

QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

Name of the Company : **SRI ARUMUGA ENTERPRISE LIMITED**
 Scrip Code **507918**

Quarter Ending on : **31.03.2012**

Particulars	Clause of Listing Agreement	Compliance Status (Yes/No)	Remarks
1	2	3	4
I. Board of Directors	49 (I)		
(A) Composition of Board	49 (1A)	NO	The Company should have 50% of its Board represented by Independent Directors. At present, only one out of four directors is Independent. Will be complied shortly.
(B) Non-executive Directors' compensation & disclosures.	49 (1B)	YES	
(C) Other provisions as to Board and Committees	49 (1C)	YES	
(D) Code of Conduct	49 (1D)	YES	The company has adopted a code of conduct as per SEBI (Prohibition of Insider Trading) Act, 1992.
II. Audit Committee	49 (II)		
(A) Qualified & Independent Audit Committee	49 (IIA)	NO	The Audit Committee consists of one Independent and two non-independent directors. Will be complied shortly.
(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	
III. Subsidiary Companies	49 (III)	Yes	
IV. Disclosures	49 (IV)		
(A) Basis of related party transactions	49 (IVA)	YES	will be complied in the next Annual Report
(B) Board Procedures	49 (IVB)	YES	will be complied in the next Annual Report
(C) proceeds from public issues, rights issues, preferential issues etc.	49 (IVC)	NIL	No public/rights/preferential issue during the Quarter
(D) Remuneration of Directors	49 (IVD)	YES	will be complied in the next Annual Report
(E) Management	49 (IVE)	YES	will be complied in the next Annual Report
(F) Shareholders	49 (IVF)	YES	will be complied in the next Annual Report
V. CEO/CFO Certification	49 (V)	YES	will be complied in the next Annual Report
VI. Report on Corporate Governance	49 (VI)	YES	will be complied in the next Annual Report
VII. Compliance	49 (VII)	YES	

For **SRI ARUMUGA ENTERPRISE LIMITED**



[Signature]
 COMPANY SECRETARY