

QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

Name of the Company : SENTHIL INFOTEK LIMITED
Quarter ending on : 30.06.2014

Particulars	Clause of Listing agreement	Compliance Status Yes/No/NA	Remarks
I. Board of Directors	49 (I)	-	AS PER THE NOTES ANNEXED HERETO
(A) Composition of Board	49 (IA)	Yes	
(B) Non-executive Directors' compensation & disclosures	49 (IB)	Yes	
(C) Other provisions as to Board and Committees	49 (IC)	Yes	
(D) Code of Conduct	49 (ID)	Yes	
II. Audit Committee	49 (II)	-	
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	
(B) Meeting of Audit Committee		Yes	
(C) Powers of Audit Committee 49 (IIC)	49 (IIB)	Yes	
(D) Role of Audit Committee	49 II(D)	Yes	
(E) Review of Information by Audit Committee	49 (IIE)	Yes	
III. Subsidiary Companies	49 (III)	NA	
IV. Disclosures	49 (IV)	-	
(A) Basis of related party transactions	49 (IV A)	Yes	
(B) Board Disclosures	49 (IV B)	Yes	
(C) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV C)	NA	
(D) Remuneration of Directors	49 (IV D)	Yes	
(E) Management	49 (IV E)	Yes	
(F) Shareholders	49 (IV F)	Yes	
V. CEO/CFO Certification	49 (V)	Yes	
VI. Report on Corporate Governance	49 (VI)	Yes	
VII. Compliance	49 (VII)	Yes	

Note 1: Clause 49 (IA)

BOARD OF DIRECTORS

1. Mr. A. SreeHari : Chairman***
2. Mr. C. Pitchandi : Managing Director*
3. Mr. S. Senraj Muthiah : Director***
4. Mrs. P. Seetha Laxmi : Director**
5. Mrs. D. Surekha : Director***
6. Mrs. Sarada Dittakavi : Director**

* Executive Director

** Non Independent Non-Executive Directors

*** Independent Non-Executive Directors

Clause 49(1B)

NON EXECUTIVE DIRECTORS COMPENSATION

No remuneration is paid to the Non-executive Directors except sitting fee.

Note 2: 49 (1C)

BOARD PROCEDURES

- a. The Company is conducting the Board meetings regularly and also ensures that the gap between two Board Meetings does not exceed 4 months.
- b. No Director is a Member of more than 10 committees or chairman of more than 5 committees across all companies in which he is a director.

Clause 49 (1D)

CODE OF CONDUCT

Code of conduct for all the Board members and senior management was adopted in the Board meeting. Affirmation of compliance to the Code on annual basis by the Board and senior management will be complied in the Annual Report.

Note 3: 49 (IIA)

AUDIT COMMITTEE

The following are the members of reconstituted Audit Committee

1. Mr. D. Surekha : Chairperson*
2. Mr. S. SenrajMuthiah : Member*
3. Mr. A. SreeHari : Member*

* Independent Non-Executive Directors

Clause 49 (II B)

MEETINGS OF AUDIT COMMITTEE

The Audit Committee met as and when required and all the members were present at the meeting and it shall be ensured that four meetings are held with not more than four months gap between two meetings.

Clause 49 (II C) (II D) (II E)

POWERS, ROLE AND REVIEW OF OPERATIONS OF AUDIT COMMITTEE

The power, role and terms of reference of the Audit Committee as per the Listing Agreement and the Companies Act, 1956

Clause 49 (III)

SUBSIDIARY COMPANIES

- i. At least one independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of material non listed Indian subsidiary companies.
- N.A.
- ii. The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary companies.
- N.A.
- iii. The Minutes of the Board Meetings of the unlisted subsidiary companies shall be placed at the Board meeting of the listed holding company. The management should periodically bring to the attention of the Board of Directors of the listed holding company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary Companies. - N.A.

Clause 49 (IV A)

BASIS OF RELATED PARTY TRANSACTIONS

The basis of related party transactions are reviewed by the Audit Committee and none of the transactions are in potential conflict with the interests of the Company.

Clause 49 (IV B)

BOARD DISCLOSURES

The company continuously monitors business and operational risk. All key functions and divisions are independently responsible to monitor risk associated within their respective areas of operations. In line with the corporate governance practices, during the current year,

an exhaustive exercise is underway for risk management commensurate with the size and nature of company's business.

Clause 49 (IV C)

PROCEEDS FROM PUBLIC ISSUES, RIGHTS ISSUES AND PREFERENTIAL ISSUES ETC.,

There was no public, rights or preferential issue proceeds outstanding and hence the compliance of the sub clause does not arise.

Clause 49 (IV D)

REMUNERATION OF DIRECTORS

The details of remuneration paid to the Directors will be complied in the Annual Report 2013-14.

Clause 49 (IV E)

MANAGEMENT

The Management Discussion and Analysis Report will be complied in the Annual Report 2013-14.

Clause 49 (IV F)

SHAREHOLDERS

1. Quarterly results are being sent to the stock exchange on timely basis.
2. There are no pending investor grievances.
3. The share transfers work has been delegated to the Registrars which are attended once in a fort night.

Clause 49 (V)

CEO/CFO CERTIFICATION

The CEO/CFO certification will be ensured in the Annual Report 2013-14.

Clause 49 (VI)

REPORT ON CORPORATE GOVERNANCE

The corporate governance report will be complied in the Annual Report 2013-14.

Clause 49 (VII)

COMPLIANCE

Certificate from the Auditors for compliance with clause 49 will be complied in the Annual Report 2013-14.

Yours truly,
For SENTHIL INFOTEK LIMITED

(C. PITCHANDI)
MANAGING DIRECTOR