

Damodar Industries Limited

Reg. Off. A1/202, Centre Point, 243-A, N. M. Joshi Marg, Lower Parel (E), Mumbai – 400013

India Corporate Identity Number: L17110MH1987PLC045575

Tel: +91 – 022 -2300 3167 • Fax: 022- 6661 0308

•E-mail:cs@damodargroup.com•www.damodargroup.com

COMPLIANCE REPORT ON CORPORATE GOVERNANCE FOR THE QUARTER ENDED 30th JUNE, 2014

| Particulars | Clause of Listing Agreement | Compliance Status (Yes/No) | Remarks |
|--|-----------------------------|----------------------------|--|
| 1 | 2 | 3 | 4 |
| I. Board of Directors | 49 I | | |
| (A) Composition of Board | 49(IA) | Yes | The Board comprised six directors, in which three directors are independent. |
| (B) Non-executive Directors, compensation & disclosures | 49(IB) | Yes | Except sitting fee, no fees have been paid to independent directors. |
| (C) Other provisions as to Board and Committees | 49(IC) | Yes | |
| (D) Code of Conduct | 49(ID) | Yes | |
| II. Audit Committee | 49 II | | |
| (A) Qualified & Independent Audit committee | 49(IIA) | Yes | Audit Committee comprised three members. All are independent directors. |
| (B) Meeting of Audit Committee | 49(IIB) | Yes | |
| (C) Powers of Audit Committee | 49(IIC) | Yes | |
| (D) Role of Audit Committee | 49(IID) | Yes | |
| (E) Review of Information by Audit Committee | 49(IIE) | Yes | |
| III. Subsidiary Company | 49(III) | N.A. | |
| IV. Disclosures | 49(IV) | | |
| (A) Basis of Related party transaction | 49(IVA) | Yes | Will be complied in the next Annual Report. |
| (B) Disclosure of Accounting Treatment | 49(IVB) | Yes | |
| (C) Board Disclosures | 49(IVC) | Yes | |
| (D) Proceeds from public issues, Rights Issues, preferential issues etc. | 49(IVD) | Yes | |
| (E) Remuneration of Directors | 49(IVE) | Yes | Disclosures shall be made in the section on the corporate governance report in the next Annual Report. |
| (F) Management | 49(IVF) | Yes | Will be complied in the next Annual Report. |
| (G) Shareholders | 49(IVG) | Yes | |
| V. CEO/CFO Certification | 49(V) | Yes | Will be complied with at the Annual General Meeting. |
| VI. Report on Corporate Governance | 49(VI) | Yes | Will be complied in the next Annual Report. |
| VII. Compliance | 49(VII) | Yes | Will be complied in the next Annual Report. |

For **Damodar Industries Limited**

Sd/-

Subodh Kumar Soni
Company Secretary

Place: Mumbai
Date: 07th July, 2014