

**Annexure I B**

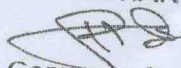
**Format of Quarterly Compliance Report on Corporate Governance**

Name of the Company: **PAUL MERCHANTS LIMITED**

Quarter ending on: **31<sup>st</sup> December, 2013**

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
<b>I Board of Directors</b>	49 I		
(A) Composition of Board	49(IA)	<b>YES</b>	
(B) Non-executive Directors' compensation & disclosures	49 (IB)	<b>YES</b>	
(C) Other provisions as to Board and Committees	49 (IC)	<b>YES</b>	
(D) Code of Conduct	49 (ID)	<b>YES</b>	
<b>II. Audit Committee</b>	49 (II)		
(A) Qualified & Independent Audit Committee	49 (II)(A)	<b>YES</b>	
(B) Meeting of Audit Committee		<b>YES</b>	
(C) Powers of Audit Committee 49 (IIC)	49 (II)(B)	<b>YES</b>	
(D) Role of Audit Committee	49 II(D)	<b>YES</b>	
(E) Review of Information by Audit Committee	49 (II)(E)	<b>YES</b>	
<b>III. Subsidiary Companies</b>	49 (III)	<b>N.A.</b>	The Company has no Subsidiaries
<b>IV. Disclosures</b>	49 (IV)		
(A) Basis of related party transactions	49 (IV) (A)	<b>YES</b>	
(B) Disclosure of Accounting Treatment	49 (IV) (B)	<b>YES</b>	
(C) Board Disclosures	49 (IV) (C)	<b>YES</b>	
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV) (D)	<b>N.A.</b>	The Company has not issued any new Shares.
(E) Remuneration of Directors	49 (IV) (E)	<b>YES</b>	
(F) Management	49 (IV) (F)	<b>YES</b>	
(G) Shareholders	49 (IV) (G)	<b>YES</b>	
<b>V. CEO/CFO Certification</b>	<b>49 (V)</b>	<b>N.A</b>	Applicable to Annual Report only
<b>VI. Report on Corporate Governance</b>	49 (VI)	<b>YES</b>	
<b>VII. Compliance</b>	49 (VII)	<b>YES</b>	Applicable to Annual Report only

For PAUL MERCHANTS LTD

  
Company Secretary