

Quarterly Compliance Report on Corporate Governance
for the quarter ended 30th September, 2013

| Particulars | Clause of Listing Agreement | Compliance Status (Yes/No) | Remarks |
|---|-----------------------------|----------------------------|---|
| I. Board of Directors | 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 Committee | 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 | 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) | N.A | PNB Gilts Ltd. does not have any subsidiary |
| IV. Disclosures | 49(IV) | | |
| (A) Basis of related party transactions | 49(IVA) | Yes | |
| (B) Disclosure of Accounting Treatment | 49(IVB) | N.A. | |
| (C) Board Disclosures | 49(IVC) | Yes | |
| (D) Proceeds from public issues, right issues, preferential issues etc. | 49(IVD) | N.A | |
| (E) Remuneration to Directors | 49(IVE) | Yes | |
| (F) Management | 49(IVF) | Yes | |
| (G) Shareholders | 49(IVG) | Yes | |
| V. CEO/CFO Certification | 49(V) | Yes | |
| VI. Report on Corporate Governance | 49(VI) | Yes | |
| VII. Compliance | 49(VII) | Yes | |