

QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

Name of the company: JAI CORP LIMITED

Quarter ending: 31<sup>st</sup> December, 2007

Particulars	Clause of Listing Agreement	Compliance Status Yes / No	Remarks
I Board of Directors	49 I		
(A) Composition of Board	49(IA)	Yes	Not less than 50% of the Board comprises of non - executive and independent Directors.
(B) Non-executive Directors' Compensation & disclosure	49(IB)	Yes	E. Remuneration to non-executive Directors is being paid by way of sitting fees only which is decided by the Board of Directors. F. The necessary disclosures on remuneration to Directors have been made in the section of Corporate Governance of the Annual Report for the year 2006-2007
( C ) Other Provisions as to Board and Committees	49 (IC)	Yes	A. The Board met three times during the period 1 <sup>st</sup> October, 2007 to 31 <sup>st</sup> December, 2007 on : 14 <sup>th</sup> October, 2007, 30 <sup>th</sup> October, 2007, and 14 <sup>th</sup> December, 2007 . B. No Director is a member in more than 10 Committees or is a Chairman of more than five Committees across all Companies.



			C. The Board in every meeting noted compliance reports of all laws applicable to the Company.
(D) Code of Conduct	49(ID)	Yes	Statement of Code of Conduct has been approved by the Board in it's meeting held on 28 <sup>th</sup> October, 2005. The code of conduct has been posted on the website of the Company.
II Audit Committee			
(A) Qualified & Independent Audit Committee	49(IIA)	Yes	Qualified and independent Audit Committee has been formed
(B) Meeting of Audit Committee	49(IIB)	Yes	Audit Committee met on 31 <sup>st</sup> July, 2007.
(C) Powers of Audit Committee	49(IIC)	Yes	As per Board Resolution Passed
(D) Role of Audit Committee	49(IID)	Yes	As per Board Resolution Passed
(E) Review of information by Audit Committee	49(IIE)	Yes	The Audit Committee in it's meeting held on 30 <sup>th</sup> October, 2007. reviewed among others, un-audited financial statements for the quarter ended 30 <sup>th</sup> September, 2007.
III Subsidiary Companies	49(III)	N A	The Company does not have material non-listed Indian subsidiary company.
IV Disclosures			
(A) Basis of related party transactions	49(IV) (A)	Yes	During every quarter there were transactions of material nature with the related parties which were placed before the Audit Committee.
(B) Board Disclosures -	49(IV) (B)	Yes	Treatment different



Accounting Treatment			from that prescribed in Accounting Standard has not been followed in preparation of financial statements.
(C) Board Disclosures – Risk Management	49(IV) (C)	Yes	Has been complied with
(D) Proceeds from public issues, rights issues, preferential issues etc.	49(IV) (D)	N A	The Company has not raised money through public issues, rights issues, preferential issues.
(E) Remuneration of Directors	49(IV) (E)	Yes	Except sitting fee no remuneration has been paid to Non-executive Directors during the quarter. Details of sitting fees paid to Non-executive Directors and remuneration paid to Executive Directors is disclosed in the Annual Report for the year 2006-2007.
(F) Management	49(IV) (F)	Yes	Management Discussion and Analysis form part of the Annual Report for the year 2006-07.
(G) Shareholders	49(IV) (G)	Yes	<p>xi) Shareholders have been provided with the information regarding directors seeking appointment / reappointment.</p> <p>xii) Quarterly results for the quarter ended 30<sup>th</sup> September, 2007 were published and submitted to the Stock Exchanges where the Company's shares are listed.</p> <p>xiii) Investors Grievance</p>



			<p>Committee has been formed to specifically look in to the re-dressal of the shareholders' / investors' complaints.</p> <p>viii) Power of share transfer has been delegated to Registrar and Share Transfer Agents.</p>
V CEO / CFO Certification	49(V)	Yes	CEO / CFO Certificate is placed before the Board.
VI Report on Corporate Governance	49(VI)	Yes	Report on Corporate Governance form part of the Annual Report for the year 2006-07.
VII. Compliance	49(VII)	Yes	Certificate from the Auditors regarding compliance of conditions of Corporate Governance has been annexed to the Directors' Report for the year 2006-07.

**For JAI CORP LIMITED.**

*[Handwritten Signature]*

**COMPANY SECRETARY.**