

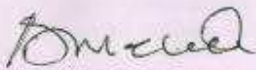
Annexure - D

Quarterly Compliance Report on Corporate GovernanceName of the Company: SWADESHI POLYTEX LIMITEDQuarter ending on: 30th September 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


(Authorised Signatory)