

**Quarterly Compliance Report on Corporate Governance**

**Name of the Company** : **KRBL Limited**

**Quarter ending on** : **30.06.2007**

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
<b>I. Board of Directors</b>	<b>49 I</b>		
(A) Composition of Board	49 (IA)	Yes	<p>The total strength of the Board of Directors of the Company is Ten and comprising of Four Executive &amp; 6 Non-executive Directors and out of Ten Six Directors are Independent Directors as the Chairman is an Executive Director.</p> <p>The Board of Directors of the Company has appointed Mr. Ashwani Dua and Mr. Shyam Arora as Additional Directors of the Company to strengthen the Board.</p>
(B) Non-executive Directors' Compensation & Disclosures	49 (IB)	N.A.	<p>No remuneration or compensation is paid to any non-executive directors, however the Company has obtained necessary approval of shareholders to pay remuneration or compensation to non-executive directors. All pecuniary relationship or transactions have been disclosed in the 13<sup>th</sup> Annual Report for the year ended 31.03.2007 and for the year ended 31.03.2007 shall be disclosed in the 14<sup>th</sup> Annual Report.</p>
(C) Other provisions as to Board and Committees	49 (IC)	Yes	<p>All information included in the Annexure-1A which occurs during this quarter have been produced before the Board.</p> <p>No Director is a member in more than 10 Committees or act as Chairman of more than 5 Committees.</p>
(D) Code of Conduct	49 (ID)		<p>The Board has laid down a Code of Conduct for all Board Members and Senior Management personnel.</p> <p>All Board members and senior management personnel shall affirm compliance with the code on an annual basis. The next Annual Report of the company for the year ended 31.03.2007 contains a declaration to this effect signed by the CEO.</p>

<b>II. Audit Committee</b>	49 (II)		
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	<p>The Company has a qualified and independent audit Committee.</p> <p>The audit committee comprises of four members all are non-executive directors and three members are independent. Mr. Mahesh C. Jain is having Financial and Accounting knowledge.</p> <p>Mr. Mahesh C. Jain is the Chairman of the Audit Committee and he is a independent director.</p>
(B) Meeting of Audit Committee	49 (IIB)	Yes	The minimum number of meetings will be complied. From 01.04.2007 to till date one meeting has been held on 28.06.2007 to review the audited financial results for the year ended 31.03.2007. The quorum was present at the meeting.
(C) Powers of Audit Committee	49 (IIC)	Yes	Necessary powers have been vested on the Audit Committee.
(D) Role of Audit Committee	49 (IID)	Yes	The role of audit committee has been decided by the Board of Directors and same have been intimated to each member of the audit committee.
(E) Review of Information by Audit Committee	49 (IIE)	Yes	The Audit Committee shall mandatorily review the information as required under this clause.
<b>III. Subsidiary Companies</b>	49 (III)	N.A.	The Company is having no Indian Subsidiary Company.
<b>IV. Disclosures</b>	49 (IV)		
(A) Basis of related party transactions	49 (IV A)	Yes	The related party transactions for the year 31.03.2006 have been disclosed in the 13 <sup>th</sup> Annual Report and shall be disclosed in the 14 <sup>th</sup> Annual Report.
(B) Disclosure of Accounting Treatment	49 (IV B)	Yes	Disclosures regarding different treatment from prescribed Accounting Standard shall be made whenever occurred.
(C) Board Disclosures	49 (IV C)	Yes	The company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures shall be periodically reviewed.
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	Yes	The Company had allotted on 16.06.2006 3000000 Equity Shares of Rs.10/- each at premium of Rs.80/- per share aggregating to Rs.2700 Lacs pursuant to conversion of 3000000 Zero Coupon Warrants of Rs.90/- each. Annual disclosure has been made in the 13 <sup>th</sup> Annual Report. The funds raised was not utilized for purpose other than those stated in the offer document/notice/ prospectus.

(E) Remuneration of Directors	49 (IV E)	Yes	Disclosure regarding Remuneration of Directors for the year ended 31.03.2006 has been made in the 13 <sup>th</sup> Annual Report and for the year ended 31.03.2007 shall be disclosed in the next Annual Report.
(F) Management	49 (IV F)	Yes	Disclosed in the 13 <sup>th</sup> Annual Report.
(G) Shareholders	49 (IV G)	Yes	<p>Information relating to appointment and re-appointment of Directors have been disclosed in the 13<sup>th</sup> Annual Report.</p> <p>The Company is registered with Electronic Data Information and Retrieval System (EDIFAR) website, maintained by National Informatics Center (NIC) on behalf of Securities and Exchange Board of India (SEBI). The Company is sharing the relevant information in that website.</p> <p>The Company has a Shareholders/investors Grievance Committee to specifically look into the redressal of shareholder and investors complaints like transfer of shares, non-receipt fo balance sheet, non-receipt of declared dividends etc. Mr. Mahesh C Jain is the chairman of the committee and is a non-executive director.</p> <p>The Company has delegated the power of share transfer to RTA, M/s. Alankit Assignments Limited.</p>
<b>V. CEO/CFO Certification</b>	49 (V)	Yes	The next Annual Report of the Company contains CEO/CFO Certification.
<b>VI. Report on Corporate Governance</b>	49 (VI)	Yes	<p>Compliance has been made in the 13<sup>th</sup> Annual Report.</p> <p>Quarterly Compliance Report on Code of Corporate Governance for the quarter ended on 30.03.2007 was sent to the stock exchanges.</p>
<b>VII. Compliance</b>	49 (VII)	Yes	Disclosure for the year 31.03.2006 has been made in the 13 <sup>th</sup> Annual Report and for the year 31.03.2007 shall be made in the next Annual Report.