

#### Quarterly Compliance Report on Corporate Governance

Name of the Company: G. G. Dandekar Machine Works Limited

Quarter ending on: 31<sup>st</sup> December 2010

| Particulars  | Clause of Listing agreement | Compliance Status Yes/No | Remarks  |
|--|-----------------------------|--------------------------|--|
| <b>I. Board of Directors</b>                                 | 49 I                        |                          |  |
| (A) Composition of Board                                     | 49 I (A)                    | Yes                      |  |
| (B) Non-executive Directors' Compensation & disclosures      | 49 I (B)                    | Yes                      |  |
| (C) Other provisions as to Board and Committees              | 49 I (C)                    | Yes                      |  |
| (D) Code of Conduct  | 49 I (D)                    | Yes                      | Affirmation from Board members and senior management personnel not applicable for this quarter |
| <b>II. Audit Committee</b>                                   | 49 II                       |                          |  |
| (A) Qualified & Independent Audit Committee                  | 49 II (A)                   | Yes                      |  |
| (B) Meeting of Audit Committee                               | 49 II (B)                   | Yes                      |  |
| (C) Powers of Audit Committee                                | 49 II (C)                   | Yes                      |  |
| (D) Role of Audit Committee                                  | 49 II (D)                   | Yes                      |  |
| (E) Review of Information by Audit Committee                 | 49 II (E)                   | Yes                      |  |
| <b>III. Subsidiary Companies</b>                             | 49 III                      | Yes                      |  |
| <b>IV. Disclosures</b>                                       | 49 IV                       |                          |  |
| (A) Basis of related party transactions                      | 49 IV (A)                   | Yes                      |  |
| (B) Disclosure of Accounting Treatment                       | 49 IV (B)                   | N.A.                     |  |
| (C) Board Disclosures - Risk Management                      | 49 IV (C)                   | Yes                      |  |
| (D) Proceeds from public issues, rights issues, preferential | 49 IV (D)                   | N.A.                     |  |

# G. G. DANDEKAR MACHINE WORKS LTD.

**DANDEKAR****Built to Last**

| Particulars                        | Clause of Listing agreement | Compliance Status Yes/No | Remarks                         |
|------------------------------------|-----------------------------|--------------------------|---------------------------------|
| issues etc.                        |                             |                          |                                 |
| (E) Remuneration of Directors      | 49 IV (E)                   | N.A.                     | Not applicable for this quarter |
| (F) Management                     | 49 IV (F)                   | N.A.                     | Not applicable for this quarter |
| (G) Shareholders                   | 49 IV (G)                   | Yes                      |                                 |
| V. CEO/CFO Certification           | 49 V                        | N.A.                     | Not applicable for this quarter |
| VI. Report on Corporate Governance | 49 VI                       | Yes                      |                                 |
| VII. Compliance                    | 49 VII                      | N.A.                     | Not applicable for this quarter |

For G. G. Dandekar Machine Works Limited

*P V Gokhale*

Prajakta V Gokhale  
Company Secretary & Compliance Officer  
6 January 2011

