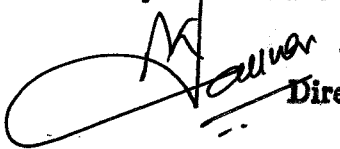


QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

NAME OF THE COMPANY : RAJASTHAN GASES LIMITED
QUARTER ENDING ON : 30.09.2008

| Particulars | Clause of Listing agreement | Compliance Status - Yes/No | Remarks |
|---|-----------------------------|----------------------------|---|
| I Board of Directors - 49(I) | | | |
| ⇒ (A) Composition of Board | 49(I) (A) | NO | The Company has no optimum combination of Executive, Non-Executive & Independent Directors. |
| ⇒ (B) Non executive directors' compensation and disclosures | 49(I) (B) | N.A. | No compensation paid to any Director. |
| ⇒ (C) Other provisions as to Board and committees | 49(I) (C) | YES | |
| ⇒ (D) Code of Conduct | 49(I) (D) | NO | The company has no website to post its Code of Conduct. |
| II Audit Committee: 49(II) | | | |
| ⇒ (A) Qualified and Independent Audit Committee | 49(II) (A) | NO | The Audit Committee of the Company is not constituted as per requirement of clause 49. |
| ⇒ (B) Meeting of Audit Committee | 49(II) (B) | YES | |
| ⇒ (C) Powers of Audit Committee | 49(II) (C) | YES | |
| ⇒ (D) Role of Audit Committee | 49(II) (D) | YES | |
| ⇒ (E) Review of Information by the Audit committee | 49(II) (E) | YES | |
| III Subsidiary Companies - 49(III) | | | |
| | 49(III) | NA | The Company has no subsidiaries. |
| IV Disclosures: 49(IV) | | | |
| ⇒ (A) Basis of related party transactions | 49(IV A) | YES | |
| ⇒ (B) Disclosure of Accounting treatment | 49(IV B) | YES | |
| ⇒ (C) Board disclosures | 49(IV C) | YES | |
| ⇒ (D) Proceeds from Public issues, Rights issues, Preferential issues etc., | 49(IV D) | NA | The Company has not come out with any Public Issue, Rights Issue, Preferential Issue, etc. |
| ⇒ (E) Remuneration of Directors | 49(IV E) | YES | No remuneration etc., paid to any Director. |
| ⇒ (F) Management | 49(IV F) | NO | No Management Discussion and Analysis report attached with Annual Report |
| ⇒ (G) Shareholders | 49(IV G) | YES | |
| V CEO/CFO Certification- 49 (V) | | | |
| | 49(V) | YES | |
| VI Report on Corporate Governance -49 (VI) | | | |
| | 49(VI) | YES | Though the same has been incorporated in the Annual Report, the quarterly compliance report has not been submitted within the prescribed time |
| VII Compliance - 49 (VII) | | | |
| | 49(VII) | YES | |

For Rajasthan Gases Ltd.


Director.