

### **Sub: Quarterly Compliance Report on Corporate Governance**

The status in respect of compliance in terms of Listing Agreement for the quarter ended 31<sup>st</sup> March 2012 is as follows:

Name of the Company : India Nippon Electricals Limited  
Quarter ended on : 31<sup>st</sup> March 2012

<b>Particulars</b>	<b>Clause of Listing agreement</b>	<b>Compliance Status Yes/No</b>	<b>Remarks</b>
<b>I. Board of Directors</b>	49I		
(A) Composition of Board	49 (IA)	Yes	
(B) Non-executive Directors' compensation & disclosures	49 (IB)	Yes	Resolutions already passed at AGM [1992 and 2003]
(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	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	
<b>III. Subsidiary Companies</b>	49 (III)	N.A.	We do not have Indian subsidiary *
<b>IV. Disclosures</b>	49 (IV)		
(A) Basis of related party transactions	49 (IV A)	Yes	
(B) Disclosure of Accounting Treatment	49 (IV B)	Yes	
(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	Complied from the Annual Report[2005-06]
(F) Management	49 (IV F)	Yes	
(G) Shareholders	49 (IV G)	Yes	Complied from the Annual Report[2005-06]
<b>V. CEO/CFO Certification</b>	49 (V)	Yes	Complied from the Annual Report[2005-06]
<b>VI. Report on Corporate Governance</b>	49 (VI)	Yes	
<b>VII. Compliance</b>	49 (VII)	Yes	

(\*) The Company has invested in a foreign subsidiary - 'PT Automotive Systems Indonesia' by investing 99.97% of equity share capital amounting to Rs.12.08 crores