

Quarterly Compliance Report on Corporate Governance

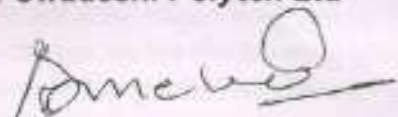
Name of the Company: **SWADESHI POLYTEX LIMITED**

Quarter ending on: 31st December 2011

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
I Board of Directors	49 I		
(A) Composition of Board	49(IA)	No	The company has started operations and has decided to continue with present trading business activity and is also exploring the various others business opportunities. More ever there are 5 independent directors are there on the Board of the Company out of 12 directors.
(B) Non-executive Directors' compensation & disclosures	49 (IB)	N.A	No compensation paid, and only sitting fees to some of the non executive directors were being paid.
(C) Other provisions as to Board and Committees	49 (IC)	No	The company has started operations and has decided to continue with trading business activity and is also exploring the various business opportunities.
D) Code of Conduct	(49 (ID)	No	The manufacturing in the company is not possible as the plant is not viable. The company is regularly conducting its Board meeting
II. Audit Committee	49 (II)		

(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	
(B) Meeting of Audit Committee		Yes	
(C) Powers of Audit Committee 49 (IIC)	49 (IIB)	Yes	
(D) Role of Audit Committee	49 II(D)	Yes	
(E) Review of Information by Audit Committee	49 (IIE)	Yes	
III. Subsidiary Companies	49 (III)	N.A	Company has no subsidiary
IV. Disclosures	49 (IV)		
(A) Basis of related party transactions	49 (IV A)	NA	
(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)	N.A	
(E) Remuneration of Directors	49 (IV E)	N.A	No remuneration is being paid.
(F) Management	49 (IV F)	Yes	
(G) Shareholders	49 (IV G)	Yes	
V.CEO/CFO Certification	49 (V)	Yes	
VI. Report on Corporate Governance	49 (VI)	Yes	
VII. Compliance	49 (VII)	Yes	

For **Swadeshi Polytex Ltd**



(Authorized Signatory)