

## Quarterly Compliance Report on Corporate Governance

Name of the Company : KRBL Limited  
 Quarter ending on : 31<sup>st</sup> December, 2009

| 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                      | The total strength of the Board of Directors of the Company is Ten and comprising of Five Executive & Five Non-executive Directors and out of Ten, Five Directors are Independent Directors as the Chairman is an Executive Director.   |
| (B) Non-executive Directors' Compensation & Disclosures | 49 (IB)                     | N.A.                     | 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 16 <sup>th</sup> Annual Report for the year ended 31.03.2009.   |
| (C) Other provisions as to Board and Committees         | 49 (IC)                     | Yes                      | All information included in the Annexure-1A which occurs during this quarter has been produced before the Board.<br><br>No Director is a member in more than 10 Committees or act as Chairman of more than 5 Committees.  |
| (D) Code of Conduct                                     | 49 (ID)                     | Yes                      | The Board has laid down a Code of Conduct for all Board Members and Senior Management personnel.<br><br>All Board members and senior management personnel affirms compliance with the code on an annual basis. The Annual Report of the company for the year ended 31.03.2009 contains declaration to this effect signed by the CEO.  |
| <b>II. Audit Committee</b>                              | <b>49 (II)</b>              |                          |   |
| (A) Qualified & Independent Audit Committee             | 49 (IIA)                    | Yes                      | The Company has a qualified and independent audit Committee.<br><br>The Composition of Audit Committee is:<br>- Mr. Ashwani Dua - Chairman/Member<br>- Mr. Vinod Ahuja - Member<br>- Mr. Gautam Khaitan - Member<br>- Mr. Anoop Kumar Gupta- Member<br><br>Mr. Ashwani Dua, Mr. Vinod Ahuja and Mr. Gautam Khaitan are Non-Executive and Independent Directors and Mr. Anoop Kumar Gupta is Executive and Joint Managing Director of the Company. |

|  |           |       |  |
|--|-----------|-------|--|
|  |           |       | Mr. Ashwani Dua is the Chairman of the Audit Committee and he is an independent director.  |
| (B) Meeting of Audit Committee   | 49 (IIB)  | Yes   | The minimum number of meetings will be complied. From 01.04.2009 to 31.12.2009 three meetings have been held on 30.06.2009, 31.07.2009 and 29.10.2009 to review the audited financial results for the year ended 31.03.2009, unaudited financial results for the quarter ended 30.06.2009 and unaudited financial results for the quarter ended 30.09.2009 respectively. The quorum was present at the meetings. |
| (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 the 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 financial year 2008-09 have been disclosed in the 16 <sup>th</sup> Annual Report.   |
| (B) Disclosure of Accounting Treatment                                   | 49 (IV B) | N. A. | 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) | N. A. | During the year 2008-09 and from 01.04.2009 to 31.12.2009 no proceeds have been raised by the Company by way of Public Issue, Rights Issue, Preferential Issue, etc.   |
| (E) Remuneration of Directors  | 49 (IV E) | Yes   | Disclosure regarding Remuneration of Directors for the financial year 2008-09 have been made in the 16 <sup>th</sup> Annual Report.  |
| (F) Management   | 49 (IV F) | Yes   | Will be disclosed in the next Annual General Meeting.  |

|   |           |     |   |
|---|-----------|-----|---|
| (G) Shareholders                          | 49 (IV G) | Yes | <p>Information relating to appointment and re-appointment of Directors have been disclosed in the 16<sup>th</sup> Annual Report of the Company for the year ended 31.03.2009.</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 of balance sheet, non-receipt of declared dividends etc. Mr. Ashwani Dua is the chairman of the committee and is a non-executive director.</p> <p>the Composition of Shareholders/ Investors Grievance Committee is as follows:<br/> - Mr. Ashwani Dua - Chairman/Member<br/> - Mr. Vinod Ahuja - Member<br/> - Mr. Gautam Khaitan - Member</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 | To be complied in the next Annual General Meeting.  |
| <b>VI. Report on Corporate Governance</b> | 49 (VI)   | Yes | <p>Compliance has been made in the 16<sup>th</sup> Annual Report for the year ended 31.03.2009.</p> <p>Quarterly Compliance Report on Code of Corporate Governance for the quarter ended on 30.09.2009 was sent to the stock exchanges.</p>   |
| <b>VII. Compliance</b>                    | 49 (VII)  | Yes | Disclosure for the year 31.03.2009 has been made in the 16 <sup>th</sup> Annual Report.   |