

## Quarterly Compliance Report on Corporate Governance

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

Quarter ending on : **December 31, 2013**

<u>Particulars</u>	<u>Clause of Listing Agreement</u>	<u>Compliance Status YES/NO</u>	<u>Remarks</u>
<b>I. Board of Directors</b>	49 I		
(A) Composition of Board	49 (IA)	YES	One of our Independent Director Mr. Vishnu Lohia resigned on 27/09/2013, so our board as on 30/09/2013 does not consist of 50% Non-Executive Directors. This will be complied within 180 days from 27/09/2013 as per Clause 49(I)(C)(IV)
(B) Non-executive Directors's 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. 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. Subsidiary Companies</b>	49 (III)	YES	No material non-listed or listed Subsidiary Company
<b>IV. Disclosures</b>	49 (IV)		
(A) Basis of related party transactions	49 (IV A)	YES	Complied with at the AGM
(B) Disclosure of Accounting Treatment	49 (IV B)	N.A.	Accounting Standard followed
(C) Board Disclosures	49 (IV C)	YES	
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	N.A.	The Co. did not come out with any kind of issue during the Quarter.
(E) Remuneration of Directors	49 (IV E)	YES	Complied with at the AGM
(F) Management	49 (IV F)	YES	Complied with at the AGM
(G) Shareholders	49 (IV G)	YES	Complied with at the AGM
<b>V. CEO/CFO Certification</b>	49 (V)	YES	Complied with at the AGM
<b>VI. Report on Corporate Governance</b>	49 (VI)	YES	Complied with at the AGM
<b>VII. Compliance</b>	49 (VII)	YES	Complied with at the AGM