



DREDGING CORPORATION OF INDIA LIMITED

- CIN No. L29222DL1976PLC008129 GST NO. 37AAACD6021B1ZB
Head Office : "DREDGE HOUSE", Port Area, Visakhapatnam-530001
Phone : 0891 2523250, Fax : 0891 2560581/ 2565920,
Website: www.dredge-india.com



Regd. Office : Core-2, First Floor, Scope Minar , Laxminagar District Centre, Delhi – 110092

DCI/CS/E.1/2020/

18/06/2020

The Secretary, The Stock Exchange, Mumbai 25 th Floor, Rotunda Building, Phiroze, Jeejeebhoy Towers Dalal Street, Fort, Mumbai -400001	Code : 523618 022 – 2272 2041, 2037, 3719, 2039, 2061/2272 1072
The Secretary The National Stock Exchange of India Ltd. 5 th Floor, Exchange Plaza, Bandra (E) Mumbai – 400051	Symbol : 022 – 26598237 DREDGECORP / 38
The Secretary The Calcutta Stock Exchange Assn. Ltd. 7, Lyons Range, Kolkata – 700001	033 – 22104492/ 22104500

Dear Sir,

Sub : Secretarial Compliance Report as per Regulation 24A
of the SEBI(LODR)

The Secretarial Compliance report for the year ended 31/3/2020
as per Regulation 24A of the SEBI (LODR) given by M/S Agarwal S.
& Associates, Company Secretary in Practice is attached please.

Yours faithfully,
For Dredging Corporation of India Limited

(K.Aswini Sreekanth)
Company Secretary



SECRETARIAL COMPLIANCE REPORT
OF
DREDGING CORPORATION OF INDIA LIMITED
For the year ended 31st March, 2020

We, Agarwal S. & Associates, Company Secretaries, New Delhi have examined:

- (a) all the documents and records made available to us and explanation provided by **Dredging Corporation of India Limited** ("the listed entity/DCIL"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31st March, 2020 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013;



- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

and circulars/ guidelines issued thereunder;

and based on the above examination, we hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: -

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	Regulation 17(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The Board of Directors does not consist of a Woman Director from 01 st April, 2019 to 04 th September, 2019.	<p>The Board of Directors shall comprise of at least one woman Director from 01st April, 2019 to 04th September, 2019.</p> <p>As informed by the Company, upto 08.03.2019, there were two women directors. Subsequent to the strategic sale and the Share Purchase Agreement entered into with the four ports on 08.03.2019, there is a change in the management of the company and it has taken some time for the appointment of the directors. The new woman director was appointed on 05.09.2019.</p>
2.	Regulation 17(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The number of Independent Directors on the Board is less than fifty percent.	<p>The Board of Directors of the Company is headed by Promoter Non - Executive Chairman. Accordingly, the number of Independent Directors should have been at least 50% of the Board Members.</p> <p>As on 31.03.2020, the Board of Directors of the Company headed by non executive Chairman comprises of 9</p>

		<p>Directors including 1 Managing Director and 4 Part Time Nominee Directors from Promoters and 4 Non Executive Independent Directors .</p> <p>As informed by the Company, as the new Management has taken over the control on 08.03.2019, it is in the process of appointing the requisite number of Directors to meet the compliance requirements of the Companies Act/SEBI (LODR). Four independent directors have been already appointed and the management is in the process of appointing the remaining one independent director.</p>
3.	<p>Regulation 19 (4) read with Schedule II Part D (A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015.</p>	<p>The Nomination and Remuneration Committee has not formulated the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.</p> <p>The Nomination Committee shall formulate the said criteria's.</p> <p>As informed by the Company, as per the Share Purchase Agreement the Remuneration etc. of the employees (including Directors) would remain the same for a period of one year i.e upto 07.03.2020.</p> <p>Board in its 324th Meeting held on 15.6.2020 has extended the validity of the same till such time the same are changed with the approval of the Board.</p>

The Intimation under regulation 23(9) of SEBI (LODR) 2015 for the half year ended on 31.03.2019 and 30.09.2019 was delayed submitted with the stock exchanges on 09.03.2020 and 28.02.2020 respectively.

The Company has sent annual report for the year ended on 31.03.2019 to the Shareholders on 15.07.2019, but it was delayed submitted to the Stock exchanges on 14.08.2019 in terms of Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	BSE Limited	Regulation 19 (1)/19(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for quarter ended June 30, 2019.	Fine of Rs. 2,02,960/- inclusive of GST vide its letter dated 19.08.2019	The Company has submitted response vide their letter dated 20.08.2019 stating that there has been no non-compliance and as such requested BSE to review its decision of imposing the fine on the Company.
2.	National Stock Exchange Limited	Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for year ended March 31, 2019.	Fine of Rs. 63,720/- inclusive of GST vide its letter dated 15.10.2019	The Company has submitted response vide their letter dated 17.10.2019 and has requested for waiver of fine. NSE vide Letter dt. 01/01/2020 informed withdrawal of the levied fine as imposed on the company.
3.	BSE Limited	Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for year ended March 31, 2019.	Fine of Rs. 63,720/- inclusive of GST vide its letter dated 15.10.2019	The Company has submitted response vide their letter dated 17.10.2019 and has requested for waiver of fine. BSE vide mail dt. 07/01/2020 informed withdrawal of the fine.
4.	BSE Limited	Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for quarter ended September 30, 2019.	Fine of Rs. 3,89,400/- inclusive of GST vide its letter dated 31.10.2019	The Company has submitted response vide their letter dated 05.11.2019 and has requested to review its decision of imposing the penalty on the grounds that subsequent to the strategic sales and the share purchase agreement entered into with the Four ports on 08.03.2019, there is a change in the

				Management of the Company and it has taken some time for appointment of the directors. The new women director was appointed on 05.09.2019 and has requested to waive the Fine.
5.	National Stock Exchange Limited*	Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for quarter ended September 30, 2019.	Fine of Rs. 3,83,500/- inclusive of GST vide its letter dated 01.11.2019	The Company has submitted response vide their letter dated 05.11.2019 and has requested to review its decision of imposing the penalty on the grounds that subsequent to the strategic sales and the share purchase agreement entered into with the Four ports on 08.03.2019, there is a change in the Management of the Company and it has taken some time for appointment of the directors. The new women director was appointed on 05.09.2019 and has requested to waive the Fine.

*NSE vide letter Ref. No. NSE/LIST/SOP/103783 dated March 18, 2020 has communicated reduction of fine to Rs. 4,45,000/- for non compliance with regulation 17 of SEBI(LODR), 2015 for quarter ended September 30, 2018, December 31, 2018, March 31, 2019, June 30, 2019 and September 30, 2019 and the Company has requested vide their letter dated 07.05.2020 to waive the fine on the ground that the Company now comes under the indirect control of Government of India with direct control being exercised by ports.

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	The Board of Directors does not consist of a woman director from 08.03.2019 till 31.03.2019 and also the number of	31.03.2019	The Company has appointed four Independent Directors as on	The Company shall appoint the requisite number of Independent Directors.

	Independent Directors on the Board is less than fifty percent.		24.05.2019 and Management has confirmed that it is in the process of appointing the remaining requisite number independent director. The new woman director was appointed on 05.09.2019.	
2.	The performance evaluation of independent directors has not been done by the entire Board of Directors.	31.03.2019	The Board in its 324 th Meeting held on 15/06/2020 has noted the evaluation of the Board of Directors for the year ended 31/03/2020.	Complied for the period 2019-2020.
3.	The Company does not have an Audit Committee for a period starting from 09.03.2019 till 31.03.2019.	31.03.2019	The Audit Committees has been duly constituted on 15.04.2019.	Complied for the period 2019-2020.
4.	The Company does not have a Stakeholder Relationship Committee for a period starting from 09.03.2019 till 31.03.2019.	31.03.2019	The Stakeholder Relationship Committee has been duly constituted on 15.04.2019.	Complied for the period 2019-2020.
5.	The Composition of the Nomination and Remuneration Committee does not include fifty percent of directors as Independent Directors from 09.03.2019 to 31.03.2019.	31.03.2019	The Nomination and Remuneration Committee has been duly reconstituted on 15.04.2019.	Complied for the period 2019-2020.



<p>6.</p>	<p>Regulation 19 (4) read with Schedule II Part D (A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, the Nomination and Remuneration Committee shall:</p> <p>a) formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;</p> <p>b) formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;</p> <p>c) devise a policy on diversity of Board of Directors.</p>	<p>31.03.2019</p>	<p>i. The Remuneration etc. of the employees (including Directors) would remain the same for a period of one year i.e upto 07.03.2020 as per the Share Purchase Agreement. Board in its 324th Meeting held on 15.6.2020 has extended the validity of the same till such time the same are changed with the approval of the Board.</p> <p>ii. The Nomination and Remuneration Committee in the 15th NRC Meeting held on 15/06/2020 has accorded approval for the criteria for the evaluation of the Independent Directors and the Board of Directors.</p> <p>iii. The Company has devised a policy on diversity of Board of Directors.</p>	<p>The Nomination Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.</p>
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7.	No separate meeting of Independent Directors was held during the year and therefore no evaluation has been done as required under Regulation 25 (4).	31.03.2019	Separate meeting of Independent Directors was held on 29.03.2020.	Complied for the period 2019-2020.
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- (e) As informed by the management, appointment of DCIL's statutory auditor has been done by the office of the Comptroller and Auditor General Auditor General of India (C&AG). Appointment letter also contains terms of appointment to the statutory auditors. Since, terms of appointment were communicated by the C&AG, compliance by listed entity with 6(A) and 6(B) of SEBI circular number CIR/CFD/CMD1/114/2019 dated October 18, 2019 is not applicable. Accordingly, we can't certify said compliance.

For Agarwal S. & Associates,
Company Secretaries,
ICSI Unique Code: P2003DE049100



Agarwal

Signature: _____

Name of the Practicing Company Secretary: CS Sachin Agarwal

FCS No.: 5774

C P No.: 5910

Place: New Delhi

Date: 17.06.2020

UDIN: F005774B000350888