

## Quarterly Compliance Report on Corporate Governance

Name of the Company : **KRBL Limited**

Quarter ending on : **30<sup>th</sup> June, 2013**

Particulars	Clause of Listing Agreement	Compliance Status Yes/No/N.A.	Remarks
<b>I. Board of Directors</b>	<b>49 I</b>		
(A) Composition of Board	49 (IA)	Yes	Board of Directors of the Company was comprising of 10 Directors. Mr. Gautam Khaitan, Non-executive & Independent Director, resigned w.e.f. 18.04.2013. At present Board of Directors of the Company is comprising of 9 director, of which 4 are non-executive & independent directors. Board of Directors is in the process of inducting non-executive & independent director. Proper composition of Board shall ensure very soon. All non-executive directors have confirmed to have adhered to the criteria prescribed for 'Independent Director' under Clause 49 (1) (A) (iii) of the Listing Agreement for the Financial Year 2013-14 and had been tabled before the Board. During the period under review, no nominee director was appointed by any institution which invested in or lent monies to the Company.
(B) Non-executive Directors' Compensation & Disclosures	49 (IB)	Yes	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 19 <sup>th</sup> Annual Report for the year ended 31 <sup>st</sup> March, 2012 and also shall be disclosed in the Annual Report for the year ended 31 <sup>st</sup> March, 2013.
(C) Other provisions as to Board and Committees	49 (IC)	Yes	<p>During the quarter ended 30<sup>th</sup> June, 2013, one Board Meeting has been held on 29<sup>th</sup> May, 2013 and the gap between the said meeting and the meeting held during last quarter did not exceed 4 months.</p> <p>During the financial year 2013-14 one board meetings has been held on May 29, 2013.</p> <p>All information included in the Annexure-1A of Clause 49 of the Listing Agreement, which occurs during this quarter has 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)	Yes	<p>The Company has formulated and adopted a Code of Conduct which is applicable to all board members and senior management personnel. The said code of conduct is available on the website of the company i.e. www.krblice.com.</p> <p>All Board members and senior management personnel affirms the compliance with the code of conduct on an annual basis. The Annual Report of the company for the year ended 31<sup>st</sup> March, 2012 contains declaration to this effect has been signed by the CEO/CFO of the company and same shall be complied in the Annual Report for the year ended 31<sup>st</sup> March, 2013</p>
<b>II. Audit Committee</b>	49 (II)		
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	<p>The Audit Committee of the board comprises of Three non-executive and independent directors and one executive director, all of them have the relevant accounting and financial management expertise. The Chairman of the Audit Committee was present at the last AGM held on 25<sup>th</sup> September, 2012 to answer shareholders queries. It is the Company's privilege to invite senior executives of the Company whom it considers appropriate to be present at the meeting. Senior management and representatives of the Statutory Auditors are invited to participate in the meetings of the Committee as and when necessary.</p> <p>The Composition of Audit Committee is:</p> <ul style="list-style-type: none"> <li>- Mr. Ashwani Dua</li> <li>- Mr. Vinod Ahuja</li> <li>- Mr. Dr. Narpinder Kumar Gupta</li> <li>- Mr. Anoop Kumar Gupta</li> <li>- Chairman/Member</li> <li>- Member</li> <li>- Member</li> <li>- Member</li> </ul> <p>Mr. Ashwani Dua, Mr. Vinod Ahuja and Dr. Narpinder Kumar Gupta are Non-Executive and Independent Directors and Mr. Anoop Kumar Gupta is Executive and Joint Managing Director of the Company.</p> <p>Mr. Ashwani Dua is the Chairman of the Audit Committee and he is an independent director.</p>
(B) Meeting of Audit Committee	49 (IIB)	Yes	During the Financial Year 2013-14, one meeting of the committee was held on May 29, 2013.
(C) Powers of Audit Committee	49 (IIC)	Yes	The terms of reference of the Audit Committee of Directors includes the matters referred to in Clause 49 (II) (C), (D) and (E) of the Listing Agreement and Section 292A of the Companies Act, 1956.
(D) Role of Audit Committee	49 (IID)	Yes	The terms of reference of the Audit Committee of Directors includes the matters referred to in Clause 49 (II) (C), (D) and (E) of the Listing Agreement and Section 292A of the Companies Act, 1956.
(E) Review of Information by Audit Committee	49 (IIE)	Yes	The relevant information as referred to in this sub-clause is submitted to the Audit Committee for their review on an ongoing basis.

<b>III. Subsidiary Companies</b>	49 (III)	N. A.	The company does not have any material non listed Indian Subsidiary as defined in Clause 49 of the Listing Agreement.
<b>IV. Disclosures</b>	49 (IV)		
(A) Basis of related party transactions	49 (IV A)	Yes	The related party transactions for the financial year 2011-12 have been disclosed in the 19 <sup>th</sup> Annual Report of the Company for the year ended 31 <sup>st</sup> March, 2012 and shall be complied for the year ended 31 <sup>st</sup> March, 2013.  Statements in respect of the related party transactions entered into by the Company during FY 2012-13 were be tabled at the meeting of the Audit Committee held on May 29, 2013.
(B) Disclosure of Accounting Treatment	49 (IV B)	N. A.	Financial statements are prepared in accordance with Accounting Standards prescribed by the Institute of Chartered Accountants of India, from time to time.  No treatment different from the treatment as prescribed in an Accounting Standard has been followed.  Disclosures regarding different treatment from that prescribed in Accounting Standard will be made whenever occurred.
(C) Board Disclosures – Risk Management	49 (IV C)	Yes	The Company has carried out detailed exercise to identify the risk facing in the business, classification of risk into high, medium and low and measures for mitigation of the risks. Company reviews the risks identified periodically.
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	N. A.	The Company has not raised any money through an issue of securities in any manner as specified in Clause 49 of the Listing Agreement.
(E) Remuneration of Directors	49 (IV E)	Yes	Disclosures regarding Remuneration of Directors for the financial year 2011-12 have been made in the 19 <sup>th</sup> Annual Report for FY 2011-12 and shall be disclosed in the Annual Report for FY 2012-13.  Further, relevant information will be disclosed in Report on Corporate Governance section of Annual Report for the FY 2012-13.
(F) Management	49 (IV F)	Yes	Disclosures regarding Management Discussion and Analysis Report for the financial year 2011-12 has been made in the 19 <sup>th</sup> Annual Report for FY2011-12.  Relevant information will be disclosed in the Management Discussion and Analysis Report forming part of Annual Report for FY 2012-13.
(G) Shareholders	49 (IV G)	Yes	Information relating to appointment and re-appointment of Directors has been disclosed in the 19 <sup>th</sup> Annual Report of the Company for the year ended 31 <sup>st</sup> March, 2012 and Annual Report for FY 2012-13 shall also contain the relevant information.

			<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.</p> <p>Mr. Ashwani Dua is the chairman of the committee and is an independent &amp; non-executive director.</p> <p>the Composition of Shareholder/ Investor Grievance Committee is as follows:</p> <ul style="list-style-type: none"> <li>- Mr. Ashwani Dua - Chairman/Member</li> <li>- Mr. Vinod Ahuja - Member</li> <li>- Mr. Dr. Narpinder Kumar Gupta - Member</li> </ul>
<b>V. CEO/CFO Certification</b>	49 (V)	Yes	<p>The CEO/CFO certification for the FY 2011-12 has been complied with in the 19<sup>th</sup> Annual Report for FY 2011-12 A similar certificate for FY 2012-13 will also be placed at the Board meeting, inter alia, for approving Directors' Report, in compliance with this clause.</p>
<b>VI. Report on Corporate Governance</b>	49 (VI)	Yes	<p>The Company has been submitting the quarterly compliance report on corporate governance to BSE and NSE. Copies of the said reports after submission to Stock Exchanges are placed at every succeeding Board Meeting of the Company.</p> <p>Report on Corporate Governance will form part of the Annual Report for FY 2012-13.</p>
<b>VII. Compliance</b>	49 (VII)	Yes	<p>Complied in the Annual Report 2011-12. Auditors' certificate for FY 2011-12 has been sent to Stock Exchanges along with Annual Report.</p> <p>Will be complied in the Annual Report for FY 2012-13 and Auditors' certificate for FY 2012-13 will also be sent to Stock Exchanges along with Annual Report 2012-13.</p>