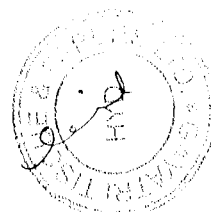


## QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

**Name of the Company: GAYATRI TISSUE & PAPERS LIMITED**

**Quarter ending on : 30<sup>TH</sup> JUNE, 2014**

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)	No	
(B) Non-executive Directors' Compensation & Disclosures	49 (IB)	Yes	
(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 & Independent Audit Committee	49 (IIA)	No	
(B) Meeting of Audit Committee	49 (IIB)	No	Audit Committee meetings are conducted regularly.
(C) Powers of Audit Committee	49 (IIC)	Yes	
(D) Role of Audit Committee	49 II(D)	Yes	
(E) Review of Information by Audit Committee	49 (IIE)	Yes	
<b>III. Subsidiary Companies</b>	49 (III)	<b>NA</b>	
<b>IV. Disclosures</b>	49 (IV)		
(A) Basis of Related Party Transactions	49 (IV A)	Yes	
(B) Disclosure of Accounting Treatment	49 (IV B)	Yes	
(C) Board Disclosures	49 (IV C)	Yes	
(D) Proceeds from Public Issues, Rights Issues, Preferential Issues etc.	49 (IV D)	NA	
(E) Remuneration of Directors	49 (IV E)	NA	
(F) Management	49 (IV F)	No	
(G) Shareholders	49 (IV G)	Yes	Will be Complied in the Annual Report
<b>V.CEO/CFO Certification</b>	49 (V)	Yes	Will be Complied in the Annual Report
<b>VI. Report on Corporate Governance</b>	49 (VI)	Yes	Will be Complied in the Annual Report
<b>VII. Compliance</b>	49 (VII)	Yes	Will be Complied in the Annual Report



### **Clause 49 (IA)**

#### **Board of Directors**

Smt. T. Indira : Chairperson\*\*  
Dr. V.L. Moorthy : Director\*\*\*  
Sri. P. Maruthi Babu : Director\*

\* Executive Director

\*\* Non Independent Non- Executive Directors

\*\*\* Independent Non- Executive Directors

### **Clause 49(1B)**

#### **Non Executive Directors compensation**

No remuneration is paid to the Directors.

### **Clause 49 (1C)**

#### **Board Procedures**

- a. The Company has been conducting the Board Meetings regularly and it will be ensured that the gap between two Board Meetings conducted has not exceeded a period of four months.
- b. No Director is a Member of more than 10 committees or chairman of more than 5 committees across all companies in which he is a director

### **Clause 49 (1D)**

#### **Code of Conduct**

Code of conduct for all the Board members and senior management has already been adopted in the Board meeting. same is posted on the website of the company.

Affirmation of compliance to the Code on annual basis by the Board and senior management is being complied in the Annual report.

### **Clause 49 (II A)**

#### **Qualified and Independent Audit Committee**

The following directors constitute the Audit Committee

Dr. V.L. Moorthy : Chairman\*  
Sri. P. Maruthi Babu : Member  
Smt. T. Indira : Member

\* Independent Non Executive Directors



**Clause 49 (II B)**

**Meetings of Audit committee**

The Audit Committee met as and when required and all the members were present at the meeting. It shall be ensured that four meetings are held with not more than four months gap between two meetings.

**Clause 49 (II C), (II D) (II E)**

**Powers, Role and review of information of Audit Committee**

Compliance is as per Section 292A and the listing agreement.

**Clause 49 (III)**

**Subsidiary Companies**

There are no subsidiary companies and the compliance with this sub clause hence is not applicable.

**Clause 49 (IV A)**

**Basis of related party transactions**

The basis of related party transactions are reviewed by the Audit Committee.

**CLAUSE 49 (IV B)**

**Disclosure Of Accounting Treatment**

The Company is preparing its financial statements in compliance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 and the relevant provision of the Companies Act, 1956 in all respects.

**Clause 49 (IV C)**

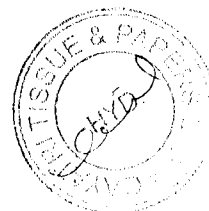
**Board Disclosures**

The company continuously monitors business and operational risk. All key functions and divisions are independently responsible to monitor risk associated within their respective areas of operations. In line with the corporate governance practices, during the current year, an exhaustive exercise is underway for risk management commensurate with the size and nature of company's business.

**Clause 49 (IV D)**

**Proceeds from public issues, rights issues, preferential issues etc.**

There was no public, rights or preferential issue made and hence the compliance of the sub clause does not arise



**Clause 49 (IV E)**

**Remuneration of Directors**

No remuneration was paid to any of the Directors.

**Clause 49 (IV G)**

**Shareholders**

1. Quarterly results shall be sent to the stock exchanges
2. There are no pending investor grievances
3. The share transfers work has been delegated to the Registrars and the meetings are being attended once in a fortnight.

**Clause 49 (V)**

**CEO/CFO Certification**

The CEO/CFO certification is complied in the Annual Report.

**Clause 49 (VI)**

**Report on Corporate Governance**

The corporate governance report has been complied in the Annual Report.

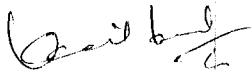
**Clause 49 (VII)**

**Compliance**

Certificate from the Auditors for compliance with clause 49 is complied in the Annual Report.

Yours truly,

For GAYATRI TISSUE & PAPERS LTD.



(DINESH VEMULA)

Company Secretary & Compliance Officer