

**Format of Quarterly Compliance Report on Corporate Governance under Clause 49 of the Listing Agreement**

Name of the Company: SHARAD FIBRES & YARN PROCESSORS LIMITED.  
Quarter ending on: DECEMBER 31, 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)	YES	
(B) Non-executive Directors' Compensation & Disclosures	49 (IB)	YES	
(C) Other Provisions as to Board and Committees	49 (IC)	YES	
(D) Code of Conduct	(49 (ID)	YES	
<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	
<b>III. Subsidiary Companies</b>	49 (III)	N/A	THE COMPANY DO NOT HAVE SUBSIDIARY
<b>IV. Disclosures</b>	49 (IV)		
(A) Basis of Related Party Transactions	49 (IV A)	YES	COMPLIED IN ANNUAL REPORT
(B) Disclosure of Accounting Treatment	49 (IV B)	YES	COMPLIED IN ANNUAL REPORT
(C) Board Disclosures	49 (IV C)	YES	COMPLIED IN ANNUAL REPORT
(D) Proceeds from Public Issues, Rights Issues, Preferential Issues etc.	49 (IV D)	N/A	
(E) Remuneration of Directors	49 (IV E)	YES	COMPLIED IN ANNUAL REPORT
(F) Management	49 (IV F)	YES	COMPLIED IN ANNUAL REPORT
(G) Shareholders	49 (IV G)	YES	COMPLIED IN ANNUAL REPORT
<b>V. CEO/CFO Certification</b>	49 (V)	YES	COMPLIED IN ANNUAL REPORT
<b>VI. Report on Corporate Governance</b>	49 (VI)	YES	COMPLIED IN ANNUAL REPORT
<b>VII. Compliance</b>	49 (VII)	YES	COMPLIED IN ANNUAL REPORT

FOR SHARAD FIBRES & YARN PROCESSORS LIMITED

*Srinivas*

AUTHORISED SIGNATORIES/COMPLIANCE OFFICER