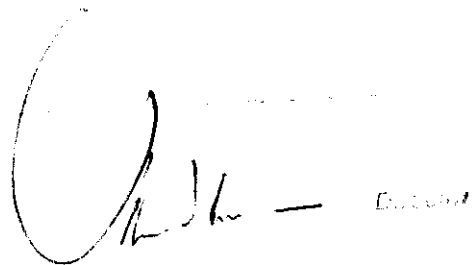


QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

Name of the Company : **NILACHAL REFRACTORIES LIMITED**
Quarter ending : **December 2011**

Particulars	Clause of Listing Agreement	Compliance Status Yes/No	Remarks
I. Board of Directors	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	
II. Audit Committee	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 II(D)	Yes	
(E) Review of Information by Audit Committee	49 (IIE)	Yes	
III. Subsidiary Companies	49 (III)	N.A	
IV. Disclosures	49 (IV)		
(A) Basis of related party transactions	49 (IV A)	Yes	Details will be furnished in the next Annual Report.
(B) Disclosure of Accounting Treatment	49 (IV B)	Yes	Details will be furnished in the next Annual Report.
(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)	Yes	Details will be furnished in the next Annual Report.
(F) Management	49 (IV F)	Yes	Details will be furnished in the next Annual Report.
(G) Shareholders	49 (IV G)	Yes	Complied
V. CEO / CFO Certification	49 (V)	Yes	Will be complied in the Annual Report.
VI. Report on Corporate Governance	49 (VI)	Yes	Will be Complied in the Annual Report
VII. Compliance	49 (VII)	Yes	Will be Complied in the Annual Report

Place: Kolkata
Date: 19th Jan. 2011



A handwritten signature in black ink is written over a circular stamp. The signature is cursive and appears to be 'S. K. Ghosh'. The stamp is partially obscured by the signature.