4.30 p.m.	Registered Office : Rajabhadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Fort, Mumbai 400 001.	<ol style="list-style-type: none"> 1) Alteration in Articles of Association pursuant to increase in authorised share capital 2) Issue of shares on Rights Basis 3) Appointment of Shri. T.M. Nagarajan as Executive Chairman and approval of remuneration paid to him.

Details of the Extra Ordinary General Meetings of last three years and Special Resolutions passed thereat are as under :

Financial Year	Day, Date & Time	Venue	Special Resolution Passed
2008-09	Friday, 5th December, 2008 at 3.00 p.m.	Registered Office: Rajabhadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Fort, Mumbai 400 001.	Authority to issue Non-Convertible Cumulative Redeemable Preference Shares

Special Resolution Passed through Postal Ballot & Voting Pattern for the Same.

No special resolution was passed through Postal Ballot during 2009-2010. None of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

VII. DISCLOSURES :

- a) There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their relatives, its subsidiaries etc. that may have potential conflict with the interests of the Company at large. Transactions with related parties during the period are disclosed in the Annual Report, in accordance with the requirements of Accounting Standard AS-18.
- b) During the last three years there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.
- c) There are no Inter-se relationships between Directors of the Company.

VIII. COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS :

- a) **Management Discussion and Analysis:** A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under clause 49(IV)(F) of the Listing Agreement.
- b) **Related Party transactions:** A statement in summary form of transactions with related parties is periodically placed before the Audit Committee.
- d) **Disclosure of Accounting Treatment:** Disclosure of Accounting Treatment wherever applicable have been made in the audited financial accounts for the year ended 31st March, 2010.
- e) **Disclosure on Risk Management:** The Company has framed a Risk Management Policy which is periodically reviewed by the Board.
- f) **Code of Conduct:** As required by the revised clause 49 of the Listing Agreement, the Board of Directors of the Company have adopted a Code of Conduct for all Board Members and Senior Management of the Company. The members of the Board of Directors and Senior Management have affirmed compliance of the said Code during the period under review. A declaration to this effect signed by the Chief Executive Officer of the Company is given elsewhere in the Annual Report.
- g) **CEO Certification:** A Certificate from Shri T. M. Nagarajan, Executive Chairman and Shri Virendra Tripathy, Chief Executive Officer of the Company on the financial statements of the Company was placed before the Board.
- h) **Note on appointment or re-appointment of Directors:** Particulars of Directors who need to be appointed/re-appointed at the ensuing Annual General Meeting are given under the Note no.14 of the Notice convening the meeting.

**IX. MEANS OF COMMUNICATION:**

- a) The quarterly / annual results are communicated to the Bombay Stock Exchange Limited where the Company's shares are listed and published in Free Press Journal (English) and Navshakti (Marathi).
- b) The quarterly/half yearly financial results were electronically filed on EDIFAR website www.sebiedifar.nic.in within the time frame prescribed in this regard. However, due to discontinuation of EDIFAR system from April 1, 2010, the same is appearing in website www.corpfiling.co.in, the Corporate Filing and Dissemination System (CFDS) portal jointly owned, managed and maintained by BSE and NSE which is a single source to view information filed by listed companies with the stock exchange.
- c) The Company has not made any presentation to any institutional investors or to any analysis during the year.
- d) All items required to be covered in the Management Discussion and Analysis Report have been included in the Directors' Report to Members.
- e) The website of the Company www.indogreenprojects.com contains a separate dedicated section 'Investor Relations', which provides comprehensive information of interest to our investors. The Annual Report of the Company is also available on the website in a user-friendly and downloadable form.

X. GENERAL SHAREHOLDERS INFORMATION :

Company Registration Details	The Company is registered in the state of Maharashtra. The Corporate Identification Number (CIN) allotted to the Company by Ministry of Corporate Affairs (MCA) is L01110MH1994PLC082421.
AGM : Date and Time Venue	16th September, 2010 at 11.00 a.m. Registered Office of the Company: Rajabhadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Mumbai 400 001
Financial Calendar Financial Year ending <u>Results for Quarter ending :</u> 30th June, 2010 30th September, 2010 31st December, 2010 31st March, 2011 (Audited)	(Tentative) 31st March, 2011 On or before 14th August, 2010 On or before 14th November, 2010 On or before 14th February, 2011 On or before 30th May, 2011
Date of Book Closure	9th September 2010 to 16th September 2010 (both days inclusive)
Dividend Payment Date	Not Applicable
Listing on Stock Exchange	Bombay Stock Exchange Limited



Scrip Code	531968
Payment of Listing Fees	Annual listing fee for the year 2010-11 (as applicable) has been paid by the Company to BSE.
Market price Data : High, Low during each month in the financial year 2009-2010	See Table No. 1 below
Registrar and Share Transfer Agents	Purva Sharegistry (India) Private Limited 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai -400 011. Tel: (022) 2301 8261/2301 6761
Share Transfer System	Share Transfers are processed and share certificates are returned within a period of 30 days from the date of receipt, if the documents are clear in all respects.
Distribution of Shareholding & Summary of Shareholding Pattern	See Table No. 2 & 3
Demat ISIN Numbers in NSDL & CDSL for Equity Shares	ISIN: INE786E01018
De-materialization of shares and liquidity	As on 31st March, 2010, 86.96% of the Company's total equity shares representing 43,40,285 shares were held in dematerialised form and balance 13.04% representing 6,50,615 shares were held in physical form.
Outstanding GDRS/ADRS/Warrants or any convertible instruments, conversion date and likely impact on equity	There were no such outstanding instruments as on 31st March, 2010.
Address for correspondence	Regd. Off.: Rajabhadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Mumbai 400 001. Or Purva Sharegistry (India) Private Limited 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai - 400 011

**Table 1 – Stock Market Price Data**

High and Low of market price of the Company's shares traded on Bombay Stock Exchange Limited, during the financial year 2009-2010.

Month	BSE	
	High	Low
April – 2009	36.15	33.95
May – 2009	35.70	34.00
June – 2009	37.00	34.00
July – 2009	42.80	37.00
August- 2009	38.50	33.80
September –2009	35.50	30.00
October –2009	37.45	33.50
November – 2009	37.40	35.80
December – 2009	39.00	31.55
January – 2010	41.95	31.40
February – 2010	40.20	32.40
March – 2010	38.75	31.75

Table 2 – Distribution of shareholding as on 31st March, 2010

Range of equity shares held	No. of Shareholders	% of total shareholders	No. of Shares	% of total shares
upto 500	259	67.62	33,080	0.66
501 to 1000	28	7.31	23,312	0.47
1001 to 2000	36	9.40	55,569	1.11
2001 to 3000	5	1.31	12,046	0.24
3001 to 4000	7	1.83	23,698	0.48
4001 to 5000	4	1.04	17,993	0.36
5001 to 10000	12	3.13	93,887	1.88
10001 and above	32	8.36	47,31,315	94.80
Total	383	100.00	49,90,900	100.00

Table 3 – Summary of Shareholding Pattern as on 31st March, 2010

Category	No. of Shareholders	No. of Shares held	% of total shares
Promoters	2	35,80,347	71.74
Bodies Corporate	33	83,138	1.67
Indian Public	346	13,19,890	26.44
NRIs	2	7,525	0.15
Total	383	49,90,900	100.00



Auditors' Certificate on Corporate Governance

The Auditors' Certificate on compliance with Clause 49 of the Listing Agreement relating to Corporate Governance is published as an annexure to the Directors' Report.

Declaration on compliance with Code of Conduct

It is hereby affirmed that all the Directors and the senior management personnel have complied with the Code of Conduct framed by the Company and a confirmation to that effect has been obtained from the Directors and Senior Management.

On behalf of the Board of Directors

T. M. Nagarajan
Chairman

Place : Mumbai
Date : 20th July, 2010



To
The Board of Directors of Indo Green Projects Limited

Sub: **CEO Certification on Financial Statements, etc.**

I have reviewed the financial statements as well as the cash flow statements (hereinafter referred to as "statements" of Indo Green Projects Limited for the year ended March 31, 2010 and certify that to the best of my knowledge and belief :

- (a) These statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading.
- (b) These statements together present a true and fair view of the Company and are in compliance with the existing accounting standards and/or applicable laws/regulations.
- (c) There are no transactions entered into by the Company which are fraudulent, illegal or violative of Company's Code of Conduct.
- (d) I accept the responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of internal control systems of the Company, and have also disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (e) During the year 2009-10, there were no instances of significant fraud that involved management or employees having a significant role in the company's internal control systems over financial reporting; and
- (f) I have indicated to the auditors, the Audit Committee and in the notes on accounts that there were no significant changes in internal control and/or of accounting policies during the year.

T. M. Nagarajan
Chairman

Virendra Tripathy
Chief Executive Officer

Dated: 29th May, 2010
Place: Mumbai

Auditors' Certificate

To the Members of Indo Green Projects Limited

We have examined the compliance of the conditions of Corporate Governance by Indo Green Projects Limited ("the Company") for the year ended on 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the Company with the Bombay Stock Exchange Limited (hereinafter referred to as clause 49).

The compliance of the conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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, we certify that the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in clause 49.

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

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Registration No.: 117365W)

Z. F. Billimoria
Partner
(Membership No. 42791)

Mumbai : 20th July, 2010