

GUJARAT NARMADA VALLEY FERTILIZERS CO. LTD.
P.O.NARMADANAGAR : 392 015, DIST. BHARUCH

QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE (Clause 49 of the Listing Agreement)

Name of the Company : GUJARAT NARMADA VALLEY FERTILIZERS CO. LTD.
 Quarter ending on : 30th September, 2012

Particulars	Clause of Listing Agreement	Compliance Status Yes/No	Remarks
1	2	3	4
I. Board of Directors	49 I		
(A) Composition of Board	49(IA)	Yes	The Board of Directors of the company presently comprises 10 Directors, of which, 9 Directors are the Non-Executive Directors (NEDs), representing 90% of the total strength. The Chairman of the company is a NED and has been nominated by Government of Gujarat as one of the promoters of the company. All NEDs on the Board are Independent Directors (IDs). The composition of the Board is in conformity with this clause.
(B) Non-executive Directors' compensation & disclosures	49 (IB)	Yes	NEDs of the company are paid remuneration by way of Sitting Fees only, for attending the meetings of the Board and / or Committees thereof. Sitting Fees paid to NEDs are within the limits prescribed under the Companies Act, 1956. Hence, approval of shareholders is not required. In case of Directors, who are from Indian Administrative Service, Sitting Fees payable to them for attending the meeting(s), is deposited with Government Treasury.
(C) Other provisions as to Board and Committees	49 (IC)	Yes	Four Board Meetings have been held so far during the financial year 2012-13 with a time gap of not more than four months between any two meetings. The information as required under this clause were made available to the Board of Directors. None of the Directors holds membership in more than 10 committees or acts as Chairman of more than 5 committees across all companies in which he is a Director. Board of Directors periodically reviews the Compliance Report of Laws, applicable to the company.



1	2	3	4
			Shri MM Srivastava, an Independent Director on the Board resigned as Director of the company effective 31st July, 2012. Dr. Varesh Sinha, IAS has been appointed vice Shri MM Srivastava resigned, effective 22nd September, 2012. Dr. Sinha is an Independent Director on the Board of the company.
(D) Code of Conduct	49 (ID)	Yes	The company has adopted Code of Conduct, which is applicable to all its Directors and Senior Management Personnel. The said code has been posted on the company's website : www.gnfc.in Annual Report for the year 2011-12 contained a declaration as to affirmation of compliance with the Code of Conduct by Directors and Senior Management Personnel.
II. Audit Committee	49 II		
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	Audit Committee comprises 4 Directors / Members, of which, 3 Members are Independent Non-Executive Directors. All the Members of Audit Committee are financially literate. The Chairman of the Audit Committee is an Independent Director. He attended the last Annual General Meeting held on 22nd September, 2012. Representatives of Internal Auditors and Statutory Auditors attend the Audit Committee Meeting by invitation. Chief Financial Officer of the company attends the Audit Committee Meeting. The Company Secretary acts as a Secretary to the Committee. Three Audit Committee Meetings have been held so far during FY 2012-13 with a time gap of not more than four months between any two meetings. Requisite quorum was present at the said meetings. The terms of reference of Audit Committee include the matters referred to in Clauses 49 II (C), (D) and Section 292A of the Companies Act, 1956. The relevant information as referred to in this sub-clause is submitted to the Audit Committee for its review on on-going basis. The company does not have any subsidiary company.
(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	
III. Subsidiary Companies	49 III	NA	
IV. Disclosures	49 IV		
(A) Basis of related party transactions	49 (IVA)	Yes	Details of Related Party Transactions are placed before the Audit Committee on quarterly basis.
(B) Disclosure of Accounting Treatment	49 (IVB)	NA	Financial Statements are prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, from time to time.



1	2	3	4
(C) Board Disclosures – Risk Management	49 (IVC)	Yes	The company has in place a Risk Assessment and Risk Mitigation Mechanism. Risk Management Report is periodically reviewed by the Audit Committee / Board of Directors.
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IVD)	NA	The company has not raised any money through issue of securities during the quarter.
(E) Remuneration of Directors	49 (IVE)	Yes	Requisite details as required to be disclosed under these sub-clauses have been disclosed / included in the Annual Report 2011-12.
(F) Management	49 (IVF)	Yes	
(G) Shareholders	49 (IVG)	Yes	
V. CEO / CFO Certification	49 V	Yes	A Certificate as required under this clause shall be placed before the Board at the time of approval of Audited Annual Accounts of the company for the year 2012-13.
VI. Report on Corporate Governance	49 VI	Yes	The Report on Corporate Governance formed part of the Annual Report 2011-12. The company has been submitting the quarterly compliance report to BSE and NSE, in accordance with this sub-clause.
VII. Compliance	49 VII	Yes	A Certificate regarding compliance with the conditions of Corporate Governance under Clause 49 has been annexed to the Directors' Report, forming part of the Annual Report 2011-12. Disclosure as to the compliance of mandatory requirements and adoption of non-mandatory requirements has been made in the Annual Report 2011-12.

Notes :-

- * The Board of Directors has in its meeting held on 31st July, 2012 approved Unaudited Financial Results for the quarter ended 30th June, 2012. The said results have been posted on the Company's Website www.gnfc.in
- * Annual General Meeting of the Shareholders of the Company was held on 22nd September, 2012. Audited Balance Sheet as at 31.3.2012, Statement of Profit & Loss for the year ended on that date and the Reports of Board of Directors and the Auditors' thereon as laid before the meeting were adopted by the Shareholders.

Date : 10 OCT 2012

Place : Narmadanagar



For GUJARAT NARMADA VALLEY FERTILIZERS CO. LTD.

R B Panchal
R B PANCHAL
COMPANY SECRETARY
o/c