

**QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE**

Name of the Company : Lakshmi Electrical Control Systems Limited

Quarter ending on : 30.09.2015

| Particulars   | Clause of Listing agreement | Compliance Status Yes/No | Remarks   |
|---|-----------------------------|--------------------------|---|
| <b>II. Board of Directors</b>   | 49 (II)                     |                          |   |
| (A) Composition of Board  | 49 (IIA)                    | Yes                      |   |
| (B) Independent Directors   | 49 (IIB)                    | Yes                      |   |
| (C) Non-executive Directors' compensation & disclosures                 | 49 (IIC)                    | Yes                      | Disclosed in the Annual Report  |
| (D) Other provisions as to Board and Committees                         | 49 (IID)                    | Yes                      |   |
| (E) Code of Conduct   | 49 (IIE)                    | Yes                      |   |
| (F) Whistle Blower Policy   | 49 (IIF)                    | Yes                      |   |
| <b>III. Audit Committee</b>   | 49 (III)                    |                          |   |
| (A) Qualified & Independent Audit Committee                             | 49 (IIIA)                   | Yes                      |   |
| (B) Meeting of Audit Committee  | 49 (IIIB)                   | Yes                      |   |
| (C) Powers of Audit Committee   | 49 (IIIC)                   | Yes                      |   |
| (D) Role of Audit Committee   | 49 (IIID)                   | Yes                      |   |
| (E) Review of Information by Audit Committee                            | 49 (IIIE)                   | Yes                      |   |
| <b>IV. Nomination and Remuneration Committee</b>                        | 49 (IV)                     | Yes                      |   |
| <b>V. Subsidiary Companies</b>  | 49 (V)                      | NA                       | There is no subsidiary Company  |
| <b>VI. Risk Management</b>  | 49 (VI)                     | Yes                      |   |
| <b>VII. Related Party Transactions</b>                                  | 49 (VII)                    | Yes                      |   |
| <b>VIII. Disclosures</b>  | 49 (VIII)                   |                          |   |
| (A) Related party transactions  | 49 (VIIIA)                  | Yes                      | Material Related party transaction for the Quarter Ended 30.09.2015 are shown in Annexure I attached. |
| (B) Disclosure of Accounting Treatment                                  | 49 (VIIIB)                  | Yes                      |   |
| (C) Remuneration of Directors   | 49 (VIII C)                 | Yes                      | Disclosed in the Annual Report  |
| (D) Management  | 49 (VIII D)                 | Yes                      |   |
| (E) Shareholders  | 49 (VIII E)                 | Yes                      |   |
| (I) Proceeds from public issues, rights issue, preferential issues, etc | 49 (VIII I)                 | NA                       | No securities of any kind is issued   |
| <b>IX. CEO/CFO Certification</b>  | 49 (IX)                     | Yes                      |   |
| <b>X. Report on Corporate Governance</b>                                | 49 (X)                      | Yes                      |   |
| <b>XI. Compliance</b>   | 49 (XI)                     | Yes                      |   |

**For Lakshmi Electrical Control Systems Limited**

*S. Sathyanarayanan*

**S. Sathyanarayanan  
Company Secretary**

Annexure - I

DISCLOSURE OF MATERIAL RELATED PARTY TRANSACTIONS FOR THE PERIOD  
FROM 1ST JULY 2015 TO 30TH SEPTEMBER 2015

| S.No | Particulars           | Lakshmi Machine<br>Works Limited | Lakshmi Precision Tools<br>Limited |
|------|-----------------------|----------------------------------|------------------------------------|
|      |                       | Rs.in Lakhs                      | Rs.in Lakhs                        |
| 1    | Purchase of Goods     | 339.88                           | 250.84                             |
| 2    | Sale of Goods         | 4,610.19                         | 8.06                               |
| 3    | Sale of Fixed Assets  | -                                | -                                  |
| 3    | Rendering of Services | 54.14                            | 9.09                               |
| 4    | Receiving of Services | -                                | -                                  |
|      | Total                 | 5,004.21                         | 267.99                             |

For Lakshmi Electrical Control Systems Limited

  
S. Sathyanarayanan  
Company Secretary