

QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

Name of the Company: **MELSTAR INFORMATION TECHNOLOGIES LIMITED**

Scrip Code : **532307 - MELSTAR**

Quarter ending on: **31.12.2013**

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
<i>I. Board of Directors</i>	<i>49 I</i>		
<i>(A) Composition of Board</i>	<i>49 (IA)</i>	YES	
<i>(B) Non-executive Directors compensation & disclosures</i>	<i>49 (IB)</i>	YES	No remuneration or compensation payable or paid to the Non-Executive Directors except the Board Meeting /Committee Meeting sitting fees.
<i>(C) Other provisions as to Board and Committees</i>	<i>49 (IC)</i>	YES	
<i>(D) Code of Conduct</i>	<i>49 (ID)</i>	YES	
<i>II. Audit Committee</i>	<i>49 (II)</i>		
<i>(A) Qualified & Independent Audit Committee</i>	<i>49 (IIA)</i>	YES	
<i>(B) Meeting of Audit Committee</i>	<i>49 (IIB)</i>	YES	
<i>(C) Powers of Audit Committee</i>	<i>49 (IIC)</i>	YES	
<i>(D) Role of Audit Committee</i>	<i>49 II(D)</i>	YES	
<i>(E) Review of Information by Audit Committee</i>	<i>49 (IIE)</i>	YES	
<i>III. Subsidiary Companies</i>	<i>49 (III)</i>	YES	
<i>IV. Disclosures</i>	<i>49 (IV)</i>		
<i>(A) Basis of related party transactions</i>	<i>49 (IV A)</i>	YES	
<i>(B) Disclosure of Accounting Treatment</i>	<i>49 (IV B)</i>	YES	Complied in the Annual Report for the year 2012-13
<i>(C) Board Disclosures</i>	<i>49 (IV C)</i>	YES	
<i>(D) Proceeds from public issues, rights issues, preferential issues etc.</i>	<i>49 (IV D)</i>	N.A.	
<i>(E) Remuneration of Directors</i>	<i>49 (IV E)</i>	YES	Complied in the Annual Report for the year 2012-13
<i>(F) Management</i>	<i>49 (IV F)</i>	YES	Complied in the Annual Report for the year 2012-13

<i>(G) Shareholders</i>	<i>49 (IV G)</i>	YES	Complied in the Annual Report for the year 2012-13
<i>V. CEO/CFO Certification</i>	<i>49 (V)</i>	YES	Complied in the Annual Report for the year 2012-13
<i>VI. Report on Corporate Governance</i>	<i>49 (VI)</i>	YES	Complied in the Annual Report for the year 2012-13
<i>VII. Compliance</i>	<i>49 (VII)</i>	YES	Complied in the Annual Report for the year 2012-13

The Company has complied with the requirements of Clause-49 of the Listing Agreement.