

Quarterly Compliance Report on Corporate Governance

Name of the Company: **Nirlon Limited**

Quarter ending on: December 31, **2011**

Particulars	Clause of Listing Agreement	Compliance status (Yes/No/N.A.)	Remarks
1	2	3	4
<b>I. Board of Directors</b>	49 I		
(A) Composition of Board	49(1A)	Yes	
(B) Non-executive Director's compensation & disclosures	49(1B)	Yes	Only Sitting Fees are paid
(C) Other provisions as to Board and Committees	49(1C)	Yes	-
(D) Code of Conduct	49(1D)	Yes	
<b>II. Audit Committee</b>	49 II		
(A) Qualified & Independent Audit Committee	49(IIA)	Yes	-
(B) Meeting of Audit Committee	49(IIB)	Yes	-
(C) Powers of Audit Committee	49(IIC)	Yes	-
(D) Role of Audit Committee	49(IID)	Yes	-
(E) Review of Information by Audit Committee	49 (IIE)	Yes	-
<b>III. Subsidiary Companies</b>	49 (III)	N.A.	
<b>IV. Disclosures</b>	49 (IV)		
(A) Basis of related party transactions	49 (IVA)	Yes	
(B) Board Disclosures	49 (IVB)	Yes	
(C) Proceeds from Initial Public offerings	49 (IVC)	Yes	
(D) Remuneration of Directors	49 (IVD)	Yes	
(E) Management	49 (IVE)	Yes	
(F) Shareholders	49 (IVF)	Yes	
<b>V. CEO/CFO Certification</b>	49(V)	Yes	Done for the audited financial accounts- 31 <sup>st</sup> March 2011
<b>VI. Report on Corporate Governance</b>	49(VI)	Yes	-
<b>VII. Compliance</b>	49 (VII)	Yes	-