

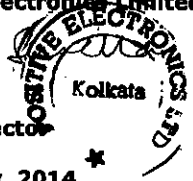
**Corporate Governance Report**

Quarter ending on: 30<sup>th</sup> June, 2014.

Particulars	Clause of Listing Agreement	Compliance Status Yes/No	Remarks
<b>I Board of Directors</b>	49 I	Yes	---NIL---
(A) Composition of Board	49(IA)	Yes	---NIL---
(B) Non-executive Directors' Compensation & Disclosures	49 (IB)	Yes	---NIL---
(C) Other Provisions as to Board and Committees	49 (IC)	Yes	---NIL---
D) Code of Conduct	49 (ID)	Yes	---NIL---
<b>II. Audit Committee</b>	49 (II)	Yes	---NIL---
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	---NIL---
(B) Meeting of Audit Committee	49 (IIB)	Yes	---NIL---
(C) Powers of Audit Committee	49 (IIC)	Yes	---NIL---
(D) Role of Audit Committee	49 II(D)	Yes	---NIL---
(E) Review of Information by Audit Committee	49 (IIE)	Yes	---NIL---
<b>III. Subsidiary Companies</b>	49 (III)	NA	---NIL---
<b>IV. Disclosures</b>	49 (IV)	Yes	---NIL---
(A) Basis of Related Party Transactions	49 (IV A)	NA	There is no Related Party Transaction
(B) Disclosure of Accounting Treatment	49 (IV B)	Yes	Forms part of the Annual Report of every year
(C) Board Disclosures	49 (IV C)	Yes	The Board has laid down the procedures about the assessment and minimization of risk and the same are reviewed periodically by the Board.
(D) Proceeds from Public Issues, Rights Issues, Preferential Issues etc.	49 (IV D)	NA	---NIL---
(E) Remuneration of Directors	49 (IV E)	NA	---NIL---
(F) Management	49 (IV F)	Yes	Forms part of the Annual Report every year
(G) Shareholders	49 (IV G)	Yes	Shareholders/ Investor Grievance Committee duly constituted.
<b>V. CEO/CFO Certification</b>	49 (V)	NA	Forms part of the Annual Report of every year
<b>VI. Report on Corporate Governance</b>	49 (VI)	Yes	Forms part of the Annual Report of every year
<b>VII. Compliance</b>	49 (VII)	Yes	Duly Complied

For Positive Electronics Limited

*Vinay*  
**Vinay Sureka**  
 Managing Director



Date: 10<sup>th</sup> July, 2014 \*  
 Place: Kolkata