

**QUARTERLY COMPLIANCE REPORT ON
CORPORATE GOVERNANCE**

Name of the Company : **SALZER ELECTRONICS LIMITED – Scrip Code: 517059**
Quarter ending on : 30.09.2011

Particulars	Clause of Listing Agreement	Compliance Status (Yes /No/N.A.)	Remarks
1	2	3	4
I. Board of Directors	49 I	Yes	Complied with
(A) Composition of Board	49(IA)	Yes	Complied with
(B) Non-executive Directors' compensation & disclosures **	49(IB)	NA	NA
(C) Other provisions as to Board and Committees	49(IC)	Yes	Complied with
(D) Code of Conduct	49(ID)	Yes	Complied with
II. Audit Committee	49 II		Complied with
(A) Qualified & Independent Audit Committee	49(IIA)	Yes	Complied with
(B) Meeting of Audit Committee	49(IIB)	Yes	Complied with
(C) Powers of Audit Committee	49(IIC)	Yes	Complied with
(D) Role of Audit Committee	49(IID)	Yes	Complied with
(E) Review of information by Audit Committee	49(IIE)	Yes	Complied with
III. Subsidiary Companies ***	49 (III)	NA	NA
IV. Disclosures	49(IV)		Complied with
(A) Basis of related party transactions	49(IVA)	Yes	Complied with
(B) Disclosure of the Accounting Treatment	49(IVB)	Yes	Complied with
(C) Board Disclosures	49(IVC)	Yes	Complied with
(D) Proceeds from initial public issues, rights issues, preferential issues, etc.,	49(IVD)	NA	NA
(E) Remuneration of Directors	49 (IVE)	Yes	Complied with
(F) Management	49(IVF)	Yes	Complied with
(G) Shareholders	49 (IVG)	Yes	Complied with
V. CEO/CFO Certification	49 (V)	Yes	Complied with
VI. Report on Corporate Governance	49 (VI)	Yes	Complied with
VII. Compliance	49 (VII)	Yes	Complied with

Note :

** The Company does not pay any compensation to the Non Executive Directors except the sitting fees being paid for attending the Board Meeting within the limit as stipulated by the Companies Act, 1956. Hence the Compliance of Clause 49(IB) of the Listing Agreement does not arise. Accordingly, we have indicated as "Not Applicable against the said Clause.

*** The Company does not have any subsidiary company to comply 49(III) of the Listing Agreement.

For SALZER ELECTRONICS LTD

S.BASKARASUBRAMANIAN
DIRECTOR (CORPORATE AFFAIRS)
& COMPANY SECRETARY

