

Quarterly Compliance Report on Corporate Governance

Name of the company : **PARAGON FINANCE LIMITED**

Quarter ending on : **31st December, 2014**

Particulars	Clause of Listing Agreement	Compliance statuses Yes/No	Remarks
II. Board of Directors	49 (II)		-
(A) Composition of Board	49 (IIA)	Yes	2 Non-Executive Non-Independent Director were added to the BOD on 07/08/2014, So the Board as on 31/12/2014 does not consist of 50% of Independent Director. This will be Complied within 180 days from 07/08/2014 as per Clause 49 (II)(A)(1).
(B) Independent Directors	49(IIB)	Yes	-
(C) Non-Executive Director's compensation & disclosures	49 (IIC)	Yes	-
(D) Other provisions as to Board and Committees	49 (IID)	Yes	-
(E) Code of Conduct	49 (IIE)	Yes	-
(F) Whistle Blower Policy	49(IIF)	Yes	-
III. Audit Committee	49 (III)		-
(A) Qualified & Independent Audit Committee	49 (IIIA)	Yes	-
(B) Meeting of Audit Committee	49 (IIIB)	Yes	-
(C) Powers of Audit Committee	49 (IIIC)	Yes	-
(D) Role of Audit Committe	49 (IIID)	Yes	-
(E) Review of information by Audit Committee	49 (IIIE)	Yes	-
IV. Nomination and Remuneration Committee	49(IV)	Yes	-
V. Subsidiary Companies	49 (V)	Yes	No material non-listed or listed Subsidiary Company
VI. Risk Management	49(VI)	Yes	-
VII. Related Party Transactions	49(VII)	Yes	-
VIII. Disclosures	49 (VIII)		-

(A) Basis of related party transaction	49 (VIII A)	Yes	Complied with at the AGM
(B) Disclosure of Accounting Treatment	49 (VIII B)	N.A	Accounting Standard followed
(C) Remuneration of Directors	49 (VIII C)	Yes	Complied with at the AGM
(D) Management	49 (VIII D)	Yes	Complied with at the AGM
(E) Shareholders	49 (VIII E)	Yes	Complied with at the AGM
(F) Disclosure of Resignation of Directors	49(VIII F)	N.A	-
(G) Disclosure of Formal letter of Appointment	49(VIII G)	Yes	-
(H) Disclosures in the Annual report	49(VIII H)	Yes	-
(I) Proceeds from public issues, rights issue, preferential issues, etc..	49(VIII I)	N.A	The Company did not come out with any kind of issue during the Quarter
IX. CEO/CFO Certification	49 (IX)	Yes	Complied with at the AGM
X. Report on Corporate Governance	49 (X)	Yes	Complied with at the AGM
XI. Compliance	49 (XI)	Yes	Complied with at the AGM

