

V-GUARD INDUSTRIES LIMITED

Registered Office: 33/2905 F, Vennala High School Road,
Vennala P.O., Kochi - 682 028, Kerala, India

Tel : +91 484 3005000, 2005000

Fax: +91 484 3005100

Email: mail@vguard.in

CIN No. L31200KL1996PLC010010



Ref: VGL/SEC/BSE/412

23/01/2015

BSE Limited
25th Floor, P.J.Towers,
Dalal Street, Mumbai-400001

Kind Attn: Mr. Rakesh Parekh

Dear Sir,

Scrip Code: 532953

Sub: Revised submission of Compliance Report on Corporate Governance.

Ref: 1. Transaction ID 14012015114799 dated 14th January, 2015

2. Mail from BSE dated 21st January, 2015

We had submitted the Compliance Report on Corporate Governance for the quarter ended 31st December, 2014 on 14th January, 2015. The said report was prepared in accordance with the revised format prescribed by SEBI under Clause 49 of the listing Agreement which was published in the websites. However, we were informed through the above referred mail received from your esteemed office on 21st January, 2015, that the format of the Compliance Report on Corporate Governance has been further revised by deleting the clauses viz. Disclosure of Resignation of Directors, Disclosure of formal letter of appointment and Disclosure in the Annual Report. Hence as per your direction, we hereby submit a revised Compliance Report on Corporate Governance for the Quarter ended 31st December, 2014.

Kindly take the same on your records.

Thanking You,

Yours sincerely,
For V-Guard Industries Limited.

Jayasree.K
Company Secretary

Encl: As above

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Quarterly Compliance Report on Corporate Governance

Name of the Company : V-Guard Industries Limited

Quarter ending : 31st December, 2014

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
II. Board of Directors	49 (II)		
(A) Composition of Board	49 (II A)	YES The present Board of the Company consists of 8 Directors, of which 4 are Independent Directors. Mr. Kochouseph Chittilappilly, Promoter and Whole-time Director is the Chairman of the Board. Mrs. Joshna Mithun was appointed as a Director of the Company in the non-executive category by the members of the Company in their Annual General Meeting held on 29 th July, 2014 in accordance with the provisions of Section 161 of the Companies Act, 2013.	COMPLIED
(B) Independent Directors	49 (II B)	YES Mr. Ullas K Kamath, Mr. C J George, Mr. A K Nair and Mr. Cherian N Punnoose were appointed as Independent Directors for a term of 5 years w.e.f. 29 th July 2014 in accordance with the provisions of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. All the Independent Directors possess the qualifications prescribed under Clause 49.	COMPLIED

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(C) Non-executive Directors' compensation & disclosures	49 (II C)	<p>YES</p> <p>The Non-Executive Directors of the Company are paid sitting fees, which is duly approved by the Board of Directors of the Company and the same is within the limits specified in Rule 4 of Companies (Appointment and Remuneration of Managerial Personnel) General Rules 2014.</p> <p>The Board of Directors of the Company considered and approved payment of commission to Mr. Cherian N Punnoose, Independent Director, @ not exceeding 1% of the net profit of the Company for a period of five years from 29th July, 2014 to 28th July, 2019, subject to the approval of the shareholders in their 19th Annual General Meeting.</p> <p>None of the Non-Executive Directors of the Company has been granted stock options.</p>	COMPLIED
(D) Other provisions as to Board and Committees	49 (II D)	<p>YES</p> <p>The Board meets once in every quarter and all the information given in Annexure – X are placed before the meeting. The Directors are reporting their directorships in other companies, position in various committees and changes therein if any, immediately to the Company. The Board also reviews compliance reports of all laws applicable to the Company on a quarterly basis and steps taken by the Company to rectify instances of non-compliances, if any.</p>	COMPLIED



(E) Code of Conduct	49 (II E)	YES The Company has revised the Code of Conduct in line with the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement and the same has been adopted by the Board of Directors in their meeting held on 4 th November, 2014 and the same has been posted on the website of the Company.	COMPLIED
(F) Whistle Blower Policy	49 (II F)	YES The Company has established a vigil mechanism for directors and employees and a whistle blower policy has been adopted in this regard in accordance with the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement and the same has been posted on the web site of the Company.	COMPLIED
III. Audit Committee	49 (III)		
(A) Qualified & Independent Audit Committee	49 (IIIA)	YES The Audit Committee of the Company consists of four Non-Executive Independent Directors and one Executive Director, all having expertise and good experience in the areas of Finance. Mr. Cherian N Punnoose, Chartered Accountant, is the Chairman of the Audit Committee and he was present in the 18 th Annual General Meeting of the Company to answer shareholders' queries. Mr. Ullas K Kamath, Independent Director was appointed as a member of Audit Committee during the quarter under review.	COMPLIED

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(B) Meeting of Audit Committee	49 (IIIB)	YES Audit Committee members meet periodically to review the quarterly unaudited / audited financial results of the Company and the Internal Audit reports and other mandatory matters to be reviewed by Audit Committee members. Period of four months has not elapsed between two meetings.	COMPLIED
(C) Powers of Audit Committee	49 (IIIC)	YES The Audit Committee exercises all the powers conferred on it by the Board.	COMPLIED
(D) Role of Audit Committee	49 (III D)	YES The Audit Committee members carry out the functions meticulously and review the entire financial activities of the Company including internal audit and control measures. The Board has in its meeting held on 29 th July, 2014, amended the terms of reference of Audit Committee in accordance with the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.	COMPLIED
E) Review of Information by Audit Committee	49 (III E)	YES All mandatory items are invariably reviewed by the Audit Committee members at their meetings.	COMPLIED
IV. Nomination and Remuneration Committee	49 (IV)	YES A Committee has been set up with 3 Independent Directors and One Non Executive Director. The Chairman of the Committee is an Independent Director. The Committee has formulated policies on Nomination Remuneration & Evaluation of Directors and Senior Management and Board Diversity	
V. Subsidiary Company	49 (V)	No subsidiary Companies	N A

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VI. Risk Management	49 (VI)	YES The various risks associated with the operations of the Company and the steps taken to minimize the same are periodically placed before the Audit Committee. Review and recommendation made by the Committee, if any, are placed before Board. The risk management policy has been amended in accordance with the provisions of amended Clause 49 of the Listing Agreement and Risk Management Committee has been re-constituted in accordance with the provisions of Clause 49 of the Listing Agreement.	COMPLIED
VII. Related Party Transactions	49 (VII)	YES The Company has formulated a policy for related party transactions in line with the provisions of Clause 49 and the same has been posted on the website of the Company.	COMPLIED
VIII. Disclosures	49 (VIII)		
(A) Related party transactions	49 (VIII A)	YES A statement detailing transactions entered with the related parties in the ordinary course of business is placed before the Audit Committee of the Company on a quarterly basis. The Company has sought the approval of Audit Committee for entering into transactions with related parties.	COMPLIED
(B) Disclosure of Accounting Treatment	49 (VIII B)	YES Presently, there is no change in the Accounting policies and Standards adopted by the Company.	COMPLIED
(C) Remuneration of directors	49 (VIII C)	YES Details relating to payment of remuneration to Directors have been disclosed in the Annual Report for the year 2013-14 of the Company.	COMPLIED

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(D) Management	49 (VIII D)	YES The Management Discussion and Analysis Report has been included in the Annual Report 2013-14 covering various aspects of Industry structure and development, segment and product wise performance, opportunities and threats, outlook, risks assessment and minimization procedures. No transaction has been entered into with any one member of the Senior Management, wherein the personal interest of the employee has potential conflict with the interest of the Company at large. Code of Conduct for the Board of Directors and Senior Management has been disclosed on the website of the Company.	COMPLIED
(E) Shareholders	49 (VIII E)	YES The Company has duly constituted Stakeholders Relationship and Share Transfer Committee under the Chairmanship of an Independent Director to take care of all the matters concerning the investors' interest. Details of Directors seeking appointment and re-appointment, their brief resume and nature of expertise in specific functional areas, name of the Companies in which they holds directorship & membership of the committees of the board etc., have been incorporated in the Annual Report for the year 2013-14.	COMPLIED
(F) Proceeds from public issues, rights issues, preferential issues etc.	49 (VIII F)	YES The Company has issued 61,223 equity shares of Rs.10/- each to eligible employees who have exercised the options under Employees Stock Option Scheme, (ESOS) 2013 during the quarter under review.	COMPLIED

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IX. CEO/CFO Certification	49 (IX)	YES Certificate signed by the Managing Director and CFO has been obtained and the compliance of same has been mentioned in the Annual Report for the year 2013-14.	COMPLIED
X. Report on Corporate Governance	49 (X)	YES A detailed compliance report on Corporate Governance has been included in the Annual Report 2013-14. Further, Corporate Governance Report for every quarter is sent to the Stock Exchanges.	COMPLIED
XI. Compliance	49 (XI)	YES The Company has obtained a certificate on compliance of conditions of Corporate Governance for the year 2013-14 from the Statutory Auditors M/s. S R Batliboi & Associates LLP, Chartered Accountants and the same has been included in the Annual Report for the year 2013-14.	COMPLIED

Yours faithfully,
For V-Guard Industries Limited

Mithun K Chittilappilly
Managing Director