

## QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE



Name of the Company: **Goldstone Teleservices Limited**

Quarter Ending: **31st December 2006**

PARTICULARS	CLAUSE OF LISTING AGREEMENT	COMPLIANCE STATUS (Y/N)	REMARKS
1	2	3	4
<b>I. Board of Directors</b>	<b>49I</b>	<b>YES</b>	Constituted as per the provisions of Clause 49 read with Companies Act 1956
(A) Composition of Board	49(IA)	<b>YES</b>	Composition as per the provisions of Clause 49 (1A) read with Companies Act 1956
(B) Non-Executive Directors Compensation & Disclosures	49(IB)	<b>NA</b>	No fees / Compensation paid to Non Executive Directors, including independent directors.
(C) Other Provisions as to Board and Committees	49(IC)	<b>YES</b>	Board meetings, memberships or chairman in committees and the information to be furnished before board meetings are as per the provisions of Clause 49(IC) read with the Companies Act, 1956
(D) Code of Conduct	49(ID)	<b>YES</b>	To be placed on the Website
<b>II. Audit Committee</b>	<b>49(II)</b>	<b>YES</b>	The committee formed as per the provisions of clause 49(II) read with the provisions of Companies Act, 1956
(A) Qualified and Independent Audit Committee	49(IIA)	<b>YES</b>	Members of Audit Committee are as per provisions of Clause 49(IIA) read with the provisions of the Companies Act, 1956
(B) Meeting of Audit Committee	49(IIB)	<b>YES</b>	Meetings of Audit Committee are conducted as per provisions of clause 49(IIB) read with the provisions of the Companies Act, 1956
(C) Powers of Audit Committee	49(IIC)	<b>YES</b>	The powers of Audit Committee includes the powers stated under Clause 49(IIC) read with the provisions of the Companies Act, 1956
(D) Role of Audit Committee	49(IID)	<b>YES</b>	The role of Audit committee includes the points given under the clause 49(IID) read with the provisions of the Companies Act, 1956
(E) Review of Information by Audit Committee	49(IIE)	<b>YES</b>	The matters reviewed by audit committee include the information given under Clause 49(IIE) read with the provisions of the Companies Act, 1956

<b>III. Subsidiary Companies</b>	<b>49(III)</b>	<b>NA</b>	The Company doesn't have any material related un-listed Indian Companies as its Subsidiary
<b>IV. Disclosures</b>	<b>49(IV)</b>	<b>YES</b>	The Company has complied with the disclosures to be made under Clause 49(IV)
(A) Basis of Related party transactions	<b>49(IVA)</b>	<b>YES</b>	There are related party transactions to be placed before the Committee during the Quarter
(C) Board Disclosures	<b>49(IVB)</b>	<b>YES</b>	The Company has complied with the disclosures to be made under Clause 49 (IVB)
(D) Proceeds from Initial Public/Rights/Preferential (Issues)	<b>49(IVC)</b>	<b>NA</b>	The Company has not raised any money
(E) Remuneration of Directors	<b>49(IVD)</b>	<b>NA</b>	No remuneration is paid
(F) Management	<b>49(IVE)</b>	<b>YES</b>	Management Discussion Analysis Report to Shareholders is included in the Annual Report
(G) Shareholders	<b>49(IVF)</b>	<b>YES</b>	The Company has been complying with all the provisions under Clause 49(IVF), regarding Company's Website will be complied shortly
<b>V. CEO/CFO Certification</b>	<b>49(V)</b>	<b>YES</b>	Will be Complied in the Next Board Meeting
<b>VI. Report on Corporate Governance</b>	<b>49(VI)</b>	<b>YES</b>	Report on Corporate Governance to Shareholders is included in the Annual Report
<b>VII. Compliance</b>	<b>49(VII)</b>	<b>YES</b>	Certificate is included in the Annual Report