

## Quarterly Compliance Report on Corporate Governance

Name of the Company : **KRBL Limited**

Quarter ending on : **December 31, 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 comprised 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 comprises of 9 directors, of which 4 are non-executive & independent directors. Board of Directors is in the process of inducting a 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 20 <sup>th</sup> Annual Report for the year ended March 31, 2013.
(C) Other provisions as to Board and Committees	49 (IC)	Yes	<p>During the quarter ended December 31, 2013, one Board Meeting has been held on November 14, 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 three board meetings have been held on May 29, 2013, August 13, 2013 and November 14, 2013 respectively.</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 March 31, 2013 contains declaration to this effect has been signed by the CEO/CFO of the company.</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 AGM held on September 23, 2013 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 - Chairman/Member</li> <li>- Mr. Vinod Ahuja - Member</li> <li>- Mr. Dr. Narpinder Kumar Gupta - Member</li> <li>- Mr. Anoop Kumar Gupta - 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	<p>During the Financial Year 2013-14, three Audit Committee meeting has been held on May 29, 2013 August 13, 2013 and November 14, 2013 respectively.</p>
(C) Powers of Audit Committee	49 (IIC)	Yes	<p>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.</p>
(D) Role of Audit Committee	49 (IID)	Yes	<p>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.</p>
(E) Review of Information by Audit Committee	49 (IIE)	Yes	<p>The relevant information as referred to in this sub-clause is submitted to the Audit Committee for their review on an ongoing basis.</p>

<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 2012-13 have been disclosed in the 20 <sup>th</sup> Annual Report of the Company for the year ended March 31, 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 2012-13 have been made in the 20 <sup>th</sup> Annual Report for FY 2012-13.
(F) Management	49 (IV F)	Yes	Disclosures regarding Management Discussion and Analysis Report for the financial year 2012-13 has been made in the 20 <sup>th</sup> 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 20 <sup>th</sup> Annual Report of the Company for the year ended March, 31 2013.

			<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	The CEO/CFO certification for the FY 2012-13 has been complied with in the 20 <sup>th</sup> Annual Report for FY 2012-13
<b>VI. Report on Corporate Governance</b>	49 (VI)	Yes	<p>Compliance has been made in the 20<sup>th</sup> Annual Report for the year ended March 31, 2013.</p> <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>
<b>VII. Compliance</b>	49 (VII)	Yes	The 20 <sup>th</sup> Annual Report for the year ended March 31, 2013 contains a certificate obtained from DMK Associates, Company Secretaries regarding compliance of conditions of corporate governance. The said certificate along with the Annual Report has been sent to all shareholders and also filed with the Stock Exchanges.