

October 14, 2011,

To
The Secretary
The Bombay Stock Exchange Limited
P.J.Towers, Dalal Street,
Mumbai- 400 001.
Tel:022-22721234 Fax-2272 3121.

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Bandra Kurla Complex,
Bandra(East), Mumbai-400 051.
Tel:022 - 26598235, Fax-26598237/38

Scrip Code: 532907

Scrip Code: IL&FSENGG

Dear Sir/Madam,

Sub: Quarterly Compliance Report on Corporate Governance for the quarter ended September 30, 2011.

Ref: Clause 49 of the Listing Agreement

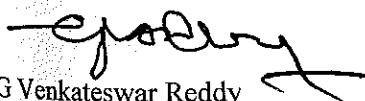
With reference to the above subject please find enclosed quarterly compliance report on Corporate Governance for the quarter ended September 30, 2011 in the format as specified in Clause 49 of the Listing Agreement.

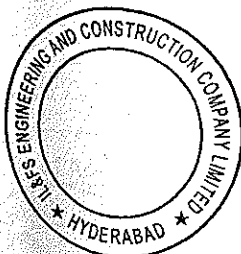
This is for your kind information and record.

Thanking you,

Yours faithfully,

For IL&FS Engineering And Construction Company Limited


G Venkateswar Reddy
Company Secretary

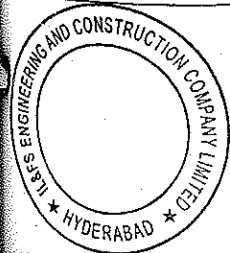


Quarterly Compliance Report on Corporate Governance

Name of the Company: IL&FS Engineering and Construction Company Limited
For the Quarter ended : 30.09.2011

Scrip Code- NSE: IL&FSENGG
BSE: 532907

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
Board of Directors	49(I)		
Composition of Board	49 (IA)	Yes	
Non-executive Directors' compensation & disclosures	49 (IB)	Yes	
Other provisions as to Board and Committees	49 (IC)	Yes	
Code of Conduct	49 (ID)	Yes	
Audit Committee	49 (II)		
Qualified & Independent Audit Committee	49 (IIA)	Yes	The Company Law Board (CLB) vide its Order dated August 31, 2009 appointed Infrastructure Leasing & Financial Services Ltd. (IL&FS) as the new Promoter of the Company and advised IL&FS to appoint four of its nominees on the Board. Further, CLB had ordered that two of the Government Nominees on the Board would continue for a period of two years. Accordingly, Mr. Ved Jain and Mr. Anil Agarwal continued on the Board till August 31, 2011 as Government Nominee Directors. They were also members of the Audit Committee. The Government of India had withdrawn these two Government Nominee Directors w.e.f. September 1, 2011 pursuant to expiry of CLB Order dated August 31, 2009. Hence, composition of Audit Committee is not in terms of clause 49 requirement. However, the Company is in the process of reconstituting the Audit Committee in the near term.
Meeting of Audit Committee	49 (IIB)	Yes	

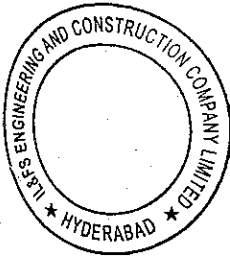


For IL&FS ENGINEERING AND CONSTRUCTION COMPANY LIMITED

G. Venkateswar Reddy
G. VENKATESWAR REDDY
COMPANY SECRETARY

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
Powers of Audit Committee	49 (IIC)	Yes	
Role of Audit Committee	49 II(D)	Yes	
Review of Information by Audit Committee	49 (IIE)	Yes	
Subsidiary Companies	49 (III)	Yes	
Disclosures	49 (IV)		
Basis of related party transactions	49 (IV A)	Yes	
Disclosure of Accounting Treatment	49 (IV B)	Yes	
Board Disclosures	49 (IV C)	Yes	
Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	Yes	
Remuneration of Directors	49 (IV E)	Yes	
Management	49 (IV F)	Yes	
Shareholders	49 (IV G)	Yes	
CEO/CFO Certification	49 (V)	Yes	
Report on Corporate Governance	49 (VI)	Yes	
Compliance	49 (VII)	Yes	

For IL&FS ENGINEERING AND CONSTRUCTION COMPANY LIMITED



G. Venkateswar Reddy
 G. VENKATESWAR REDDY
 COMPANY SECRETARY