



DREDGING CORPORATION OF INDIA LIMITED

CIN No. L29222DL1976PLC008129 GST NO. 37AAACD6021B1ZB

Head Office : "DREDGE HOUSE", Port Area, Visakhapatnam-530001

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



DCI/CS/SE/2020/

07/05/20

The Secretary The National Stock Exchange of India Ltd. 5th Floor, Exchange Plaza, Bandra (E) Mumbai – 400051	Symbol : DREDGECORP Attn : Swati Sopare Sr. Manager – Listing Compliance
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Dear Madam/ Sir,

Ref : NSE letter No. NSE/LIST/SOP/103783 March 18, 2020

Sub : Waiver of fine

This has reference to the letter no. NSE/LIST/SOP/103783 March 18, 2020 regarding non-compliance of Regulation 17 levying fine of Rs.4,45,000 (reduced from Rs.18,60,000) for the stated non-compliances. While, we are thankful to the Committee for having considered to reduce the quantum of the fine, the following pleading is submitted for information and kind consideration of the Review Committee.

- DCI was a government Company till 08/03/2019 with 73.47% of the share capital being held by GOI on that date.
- On 08/3/2019, Government of India has transferred the whole of its holding of 73.47% in the company to the four ports - - Visakhapatnam Port, Paradip Port, Deendayal Port and Jawaharlal Nehru Port ("Four Ports") along with transfer of management and Control
- As such the Company is technically no longer a Government company w.e.f on 8/3/2019.
- It is to be informed that the new promoters- the "Four Ports" come under the direct control of the Ministry of Shipping, Government of India and its Chairman, Trustees are appointed by GOI.
- DCI caters to the dredging requirements of mainly the government Ports.
- **Pursuant to the Companies Act, the Accounts of the Company continue to be audited by Comptroller and Auditor General of India .**
- **The Company is also bound by several government statutes/ authorities like CVC (Central Vigilance Commission), RTI (Right to information Act) which are otherwise applicable to Government authorities.**
- The Ministry of Shipping also administratively oversees the functioning of the company.
- As such it may be said that till 08/3/2019, DCI was under the direct control of GOI and post the strategic sale on 08/03/2019 by GOI to the "Four Ports", the Company now comes under the indirect control of the Government of India with direct control being exercised by Ports.

As such although the appointment of Directors is to be done by Board/ General Body, however being under indirect control of GOI, informal consultation is held with the administrative ministry for the same. The promoters/ Board have flagged the issue for the requirement of appointment of requisite number of independent directors/ independent Women Director. However, the same takes time in view of the consultation process that is followed.



In view of the continuance of the nature of a deemed Government Company (as prevalent in earlier Companies Act), the levy of the fine of Rs.4,45,000 may please be considered to be waived by taking lenient view of the stated non-compliance.

It is assured that we would take measures that such non-compliances do not continue to recur.

Thanking You

Your faithfully
For Dredging Corporation of India Limited

(K.Aswini Sreekanth)
Company Secretary