

**COMPLIANCE REPORT ON CORPORATE GOVERNANCE
(PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)**

Name of the Company : TILAKNAGAR INDUSTRIES LTD.

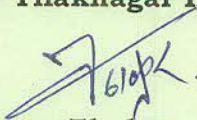
Quarter Ending on : June 30, 2015

| Sr. No | Particulars | Clause of Listing agreement | Compliance Status Yes/No | Remarks |
|-------------|---|-----------------------------|--------------------------|---|
| II. | Board of Directors | 49 (II) | | |
| (A) | Composition of Board | 49 (IIA) | Yes | |
| (B) | Independent Directors | 49 (IIB) | | |
| | 1.Criteria of Independence | 49 (IIB)(1) | Yes | |
| | 2.Limit on number of directorships | 49 (IIB)(2) | Yes | |
| | 3.Maximum tenure of Independent Directors | 49 (IIB)(3) | Yes | |
| | 4.Formal letter of appointment to Independent Directors | 49 (IIB)(4) | Yes | |
| | 5.Performance evaluation of Independent Directors | 49 (IIB)(5) | Yes | Necessary disclosures regarding criteria for performance evaluation shall be made in the Annual Report for the financial year 2014-15. |
| | 6.Separate meetings of the Independent Directors | 49 (IIB)(6) | Yes | |
| | 7.Familiarisation programme for Independent Directors | 49 (IIB)(7) | Yes | Web link to the familiarisation programmes shall be provided in the Annual Report for the financial year 2014-15. |
| (C) | Non-executive Directors' compensation & disclosures | 49 (IIC) | Yes | |
| (D) | Other provisions as to Board and Committees | 49 (IID) | Yes | |
| (E) | Code of Conduct | 49 (IIE) | Yes | Annual Declaration by the Managing Director affirming compliance with the Code shall be incorporated in the Annual Report for the financial year 2014-15. |
| (F) | Whistle Blower Policy | 49 (IIF) | Yes | |
| III. | Audit Committee | 49 (III) | | |
| (A) | Qualified & Independent Audit Committee | 49 (IIIA) | Yes | |
| (B) | Meeting of Audit Committee | 49 (IIIB) | Yes | |
| (C) | Powers of Audit Committee | 49 (IIIC) | Yes | |
| (D) | Role of Audit Committee | 49 (IIID) | Yes | |
| (E) | Review of Information by Audit Committee | 49 (IIIE) | Yes | |
| IV. | Nomination and Remuneration Committee | 49 (IV) | Yes | Necessary disclosures regarding remuneration policy and the evaluation criteria shall be made in the Annual Report for the financial year 2014-15. |
| V. | Subsidiary Companies | 49 (V) | Yes | Web link to the policy on Material Subsidiaries shall be provided in the Annual Report for the financial year 2014-15. |



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|---|-------------|------|---|
| VI. Risk Management | 49 (VI) | Yes | |
| VII. Related Party Transactions | 49 (VII) | Yes | |
| VIII Disclosures | 49 (VIII) | | |
| (A) Related party transactions | 49 (VIII A) | Yes | No material related party transactions were entered by the Company during the quarter ended June 30, 2015. Web link to the policy on Related Party Transactions shall be provided in the Annual Report for the financial year 2014-15. |
| (B) Disclosure of Accounting Treatment | 49 (VIII B) | N.A. | |
| (C) Remuneration of Directors | 49 (VIII C) | N.A. | Not Applicable for the quarter ended June 30, 2015. Necessary disclosures shall be made in the Annual Report for the financial year 2014-15. |
| (D) Management | 49 (VIII D) | Yes | Management Discussion and Analysis Report under 49(VIII D)(1) will form part of the Annual Report for the financial year 2014-15. |
| (E) Shareholders | 49 (VIII E) | Yes | Necessary disclosures shall be made in the Annual Report for the financial year 2014-15. |
| (F) Proceeds from public issues, rights issue, preferential issues, etc | 49 (VIII I) | N.A. | |
| IX. CEO/CFO Certification | 49 (IX) | N.A. | Not Applicable for the quarter ended June 30, 2015. The necessary certificate shall be obtained at the time of approval of financial Statements. |
| X. Report on Corporate Governance | 49 (X) | Yes | Corporate Governance Report under 49(X)(A) will form part of the Annual Report for the financial year 2014-15. |
| XI. Compliance | 49 (XI) | N.A. | Not Applicable for the quarter ended June 30, 2015. Required disclosures shall be made in the Annual Report for the financial year 2014-15. |

For Tilaknagar Industries Ltd.


Gaurav Thakur
Company Secretary

