

**QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE**

Name of the Company : PASUPATI SPG. & WVG MILLS LTD.

Quarter ended on : 31-03-2015

Particulars	Clause of Listing Agreement	Compliance Status Yes/No	Remarks																																				
<b>I Board of Directors</b>	49 I	Yes																																					
(A) Composition of Board	49(IA)	Yes	The Board has Eight (8) Directors, out of which three, Directors are Executive and Non-Independent, four Directors are Non-Executive and Independent and one Director is Non Executive and Non Independent.																																				
			<table border="1"> <thead> <tr> <th>No.</th> <th>Name of Director</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Mr. Ramesh Kumar Jain</td> <td>CMD, Executive and Non Independent</td> </tr> <tr> <td>2</td> <td>Mr. Vedit Jain</td> <td>Whole Time Director, Executive and Non Independent</td> </tr> <tr> <td>3</td> <td>Mr. R.K.Bhardwaj (w.e.f.1-8-2014)</td> <td>Whole Time Director, Executive and Non Independent</td> </tr> <tr> <td>4</td> <td>Mrs. Vrinda Jain (w.e.f.1-7-2014)</td> <td>Non Executive and Non Independent</td> </tr> <tr> <td>5</td> <td>Mr. Ghanshyam Das Gupta</td> <td>Non Executive and Independent.</td> </tr> <tr> <td>6</td> <td>Mr. Anil Gupta (w.e.f 1-7-2014)</td> <td>Non Executive and Independent</td> </tr> <tr> <td>7</td> <td>Mr. Praveen Palwial</td> <td>Non Executive and Independent</td> </tr> <tr> <td>8</td> <td>Mr. Ashwani Kumar Rahtore</td> <td>Non Executive and Independent</td> </tr> <tr> <td colspan="2">Total No. of Directors</td> <td>- Eight</td> </tr> <tr> <td colspan="2">No. of Independent Directors</td> <td>- Four</td> </tr> <tr> <td colspan="2">No. of Non-Executive Directors</td> <td>- Five</td> </tr> </tbody> </table> <p>The Non-executive Independent Director of the company satisfies the definition of the independent director under Clause 49 of the Listing Agreement.</p>	No.	Name of Director	Category	1	Mr. Ramesh Kumar Jain	CMD, Executive and Non Independent	2	Mr. Vedit Jain	Whole Time Director, Executive and Non Independent	3	Mr. R.K.Bhardwaj (w.e.f.1-8-2014)	Whole Time Director, Executive and Non Independent	4	Mrs. Vrinda Jain (w.e.f.1-7-2014)	Non Executive and Non Independent	5	Mr. Ghanshyam Das Gupta	Non Executive and Independent.	6	Mr. Anil Gupta (w.e.f 1-7-2014)	Non Executive and Independent	7	Mr. Praveen Palwial	Non Executive and Independent	8	Mr. Ashwani Kumar Rahtore	Non Executive and Independent	Total No. of Directors		- Eight	No. of Independent Directors		- Four	No. of Non-Executive Directors		- Five
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(B) Non-executive Directors' Compensation & Disclosures	49 (IB)	Yes	<ol style="list-style-type: none"> <li>1. Apart from receiving sitting fees, Independent Directors do not have any material pecuniary relationship or transactions with the company or its associates.</li> <li>2. No Commission has been paid during the quarter ended 31-03-2015</li> <li>3. No Stock Options has been granted to any of the directors during quarter ended 31-03-2015</li> </ol>																																				
(C) Other Provisions as to Board and Committees	49 (IC)	Yes																																					
D) Code of Conduct	(49 (ID)	Yes																																					
<b>II. Audit Committee</b>	49 (II)	Yes																																					
(A) Qualified &	49 (IIA)	Yes	Total Strength of the committee is 4 . All members of committee are independent including chairman. Company																																				

Independent Audit Committee			Secretary is the Secretary of the Committee. All members of Audit Committee are financially literate and have accounting and related financial management expertise.
(B) Meeting of Audit Committee	49 (IIB)	Yes	During the quarter ended on 31-03.2015, the Meeting of Audit Committee was held on 14-02.2015. In this meeting, the Audit Committee reviewed general working of the Company as a whole and reviewed the Provisional Working Results of the Company for the quarter ended 31.12.2014.
(C) Powers of Audit Committee	49 (IIC)	Yes	<b>The Audit Committee includes the following powers:</b> To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board To discuss any related issues with the internal and statutory auditors and the management of the company. To investigate into any matter in relation to the items or referred to it by the Board To obtain professional advice from external sources .
(D) Role of Audit Committee	49 II(D)	Yes	<b>The role of Audit Committee includes the following:</b> (i) the recommendation for appointment, remuneration and terms of appointment of auditors of the company; (ii) review and monitor the auditor's independence and performance, and effectiveness of audit process; (iii) examination of the financial statement and the auditors' report thereon; (iv) approval or any subsequent modification of transactions of the company with related parties; (v) scrutiny of inter-corporate loans and investments; (vi) valuation of undertakings or assets of the company, wherever it is necessary; (vii) evaluation of internal financial controls and risk management systems; (viii) monitoring the end use of funds raised through public offers and related matters; (ix) any other matter specified by Board in writing.
(E) Review of Information by Audit Committee	49 (IIE)	Yes	Audit Committee review all the information as per the guidelines.
<b>III. Subsidiary Companies</b>	49 (III)	N/A	
<b>IV. Disclosures</b>	49 (IV)	<b>Yes</b>	
(A) Basis of Related Party Transactions	49 (IV A)	Yes	The details of related party transactions along-with its basis are being placed before the Audit Commit and Board regularly.
(B) Disclosure of Accounting Treatment	49 (IV B)	Yes	Complied
(C) Board Disclosures	49 (IV C)	Yes	Complied
(D) Proceeds from Public Issues, Rights Issues, Preferential Issues etc.	49 (IV D)	N/A	
(E) Remuneration of Directors	49 (IV E)	Yes	1. All pecuniary relationship or transactions of the non-executive directors vis-à-vis the company has disclosed in the Annual Report for the year 2013-14 2. The following disclosures, if any, on remuneration for the year ended 31.03.2014 has been made in the Annual Report for the year 2013-14

			<ul style="list-style-type: none"> <li>- All elements of remuneration package of all the directors;</li> <li>- Details of fixed components &amp; performance linked incentives;</li> <li>- Service contracts, notice period, severance fee (if any) &amp;</li> <li>- Stock option details (if any).</li> </ul> <p>No other payment is made to the non-executive director except sitting fees for attending the meeting of Board.</p>
(F) Management	49 (IV F)	Yes	Management Discussion Analysis Report is a part of Director Report which is annually published in the Annual Report.
(G) Shareholders	49 (IV G)	Yes	All necessary informations are uploaded in the company's Website as required.
V.CEO/CFO Certification	49 (V)	Yes	The requisite certificate was obtained from the CEO/ CFO of the Company under the clause 49 of Listing Agreement at the time of finalization of accounts for the Financial Year 2013-14.
VI. Report on Corporate Governance	49 (VI)	Yes	The Annual Report includes a separate section on Corporate Governance implemented in the company, giving a detailed compliance report of the various requirements forming part of the Listing Agreement
VII. Compliance	49 (VII)	Yes	The certificate regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement from the Auditors of the Company has been annexed with the Directors' Report and the same is a part of the Annual Report for the year 2013-14.

Date 03-04-2015

For PASUPATI SPGL & WVG MILLS LTD.,

*Rekha Sharma*  
**REKHA SHARMA**  
 COMPANY SECRETARY