

Admn. Office : B-2-334/18, 3rd Floor,
Road No. 3, Banjara Hills,
Hyderabad-500 034.
Tel : 23545939, 23543580 Fax : 23544909



Date: 9th July 2014

To
The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.

Dear Sir,

Sub: Submission of Corporate Governance Report for the Quarter ended on 30TH June 2014 – Clause – 49 of the Listing Agreement.

With reference to the captioned subject, we hereby submit the Corporate Governance Report of **M/s. SALGUTI INDUSTRIES LIMITED** for the Quarter ending on 30th June 2014 as per Clause – 49 of the Listing Agreement.

This is for your information and record.

Thanking you,

Yours Truly,

Thanking you,

Yours Truly,
For Salguti Industries Limited

Director

Enc: a/a

QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

| | |
|---------------------|--|
| Name of the Company | M/s. SALGUTI INDUSTRIES LIMITED |
| Quarter ending on | 30th June 2014 |

We furnish hereunder the status of implementation of the code of Corporate Governance in the prescribed format as amended pursuant to Clause 49 of the Listing Agreement.

| Particulars | Clause of Listing Agreement | Compliance Status Yes / No / N.A. | Remarks |
|---|-----------------------------|--------------------------------------|--|
| I. Board of Directors | 49 I | Yes | Constituted as per the provisions of Clause 49(I) read with the Companies Act, 1956. |
| (A) Composition of Board | 49 (IA) | Yes | Composition is as per the provisions of Clause 49(IA) read with the Companies Act, 1956 |
| (B) Non-executive Directors' compensation & disclosures | 49 (IB) | N.A | No fees / Compensation paid to Non-Executive Directors, including independent Directors. |
| (C) Other provisions as to Board of Committees | 49 (IC) | Yes | Board meetings, memberships or Chairman in committees and the information to be furnished before board meetings are as per the provisions of Clause 49(IC) read with the Companies Act, 1956 |
| (D) Code of Conduct | 49 (ID) | Yes | Code of Conduct has been laid down by the board as per the provisions of Clause 49(ID) read with the provisions of Companies Act, 1956. |
| II. Audit Committee | 49 (II) | Yes | Committee formed as per the provisions of Clause 49(II) read with the provisions of Companies Act, 1956 |
| (A) Qualified & Independent Audit Committee | 49 (IIA) | Yes | Members of the audit committee are as per the provisions of Clause 49(IIA) read with the provisions of Companies Act, 1956 |
| (B) Meeting of Audit Committee | 49 (IIB) | Yes | Meetings of the audit committee are conducted as per the provisions of Clause 49(IIB) read with the provisions of the Companies Act, 1956 |
| (C) Powers of Audit Committee | 49(IIC) | Yes | The powers of audit committee includes the powers stated under Clause 49(IIC) read with the provisions of the Companies Act, 1956 |

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|--|-----------|------|---|
| (D) Role of Audit Committee | 49 (IID) | Yes | The role of the audit committee includes the points given under the Clause 49(IID) read with the provisions of the Companies Act, 1956 |
| (E) Review of Information by Audit Committee | 49 (IIE) | Yes | The matters reviewed by audit committee include the information given under Clause 49(IIE) read with the provisions of the Companies Act, 1956 |
| III. Subsidiary Companies | 49 (III) | N.A. | The company does not own any subsidiary companies |
| IV. Disclosures | 49 (IV) | Yes | The Company has complied with the Disclosures to be made under Clause 49(IV) |
| (A) Basis of related party transactions | 49 (IV A) | N.A. | There are no related party transactions to be placed before the committee during this quarter |
| (B) Disclosure of Accounting Treatment | 49(IV B) | N.A | The Company is following prescribed Accounting Standards, so there is no different treatment from prescribed Accounting Standards in the preparation of financial statements. |
| (C) Board Disclosures - Risk Management | 49(IV C) | Yes | The Company has complied with the procedures to inform Board members about the risk assessment as per Clause 49(IV C) |
| (D) Proceeds from public issues, rights issues, preferential issues etc. | 49(IV D) | N.A | The company has not raised any money through preferential issue / Rights issue / public issue during the year. |
| (E) Remuneration of Directors | 49(IV E) | Yes | There are no pecuniary relationships or transactions with the non-executive directors and no remuneration is paid to directors |
| (F) Management | 49 (IV F) | yes | Management discussion and analysis Report to the shareholders & the other relevant information will be furnished in the relevant Annual Report. |
| (G) Shareholders | 49 (IV G) | Yes | The company has been complying with all the provisions given under Clause 49(IVG) |
| V. CEO / CFO Certification | 49 (V) | Yes | CEO/CFO certificate will be furnished in the relevant Annual Report. |
| VI. Report on Corporate Governance | 49 (VI) | Yes | A Report on Corporate Governance will be furnished in the relevant Annual Report. |
| VII. Compliance | 49 (VII) | Yes | A Compliance Certificate on Corporate Governance certified by the Auditors of the company will be annexed to the relevant Annual Report. |

Place: Hyderabad
Date: 09.07.2014

(Handwritten signature)
SALGUTI Industries Ltd.
Director

Works :

- Sy. No. 548/AA, Mudireddipally (V), Balanagar Mandal, Mahaboobnagar Dist. Tel - 08542-230050
- Sy. No. 310 & 311, Gollapally (V), Jadcherla Mandal, Mahaboobnagar Dist.
- Plot No 154/A2, IDA Bollaram (Miyapur) Medak Dist - 502 325 Tel 08458-279250