

### Quarterly Compliance Report on Corporate Governance

(in terms of Clause 49 VI(ii) of the Listing Agreement)

Name of the Company: **CMI Limited**

Quarter ending on : **30<sup>th</sup> June, 2014**

	Particulars	Clause of Listing Agreement	Compliance Status (Yes/No)	Remarks
<b>I</b>	<b>Board of directors</b>	<b>49 - I</b>		
(A)	Composition of Board	49 (IA)	Yes	The Board of Directors of the Company comprises of 4 Directors, of which 2 Directors are non-executive independent directors, representing the 50% of the total strength. Therefore, the Board Composition is as per the amended Clause 49 of the Listing Agreement.
(B)	Non-executive Directors' compensation & disclosures	49 (IB)	Yes	No sitting fee has been paid to Non Executive Directors.
(C)	Other provisions as to Board and Committees	49 (IC)	Yes	The Board complies with the said provisions regularly in each quarter.
(D)	Code of Conduct	49 (ID)	Yes	The Company has formulated and adopted a Code of Conduct which is applicable to all its Directors and Senior Management. Affirmation has been obtained from all Directors and Senior Management regarding their adherence to the said Code during the FY 2013-14 and a confirmation to that effect to be made by the CEO of the Company in the Annual Report 2013-14.
<b>II</b>	<b>Audit Committee</b>	<b>49 - II</b>		
(A)	Qualified & Independent Audit Committee	49 (IA)	Yes	The Audit Committee comprises two independent directors and all of them have the relevant accounting & financial management expertise.

(B)	Meeting of Audit Committee	49 (IIB)	Yes	The Audit Committee meets regularly in each quarter.
(C)	Powers of Audit Committee	49 (IIC)	Yes	The Audit Committee is empowered to exercise all the powers as enumerated in Clause 49(II) (C).
(D)	Role of Audit Committee	49 (IID)	Yes	The Audit Committee has performed its role as enumerated in Clause 49(II) (D).
(E)	Review of Information by Audit Committee	49 (IIE)	Yes	The relevant information as referred in this sub-clause is submitted to the Audit Committee for the review on an ongoing basis.
<b>III</b>	<b>Subsidiary Companies</b>	<b>49 -III</b>	<b>N.A</b>	<b>---</b>
<b>IV</b>	<b>Disclosures</b>	<b>49 - IV</b>		
(A)	Basis of related party transactions	49 (IV A)	Yes	Statements in respect of the related party transactions will be tabled in the upcoming meeting of the audit committee for approving the Financial results of the Company.
(B)	Disclosure of Accounting Treatment	49 (IV B)	Yes	Financial statements are prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India from time to time.
(C)	Board Disclosures- Risk Management.	49 (IV C)	Yes	The management reviews the key risks associated with the business of the company and the efficacy of the measures to be taken to mitigate the same on ongoing basis.
(D)	Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	N.A.	---
(E)	Remuneration of Directors	49 (IV E)	Yes	To be Complied in Annual Report of 2013-14.
(F)	Management	49 (IV F)	Yes	To be complied in Annual Report of 2013-14.



(G)	Shareholders	49 (IV G)	Yes	To be complied in Annual Report of 2013-14.
V	CEO/CFO Certification	49 -V	Yes	CEO / CFO certification to be disclosed in the Annual Report 2013-14.
VI	Report on Corporate Governance	49 - VI (i),(ii)	Yes	To be complied in Annual Report of 2013-14.
VII	Compliance	49 - VII(1)	Yes	To be complied in Annual Report of 2013-14.
	Mandatory & Non-mandatory requirements	49-VII(2)	Yes	Disclosures regarding compliance with the mandatory requirements and adoption of non-mandatory requirements under Clause 49 of the listing Agreements relating to Corporate governance made in the Annual report 2013-14.

for CMI Limited

*Subodh k. Kumar*

Subodh Kr. Barnwal  
Company Secretary  
& Finance Controller

Place: Delhi

Date: 11th July, 2014

