

**Quarterly Compliance Report on Corporate Governance :**

Name of the Company : V.I.P. INDUSTRIES LTD.

Quarter ending on : 30<sup>th</sup> June, 2012

|             | Particulars  | Clause of Listing Agreement | Compliance Status (Yes/No) | Remarks |
|-------------|--|-----------------------------|----------------------------|---------|
|             | 1  | 2                           | 3                          | 5       |
| <b>I.</b>   | <b>Board of Directors</b>  | 49 (I)                      |                            |         |
| (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                        |         |
| <b>II.</b>  | <b>Audit Committee</b>   | 49 (II)                     |                            |         |
| (A)         | Qualified & Independent Audit Committee                              | 49(IIA)                     | Yes                        |         |
| (B)         | Meeting of Audit Committee   | 49(IIB)                     | Yes                        |         |
| (C)         | Powers of Audit Committee  | 49(IIC)                     | Yes                        |         |
| (D)         | Role of Audit Committee  | 49(IID)                     | Yes                        |         |
| (E)         | Review of Information by Audit Committee                             | 49(IIE)                     | Yes                        |         |
| <b>III.</b> | <b>Subsidiary Companies</b>  | 49 (III)                    | Yes                        |         |
| <b>IV.</b>  | <b>Disclosures</b>   | 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)                   | N.A.                       |         |
| (D)         | Remuneration of Directors  | 49 (IV D)                   | Yes                        |         |
| (E)         | Management   | 49 (IV E)                   | Yes                        |         |
| (F)         | Shareholders   | 49 (IV F)                   | Yes                        |         |
| <b>V.</b>   | <b>CEO/CFO Certification</b>   | 49 (V)                      | Yes                        |         |
| <b>VI.</b>  | <b>Report on Corporate Governance</b>                                | 49 (VI)                     | Yes                        |         |
| <b>VII.</b> | <b>Compliance</b>  | 49 (VII)                    | Yes                        |         |

Note : The requirements are complied with as and when applicable for each quarter.

