

Quarterly Compliance Report on Corporate Governance Clause 49 of Listing Agreement

Name of the Company: Torrent Pharmaceuticals Limited

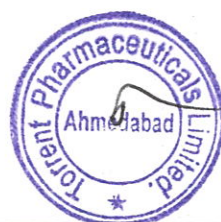
Date: 09-Jul-14

Quarter ending on: 30th June, 2014

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
I. Board of Directors	49 I		
(A) Composition of Board	49 (IA)	Yes read with Clause 49(IC)(iv)	The Company's Board comprised of 8 Directors as on 31st March, 2014 of which 6 are Non-Executive Directors ("NEDs") and 4 are Independent Non-Executive Directors ("INEDs") (50% of the Board strength). The total strength of Board reduced to seven on 26th April, 2014 due to resignation of one INED, The Board has at their meeting held on 9th May, 2014 recommended to shareholders for appointment of two new INEDs at the ensuing Annual General Meeting scheduled on 30 th July 2014
(B) Non-executive Directors' compensation & disclosures	49 (IB)	Yes	Commissions paid to the NEDs are within the limits prescribed under the provisions of the Companies Act and as approved by the shareholders at the AGM held on 30 th July, 2011.
(C) Other provisions as to Board and Committees	49 (IC)		Yes
i) Frequency of Board Meeting	49 (IC) (i)	Yes	During the first quarter ended on 30 th June, 2014, one Board meeting has been held i.e. on 09 th May, 2014 and the gap between two meetings did not exceed 4 months.
ii) Committee Positions	49 (IC) (ii)	Yes	No director of the Company is a member in more than 10 committees or acts as Chairman of more than 5 committees across all companies in which they are directors. Furthermore, the Company annually discloses the committee positions of all directors in its Annual Report.
iii) Compliance Report	49 (IC) (iii)	Yes	The certificate confirming compliance with the laws applicable to the Company are placed before every Board meeting and reviewed by the Board.
(D) Code of Conduct	49 (ID)	Yes	The Company has formulated and adopted a Code of Business Conduct which is applicable to all its employees. The said Code has been posted on its website. Affirmation has been received from all the Directors and Senior Management regarding their adherence to the said Code during the F.Y. 2013-14 and affirmation was made by




			the Executive Vice Chairman in the 2013-14 Annual Report. A similar confirmation to that effect will be obtained from the aforesaid persons and affirmation will be made in the Annual Report for 2014-15.
II. Audit Committee	49 (II)		
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	The Committee comprises entirely of Independent Non-Executive Directors (INEDs). All members of the Committee are financially literate and having accounting or related financial management expertise. The Chairman of the Committee is also an INED. The Chairman of the Audit Committee was present at last AGM held on 26 th July, 2013.
(B) Meeting of Audit Committee	49 (IIB)	Yes	During the quarter ended on 30 th June, 2014, one meeting of the Committee has been held i.e. on 09 th May, 2014 and the gap between two meetings did not exceed 4 months.
(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)		
i) Nomination of an INED of the Company to the Board of material unlisted Indian subsidiary company	49 (III) (i)	N.A.	
ii) Audit Committee to review financial statements & investments made by unlisted subsidiary companies	49 (III) (ii)	Yes	
iii) Minutes of Board Meeting of unlisted subsidiary companies & statement of significant transactions & arrangements to be tabled at Board meeting	49 (III) (iii)	Yes	
IV. Disclosures	49 (IV)		
(A) Basis of related party transactions	49 (IV A)	Yes	
(B) Disclosure of Accounting Treatment	49 (IV B)	Yes	Disclosed in the Annual Report 2013-14. Will be disclosed in the Annual Report for 2014-15.
(C) Board Disclosures	49 (IV C)	Yes	
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	N.A.	
(E) Remuneration of Directors	49 (IV E)	Yes	Disclosed in the Annual Report 2013-14. Will be disclosed in the Annual Report for



			2014-15.
(F) Management	49 (IV F)	Yes	Disclosed in the Annual Report 2013-14. Will be disclosed in the Annual Report for 2014-15.
(G) Shareholders	49 (IV G)	Yes	Disclosed in the Annual Report 2013-14. Will be disclosed in the Annual Report for 2014-15.
V. CEO/CFO Certification	49 (V)	Yes	The CEO/CFO certificate was placed at the meeting of the Board of Directors of the Company held on 09 th May, 2014 for approving annual financial statement for 2013-14. A similar certificate will be placed at the Board meeting, inter alia, for approving annual accounts for 2014-15, in compliance with this clause.
VI. Report on Corporate Governance	49 (VI)		
i) Separate Section on Corporate Governance in the Annual Report	49 (VI)(i)	Yes	Report on Corporate Governance formed part of the Annual Report 2013-14 separately and the same will form part of the Annual Report for 2014-15.
ii) Submission of Quarterly Compliance Report to Stock Exchanges	49 (VI)(ii)	Yes	The Company has been submitting the quarterly Compliance Report on Corporate Governance to the BSE and NSE. Copies of the said report after submission to SEs are placed at every succeeding Board meeting of the Company.
VII. Compliance	49 (VII)		
i) Auditors Certificate regarding compliance of conditions of Corporate Governance	49 (VII) (1)	Yes	Complied in the Annual Report 2013-14 and Auditors' certificate for F.Y. 2013-14 has been sent to Stock Exchanges alongwith Annual Report. Will be Complied in the Annual Report for 2014-15 and Auditors' certificate for F.Y. 2014-15 shall also be sent to Stock Exchanges alongwith Annual Report 2014-15.
ii) Mandatory & Non-Mandatory Requirements	49 (VII) (2)	Yes	Disclosures regarding compliance with the mandatory requirements and adoption / non-adoption of non-mandatory requirements under Clause 49 of the Listing Agreement on Corporate Governance was made in Annual Report 2013-14. Similar disclosures shall be made in the Annual Report for 2014-15.

For TORRENT PHARMACEUTICALS LIMITED



MAHESH AGRAWAL
VP (LEGAL) & COMPANY SECRETARY