

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance:

Corporate Governance is a set of relationship between Company's Management, its Board of Directors, its Shareholders, its Auditors, its Bankers and other stakeholders. Your Company believes in the same philosophy to attain the highest standards of corporate governance by ensuring transparency in all its actions and operations to all its stakeholders and to maximise values being provided to its stakeholders. Your Company believes that adaption to changing times is the key to corporate growth and long term survival. The Company is committed to achieve and maintain the highest standard of Corporate Governance.

The Company is in compliance of the requirements of Corporate Governance under Clause 49 of the Listing Agreement with the Stock Exchanges.

As the financial year 2011 – 2012 was extended upto 30th September, 2012 consisting of 18 months, all references to financial year 2011 -2012 in this Corporate Governance Report is to be read as period covering 18 months ended on 30th September, 2012.

2. Board of Directors:

The Board of Directors of the Company is having optimum combination of Executive and Non-Executive Directors in compliance of Clause 49 of the Listing Agreement. As on the date of this report, the Board of Directors comprises Seven Directors, out of which four are Executive Directors and Three are Non-Executive & Independent Directors of the Company.

As on the date of this report, the details of composition of Board, category of all Directors as well as their Directorship/Membership in other Companies/Committees are given below:

Sr. No.	Name and Designation of Director	Category	Number of other Directorship and Committee Membership / Chairmanship		
			Other Directorships	Committee Membership	Committee Chairmanship
1.	Mr. Mukesh Bhandari Chairman & Chief Technology Officer	Promoter & Executive	6	1	Nil
2.	Mr. Shailesh Bhandari Managing Director	Promoter & Executive	6	4	2
3.	Mr. Narendra Dalal Whole Time Director	Promoter & Executive	4	1	Nil
4.	Mr. Avinash Bhandari Jt. Managing Director & CEO	Executive	5	2	1
5.	Mr. Nilesh Desai	Independent & Non-Executive	3	2	Nil
6.	Mr. Ram Singh	Independent & Non-Executive	Nil	Nil	Nil
7.	Mr. Pradeep Krishna Prasad	Independent & Non-Executive	Nil	Nil	Nil

- Mr. Ravikumar Trehan has resigned from the Directorship on 26th September, 2012, Mr. Madhusudan Somani has resigned from the Directorship on 1st October, 2012 and Dr. Sudhir Kapur has resigned from the Directorship on 26th November, 2012.
- Directorship in other Companies mentioned above excludes Directorship in Private Limited Companies, Unlimited Companies, Section 25 Company and Foreign Companies.
- While calculating the number of Membership / Chairmanship in Committees of other Companies, Membership / Chairmanship of only Audit Committee and Shareholders' / Investors' Grievance Committee have been considered pursuant to Clause 49 of the

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listing agreement. None of the Director is a member in more than ten committees and act as a Chairman in more than Five Committees across all Companies in which he is a Director.

- None of the Directors are related to each other except Mr. Mukesh Bhandari and Mr. Shailesh Bhandari, who are Brothers.

Board Meetings:

During the financial period 2011 -12, Nine Board Meetings were held on 30th May 2011, 12th August 2011, 30th September 2011, 12th November 2011, 5th December 2011, 14th December 2011, 30th January 2012, 14th May 2012 and 14th August 2012.

Attendances of Directors at the Board Meetings and at the Last Annual General Meeting held on 30th September, 2011 are as under:

Name of Director	Attendance	
	Board Meetings	AGM held on 30.09.2011
Mr. Mukesh Bhandari	6	No
Mr. Shailesh Bhandari	7	Yes
Mr. Avinash Bhandari	8	Yes
Mr. Narendra Dalal	6	Yes
Mr. Nilesh Desai	8	No
Mr. Ram Singh	7	No
Mr. Pradeep Krishna Prasad	9	No
Dr. Sudhir Kapur	9	No
Mr. Madhusudan Somani	3	No
Mr. Ravikumar Trehan	1	No
Mr. Parth Gandhi	1	Not Applicable

All the information required to be furnished to the Board was made available to them along with detailed agenda notes. Time gap between two Board meetings were not more than four months.

3. Committees of Board

A. Audit Committee

(i) Brief description of Terms of Reference

The terms of reference and powers of the Audit Committee are in compliance with the provisions of the Corporate Governance – Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. Minutes of the Audit Committee are circulated and discussed at the Board Meetings.

(ii) Composition of the Committee

The Audit Committee comprises of three members and two thirds of the members of Audit Committee are independent directors. Mr. Parth Gandhi, Mr. Madhusudan Somani and Dr. Sudhir Kapur were ceased to be member / chairman of the Audit Committee with effect from 12th August, 2011, 1st October, 2012 and 26th November, 2012 respectively. The Audit Committee was reconstituted by appointing Mr. Avinash Bhandari, Executive Director and Mr. Ram Singh as members with effect from 27th November, 2012. At present, Mr. Ram Singh is the Chairman and Mr. Nilesh Desai and Mr. Avinash Bhandari are members of the Audit Committee. The Company Secretary acts as a secretary to the Audit Committee.

(iii) Meetings and Attendance

During the financial period 2011-12, Six Meetings of the Audit Committee were held on 30th May 2011, 12th August 2011, 12th November 2011, 30th January 2012, 14th May 2012 and 14th August 2012.



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Details of Attendance at the Audit Committee

Name	Designation	Attendance
Mr. Madhusudan Somani	Chairman	3
Mr. Nilesh Desai	Member	4
Dr. Sudhir Kapur	Member	6
Mr. Parth Gandhi	Member	1

B. Remuneration Committee:**(i) Brief description of Terms of Reference**

The Remuneration Committee has been constituted to recommend and review remuneration package of Executive Directors of the Company and recommend suitable revision to the Board.

(ii) Composition of the Committee

The Remuneration Committee consists of three Non-Executive & Independent Directors, to comply with and meet the requirements of the Listing Agreement and Schedule XIII of the Companies Act, 1956. Mr. Madhusudan Somani ceased to be a member of the Remuneration Committee with effect from 1st October, 2012. The Remuneration Committee was reconstituted by appointing Mr. Ram Singh, a Non-Executive & Independent Director as member with effect from 27th November, 2012. At Present, Mr. Nilesh Desai is the Chairman and Mr. Pradeep Krishna Prasad and Mr. Ram Singh are members of the Remuneration Committee.

(iii) Meetings and attendance

During the financial period 2011 -2012, No Meeting of the Remuneration Committee was held.

(iv) Remuneration Policy

The remuneration policy of the Company for managerial personnel is based on the performance, experience and responsibilities. The members of the Company passed resolutions through postal ballot on 20th March, 2009 and further through resolutions passed at 23rd Annual General Meeting held on 15th September, 2009 approved the terms of remuneration of managerial personnel subject to the Schedule XIII and other applicable provisions of the Companies Act, 1956. Due to the losses incurred by the Company during the financial period 2011-2012, the remuneration of the managerial personnel was reduced / revised to the minimum remuneration of Rs. 2,00,000/- per month as per Schedule XIII of the Companies Act, 1956.

(v) Details of Remuneration of Directors

The details of remuneration paid to Chairman, Managing Directors and Whole Time Director for the financial period of 18 months ended on 30th September, 2012 is as under:

Name of Executive Director	Salary	Allowances & PF Contribution	Total	Tenure of Appointment
Mr. Mukesh Bhandari	36,00,000	2,70,000	38,70,000	01.02.2009 to 31.01.2014
Mr. Shailesh Bhandari	36,00,000	2,70,000	38,70,000	01.02.2009 to 31.01.2014
Mr. Avinash Bhandari	36,00,000	2,70,000	38,70,000	01.02.2009 to 31.01.2014
Mr. Narendra Dalal	36,00,000	2,70,000	38,70,000	01.02.2009 to 31.01.2014
Total	1,44,00,000	10,80,000	1,54,80,000	

During the financial period, the Company has paid gross sitting fees of ₹ 20,000/- to ICICI Venture Funds Management Company Limited for attendance of board meeting by Mr. Parth Gandhi, nominee director. No sitting Fees was paid to any other Directors of the Company.

Non-Executive Directors of the Company does not hold any equity shares of the Company as on 30th September, 2012.

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C. Shareholders'/Investors' Grievance Committee :

The Company has Shareholders'/Investors' Grievance Committee comprising of one Executive Director and two Non-Executive & Independent Directors to expedite the process of redressal of complaints like non-transfer of shares, non-receipt of annual report, non-receipt of dividends etc.

Mr. Ram Singh, a Non-Executive and Independent Director is the Chairman and Mr. Avinash Bhandari and Mr. Nilesh Desai are members of the Committee. The Committee generally meets two times a quarter to expedite all matters relating to shareholders' / investors' grievances received during that period. The Committee reviews summary of share transfers, dematerialization of shares, consolidation or sub-division of shares, complaints received and disposed off etc.

During the financial period 2011-12, ten meetings of the Shareholders' / Investors' Grievance Committee were held. Mr. Jigar H. Shah, Company Secretary is the Compliance Officer.

Details of Shareholders Complaints

The details of complaints received / solved / pending during the financial period are as under:

Sr.No.	Nature of Complaint	Complaints received	Complaints solved	Complaints pending
1.	Non receipt of Dividend	4	4	NIL
2.	Non receipt of Annual Report	3	3	NIL

SEBI Complaints Redress System (SCORES)

SEBI vide circular dated 3rd June, 2011 introduced the system of processing of investors complaints in a centralized web based complaints redress system known as 'SCORES'. The salient features of this system are : Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned Companies and online viewing by investors of action taken on the complaint and its current status etc.

D. Other Committees

(i) Share Allotment Committee

The Company has constituted a Share Allotment Committee on 29th July, 2006. The terms of reference of Share Allotment Committee includes to look into the receipt of money by way of subscription of Shares, Warrants, FCCBs or other convertible instruments issued or to be issued by the Company and allotment of Shares, Warrants, FCCBs or other convertible instruments and allotment of Equity Shares arising on conversion of Warrants, FCCBs or other convertible instruments issued by the Company or to be issued by the Company in future.

Mr. Shailesh Bhandari is the Chairman of the Committee and Mr. Avinash Bhandari and Mr. Ram Singh are members of the Committee.

During the financial period 2011-12, no meeting of the Share allotment Committee was held.

(ii) Management Committee

The Company has constituted a Management Committee on 29th October, 2007. The terms of reference of Management Committee includes to look into the day to day functioning and exercise of delegated power of the Board for matters relating to operations and granting of authority for various functional requirements such as issue of Power of Attorney, arranging for vehicle loans, dealings with Central / State Governments and various Statutory / Judicial / Regulatory / Local / Commercial / Excise / Customs / Port / Sales Tax / Income tax / Electricity Board etc. and other authorities on behalf of the Company.

Mr. Shailesh Bhandari is the Chairman of the Committee and Mr. Avinash Bhandari and Mr. Narendra Dalal are members of the Committee.

During the financial period 2011-12, Eleven Meetings of the Management Committee were held.

(iii) Risk Management Committee

The Company has constituted a Risk Management Committee on 30th September, 2011. The terms of reference of Risk Management Committee includes to review the risk management processes across all businesses and functions, to identify the key risk and develop action plans to mitigate those risks, to assess the risks on periodical basis including effective control and management reporting system etc.

Dr. Sudhir Kapur ceased to be a member of the Risk Management Committee with effect from 26th November, 2012. The Risk Management Committee was reconstituted by appointing Mr. Pradeep Krishna Prasad, a Non-Executive & Independent Director as member with effect from 27th November, 2012. At Present, Mr. Avinash Bhandari is the Chairman and Mr. Shailesh Bhandari and Mr. Pradeep Krishna Prasad are members of the Risk Management Committee.

During the financial period 2011-12, no meeting of the Risk Management Committee was held.

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4. General Body Meeting:

(i) Annual General Meetings

The last three Annual General Meetings of the Company were held within the statutory time period. The details of the same are as under:

AGM	Financial Year	Venue	Date	Time
25th	2010-2011	S-5, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015	30.09.2011	11.00 A.M.
24th	2009-2010	H. T. Parekh Convention Centre, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015	24.09.2010	11.00 A.M.
23rd	2008-2009	H. T. Parekh Convention Centre, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015	15.09.2009	11.00 A.M.

Special Resolutions:

Special Resolutions passed at the previous three Annual General Meetings:

- (1) Special Resolution under Section 163 of the Companies Act, 1956 for keeping the Register of Members, Index of Members and other related books at the premises of the Companies' Registrar and Transfer Agent viz. Link Intime India Private Limited was passed at the 23rd Annual General Meeting held on 15th September, 2009.
- (2) No Special Resolution was passed at the 24th Annual General Meeting held on 24th September, 2010 and 25th Annual General Meeting held on 30th September, 2011.

(ii) Extra Ordinary General Meetings

No Extra Ordinary General Meeting was held during the financial period 2011-2012.

(iii) Postal Ballot

During the financial period, an Ordinary Resolution for sale, lease, transfer or disposal of Ductile Iron Pipes Division ("DIP Division") of the Company under Section 293(1)(a) of the Companies Act, 1956 read with Section 192A and the Companies (Passing of Resolution by Postal Ballot) Rules, 2011 was passed. The Notice of Postal Ballot dated 30th September, 2011 was dispatched to all shareholders on 3rd October, 2011 and the result of the same was declared on 8th November, 2011 at the Registered Office of the Company. As per the report of Scrutinizer Mr. Bipin S. Acharya, details of the same are as under:

Sr.No.	Particulars	No. of Postal Ballot Forms	No. of Shares
1	Total postal ballot forms received	175	4393448
2	Less: Invalid postal ballot forms	8	1150
3	Net Valid postal ballot forms	167	4392298
4	Postal ballot forms with assent for the Resolution	154	4391702 (99.99%)
5	Postal ballot forms with dissent for the Resolution	10	568 (0.01%)
6	Postal ballot forms with neither assent nor dissent for the resolution	3	28 (0.00%)

The Ordinary Resolution had, therefore, been approved by the shareholders with requisite majority.

Mr. Bipin S. Acharya, Practising Company Secretary conducted the postal ballot process as Scrutinizer appointed by the Board for that purpose.

The Company has complied with the procedures for Postal Ballot in terms of the Companies (Passing of Resolution by Postal Ballot) Rules, 2011.

The Board proposes to pass the following ordinary / special resolution through postal ballot :

- Ordinary Resolution under section 293(1)(a) of the Companies Act, 1956 for creation of charge / security on properties of the Company
- Ordinary Resolution under section 293(1)(d) of the Companies Act, 1956 for increase in borrowing limits of the Company.
- Special Resolution under section 372A of the Companies Act, 1956 for increase in limits of inter corporate loans, investments etc.

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5. Disclosures:

(i) Disclosures on materially significant related party transactions

The Company does not have any related party transactions with promoters, directors or management or relatives, which may have potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in the notes to the accounts in this Annual Report.

(ii) Code of Conduct

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has been posted on the website of the Company i.e. www.electrotherm.com

In compliance with the Code, directors and senior management of the Company have affirmed compliance with the Code for period ended on 30th September, 2012. The declaration of compliance of Code of Conduct by the Joint Managing Director & CEO is part of this Annual Report.

(iii) CEO / CFO Certification

Mr. Shailesh Bhandari, Managing Director and Mr. Avinash Bhandari, Joint Managing Director & CEO of the Company has furnished the requisite certificate to the Board of Directors under Clause 49 V of the Listing Agreement.

(iv) Cases of Non-Compliance / Penalties

There are no non-compliances by the Company on any matter related to capital markets, during the last three years. Similarly, there are no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any other statutory authorities on any matter related to capital markets during the last three years.

The Company has complied with all the mandatory requirements of the Clause 49 of the listing agreement with the Stock Exchanges as well as regulations and guidelines issued by SEBI.

(v) Non-Mandatory Requirements

The Company has complied with all the mandatory requirements of Clause 49 of the listing agreement. Further the Company has fulfilled the following non-mandatory requirements as prescribed in Annexure ID to clause 49 of the listing agreement with the Stock Exchanges:

- The Company has set up a Remuneration Committee. Please see the Para 3B on Remuneration Committee for details.
- The Company has adopted Whistle Blower Policy at the Board Meeting held on 12th August, 2011. The Company hereby affirms that all employees has right to access to the Audit Committee against any violation of the company's code of conduct or ethics policy.

6. Means of Communication:

The quarterly results are normally published in national and local daily such as "Business Standard" in English and "Jansatta" in Gujarati Editions.

The Company has its own website www.electrotherm.com, on which the quarterly results are displayed. The quarterly results and official news releases are displayed on the website of the respective stock exchanges.

7. General Shareholder Information:

Day, Date & Time of 26 th AGM	Friday, 28 th December, 2012 at 11.00 a.m.
Venue of AGM	S-5, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015
Book Closure Date	24 th December, 2012 to 28 th December, 2012 (Both days inclusive)
Compliance Officer	Mr. Jigar Shah, Company Secretary
Email for Investor Complaint	sec@electrotherm.com
Website	www.electrotherm.com
Financial Period	1 st April to 30 th September*
ISIN with NSDL & CDSL	INE822G01016

* The Company is having financial year from 1st April to 31st March. However, the current financial period 2011 – 2012 was extended upto 30th September, 2012 and as such, the next financial period could be of six months from 1st October, 2012 to 31st March, 2013.

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Tentative Financial Calendar for 2012 -2013	(Six months from 1 st October, 2012 to 31 st March, 2013):
Quarter ending on 31 st December, 2012	On or before 14 th February, 2013
Quarter ending on 31 st March, 2013	On or before 30 th May, 2013

A. Listing on Stock Exchange(s):

Shares of your Company are listed in the Two Stock Exchanges namely:

Name & Address of Stock Exchange	Stock Code
BSE Limited : Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001	526608
National Stock Exchange of India Limited : Exchange Plaza, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051	ELECTHERM

Annual Listing Fees for the Financial Year 2012-13 have been paid to both Stock Exchanges and Annual Custodial Fees for the Financial Year 2012-13 have been also paid to NSDL and CSDL.

B. Market Price Data :

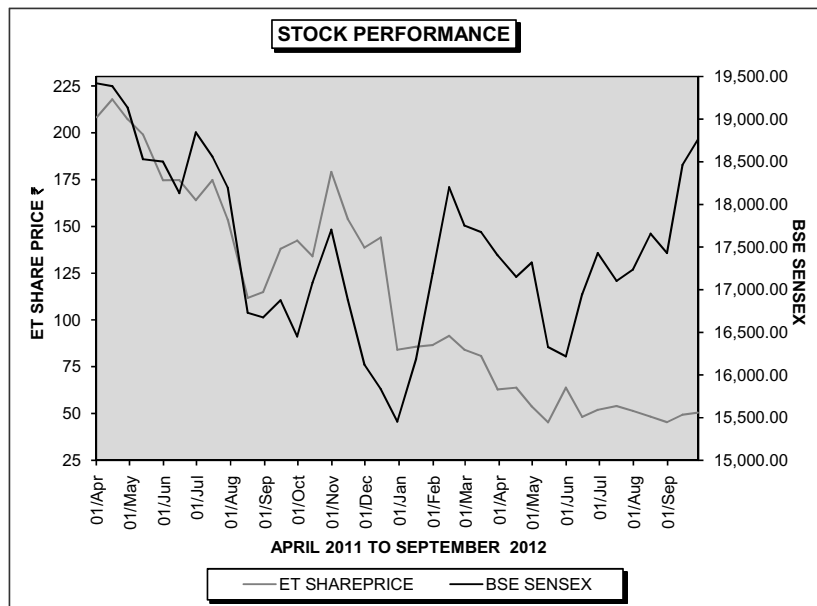
Market price data of equity shares of the Company having face value of ₹ 10/- on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the financial period 2011-12 are given below:

Month	BSE – Share Price		BSE Monthly Volume	NSE – Share Price		NSE Monthly Volume
	High	Low		High	Low	
April, 2011	232.00	206.00	40,090	232.50	204.00	27,460
May, 2011	218.00	168.00	40,340	221.00	166.10	48,897
June, 2011	182.00	157.05	40,758	179.60	158.00	33,563
July, 2011	195.40	150.00	3,32,778	195.05	149.00	5,40,957
August, 2011	154.85	106.05	1,33,722	154.90	98.35	2,11,796
September, 2011	147.50	111.50	8,44,012	147.45	111.30	15,20,910
October, 2011	207.60	121.05	9,30,134	204.35	120.50	10,01,565
November, 2011	180.00	130.00	44,142	184.00	129.25	28,369
December, 2011	166.65	82.20	3,49,976	167.45	82.25	3,78,963
January, 2012	94.40	76.25	2,13,721	94.00	77.05	1,89,414
February, 2012	99.00	81.00	1,29,744	99.85	81.35	1,53,455
March, 2012	93.50	62.00	99,400	92.50	62.00	1,34,434
April, 2012	67.35	53.20	89,742	67.25	54.10	89,547
May, 2012	76.00	41.00	6,42,042	74.70	41.55	7,77,094
June, 2012	67.00	46.50	47,250	70.40	45.80	49,541
July, 2012	60.60	47.10	23,455	60.60	47.60	27,076
August, 2012	52.00	44.40	23,199	52.90	43.85	15,225
September, 2012	52.40	44.00	34,041	52.80	43.75	53,651

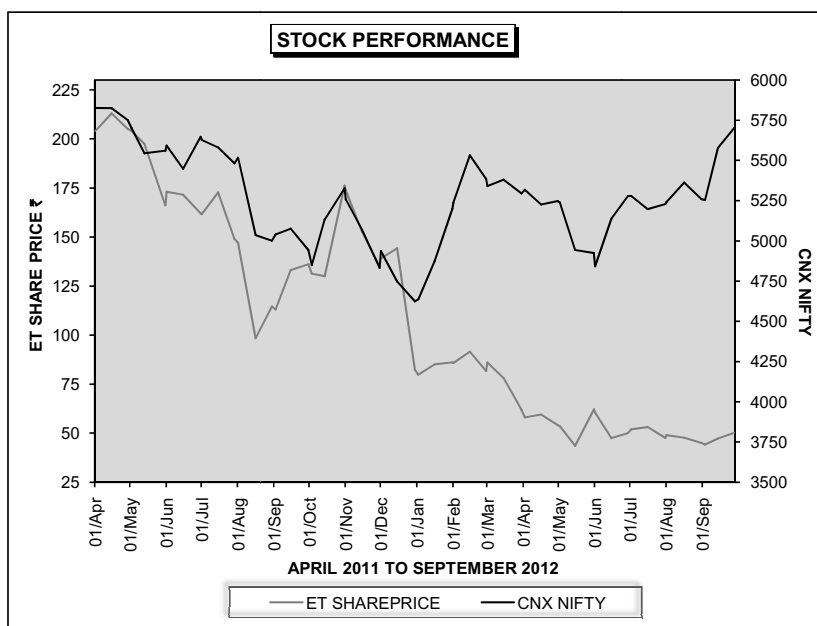
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C. Stock Performance:

Performances of share price of the Company in comparison to BSE SENSEX for the financial period 2011–2012 are as under:



Performances of share price of the Company in comparison to CNX Nifty for the financial period 2011–2012 are as under:



D. Registrar and Share Transfer Agent:

M/s Link Intime India Pvt. Ltd. is the Share Transfer Agent for entire functions of share registry, both for physical transfers as well as dematerialisation /rematerialisation of shares, issue of duplicate / split / consolidation of shares etc.

LINK INTIME INDIA PVT. LTD.

303, 3rd Floor, Shopper Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Off C. G. Road, Ahmedabad – 380 009
Phone & Fax No. (079) 2646 5179 E-mail : ahmedabad@linkintime.co.in

**REPORT ON CORPORATE GOVERNANCE****E. Share Transfer System:**

Shareholders are requested to send their share transfer related requests and documents at the above mentioned address. To expedite the process of share transfer, the Board of the Company has delegated the power of share transfer to the Registrar and Share Transfer Agent, which attends to the share transfer formalities at least once in a fortnight.

As per Clause 47(c) of the Listing Agreement, the Company has obtained the half yearly certificates from the Company Secretary in Practice for compliance of share transfer formalities and the same have been submitted to the Stock Exchanges. The Company has also obtained Quarterly Reconciliation of Share Capital Audit Report as per the Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996 and submitted the same to the Stock Exchanges.

F. Distribution of shareholding as on 30th September, 2012

Category	No. of Shareholders		No. of Shares	
	Total	% of Shareholders	Total	% of Shares
1 - 500	7690	93.03	724638	6.31
501 - 1000	282	3.41	215972	1.88
1001 - 2000	153	1.85	222765	1.94
2001 - 3000	41	0.50	100972	0.88
3001 - 4000	25	0.30	89999	0.79
4001 - 5000	18	0.22	84833	0.74
5001 - 10000	20	0.24	130144	1.13
10001 & above	37	0.45	9907051	86.33
Total	8266	100.00	11476374	100.00

G. Categories of Shareholding as on 30th September, 2012

Sr.No.	Category	No. of Shares	% to Share Capital
A.	PROMOTERS SHAREHOLDING		
1.	Promoters and Promoters Group	37,68,075	32.83
B.	PUBLIC SHAREHOLDING		
2.	Mutual Funds / UTI	9,800	0.09
3.	Banks/Financial Institutions	100	0.00
4.	Foreign Financial Institution	13,66,666	11.91
5.	Bodies Corporate	13,18,426	11.49
6.	NRIs	52,479	0.46
7.	Trusts	12,92,231	11.26
8.	Foreign Companies	20,00,000	17.43
9.	Clearing Members	57,463	0.50
10.	Indian Public	16,11,134	14.03
	Total	1,14,76,374	100.00

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H. Dematerialisation of Shares and Liquidity:

The Shares of the Company are under compulsory trading in demat form. The details of dematerialisation of shares as on 30th September, 2012 is as under:

Sr.No.	Particulars	No. of Shares	% of Paid up Capital
1	Held in Physical form	26,21,002	22.84
2	Held in Demate form	88,55,372	77.16
	Total	1,14,76,374	100.00

No Equity Shares are under lock-in as on 30th September, 2012.

Shares of the company are frequently traded in BSE and NSE.

I. Outstanding GDRs/ADRs/Warrants or Convertible instruments, conversion date and likely impact on the Equity:

As on 30th September, 2012, the Company does not have any GDRs/ADRs/Warrants or any other convertible instruments.

J. Plant Locations:

Engineering & Projects Division : Survey No.: 72, Village: Palodia, Taluka: Kalol, Dist.: Gandhinagar 382 115, Gujarat

Steel & Electric Vehicle Division : Survey No. 325, Village Samkhiyali, Taluka : Bhachau, Dist. Kutch, Gujarat

Wind Farm : Village: Dhank, Taluka:Upleta, Dist.: Rajkot, Gujarat

Renewables Division : 414/1 GIDC, Phase-II, Vatva Industrial Area, Ahmedabad - 382 445, Gujarat

Transmission Line Tower Division : Village : Juni Jithardi, Tal : Karjan, Dist : Vadodara, Gujarat

K. Correspondence:

Shareholders are requested to correspond with the company at the following address:

Mr. Jigar Shah
Company Secretary
Electrotherm (India) Limited
A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad – 380 015
Phone No. (02717) 234553 to 57 Fax No. (02717) 660600 Email : sec@electrotherm.com

DECLARATION OF CODE OF CONDUCT

As provided under Clause 49 of the Listing Agreement with the stock exchanges, the Board Members and Senior Management Personnel have confirmed compliance with the code of conduct for the financial period ended on 30th September, 2012.

Date : 27th November, 2012
Place : Palodia

Avinash Bhandari
Joint Managing Director & CEO



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Electrotherm (India) Limited
Ahmedabad.

We have examined the compliance of conditions of Corporate Governance by **Electrotherm (India) Limited** for the 18 months period ended on 30th September, 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mehta Lodha & Co.
(Firm Registration No.106250W)
Chartered Accountants

Place : Ahmedabad
Date : 27th November, 2012

Prakash D. Shah
Partner
Membership No. 34363