

## Format of Quarterly Compliance Report on Corporate Governance

**Name Of Company: DERA PAINTS & CHEMICALS LIMITED**

**Quarter ending on : 31<sup>st</sup> December, 2011**

| <b>Particulars</b>                                      | <b>Clause of Listing Agreement</b> | <b>Compliance Status Yes/No</b> | <b>Remarks</b>                  |
|---|------------------------------------|---------------------------------|---------------------------------|
| <b>I Board of Directors</b>                             | 49I                                |                                 |                                 |
| (A) Composition of Board                                | 49 (IA)                            | Yes                             |                                 |
| (B) Non-executive Directors' compensation & disclosures | 49(1B)                             | Yes                             |                                 |
| (C) Other provisions as to Board and Committees         | 49 (IC)                            | Yes                             |                                 |
| (D) Code of Conduct                                     | 49(ID)                             | No                              | Will be complied from June 2012 |
| <b>II. Audit Committee</b>                              | 49(II)                             |                                 |                                 |
| (E) Qualified & Independent Audit Committee             | 49 (IIA)                           | Yes                             |                                 |
| (F) Meeting of Audit Committee                          | 49(IIB)                            | Yes                             |                                 |
| (G) Powers of Audit Committee                           | 49(IIC)                            | Yes                             |                                 |
| (H) Role of Audit Committee                             | 49(IID)                            | Yes                             |                                 |
| (I) Review of information by Audit Committee            | 49(IIE)                            | Yes                             |                                 |
| <b>III Subsidiary Companies</b>                         | 49(III)                            | N.A.                            |                                 |

|  |           |      |                                  |
|--|-----------|------|----------------------------------|
| <b>IV. Disclosures</b>   | 49 (IV)   |      |                                  |
| (J) Basis of related party transactions                                  | 49(IV A)  | Yes  |                                  |
| (K) Disclosure of Accounting Treatment                                   | 49(IV B)  | Yes  |                                  |
| (L) Board Disclosures  | 49 (IV C) | Yes  |                                  |
| (M) Proceeds from public issues, rights issues, preferential issues etc. | 49 (IV D) | N.A. |                                  |
| (N) Remuneration of Directors  | 49(IV E)  | Yes  |                                  |
| (O) Management   | 49(IV F)  | No   | Will be complied with June 2012  |
| (P) Shareholders   | 49 (IV G) | No   | Will be complied with June 2012  |
| <b>V. CEO/CFO Certification</b>  | 49(V)     | No   | Will be complied with June, 2012 |
| <b>VI. Report on Corporate Governance</b>                                | 49(VI)    | Yes  |                                  |
| <b>VII. Compliance</b>   | 49(VII)   | Yes  |                                  |