

Quarterly Compliance Report on Corporate Governance

Name of the Company: SWADESHI POLYTEX LIMITED

Quarter ending on: 31<sup>st</sup> March 2011

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
<b>I Board of Directors</b>	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.
(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
<b>II. Audit Committee</b>	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	All these disclosures will form part of annual report of 2011
(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	All these disclosures will form part of annual report of 2011
(G) Shareholders	49 (IV G)	Yes	
V. CEO/CFO Certification	49 (V)	Yes	The certificate will form part of annual report of 2011
VI. Report on Corporate Governance	49 (VI)	Yes	Report on Corporate Governance will form part of annual report of 2011
VII. Compliance	49 (VII)	Yes	

For Swadeshi Polytex Ltd  
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(Authorised Signatory)