

**QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE**Name of the Company : **SOLID STONE COMPANY LTD.**Quarter ending on : 30<sup>th</sup> September, 2009

| S.N.        | PARTICULARS  | CLAUSE OF LISTING AGREEMENT | COMPLIANCE STATUS YES/NO | REMARKS  |
|-------------|--|-----------------------------|--------------------------|--|
| <b>I</b>    | <b>Board of Directors</b>  | 49 I                        |                          |  |
| (A)         | Composition of Board   | 49 (IA)                     | Yes                      |  |
| (B)         | Non-executive Directors Compensation & Disclosures                   | 49 (IB)                     | Yes                      | The Company complies with the requirement in The Annual Report |
| (C)         | Other provisions as to Board and Committee                           | 49 (IC)                     | Yes                      |  |
| (D)         | Code of Conduct  | 49(ID)                      | Yes                      |  |
| <b>II</b>   | <b>Audit Committee</b>   | 49 (II)                     | Yes                      |  |
| (A)         | Qualified & Independent Audit Committee                              | 49 (IIA)                    | Yes                      |  |
| (B)         | Meeting of the Audit Committee                                       | 49 (IIB)                    | Yes                      |  |
| (C)         | Power 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</b>  | <b>Subsidiary Companies</b>  | 49 (III)                    | Yes                      |  |
| <b>IV</b>   | <b>Disclosures</b>   | 49 (IV)                     | Yes                      |  |
| (A)         | Basis of related party transactions                                  | 49 (IVA)                    | Yes                      |  |
| (B)         | Board Disclosure   | 49 (IVB)                    | Yes                      | The Company complies with the requirement in The Annual Report |
| (C)         | Proceeds from public Issues, rights issues, Preferential issues etc. | 49 (IVC)                    | Yes                      |  |
| (D)         | Remuneration of Directors  | 49 (IVD)                    | Yes                      |  |
| (E)         | Management   | 49 (IVE)                    | Yes                      | The Company complies with the requirement in The Annual Report |
| (F)         | Shareholders   | 49 (IVF)                    | Yes                      | The Company complies with the requirement in The Annual Report |
| <b>V.</b>   | <b>CEO/CFO Certification</b>   | 49 (V)                      | Yes                      | The Company complies with the requirement in The Annual Report |
| <b>VI.</b>  | <b>Report on Corporate Governance</b>                                | 49 (VI)                     | Yes                      | The Company complies with the requirement in The Annual Report |
| <b>VII.</b> | <b>Compliance</b>  | 49 (VII)                    | Yes                      | The Company complies with the requirement in The Annual Report |

For Solid Stone Company Ltd.

(Mandj Dewani)  
Compliance Officer