DCM
LIMITED

December 3, 2021

National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1,
G-Block, Bandra -Kurla Complex,
Bandra (E), Mumbai-400051
Scrip Code: DCM

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001
Scrip Code: 502860

Subject: Intimation of comments made by Board of Directors on non-compliance with the requirements pertaining to composition of Board of Directors

Ref: NSE penalty notice no. NSE/LIST-SOP/COMB/FINES/0821 dated August 20, 2021 and NSE/LIST-SOP/COMB/FINES/0825 dated November 22, 2021.

Dear Sir/Madam,

This is to inform you that the Notice no. NSE/LIST-SOP/COMB/FINES/0825 dated November 22, 2021 along with notice no. NSE/LIST-SOP/COMB/FINES/0821 dated August 20, 2021 of National Stock Exchange of India Limited ('NSE) for non-compliance by DCM Limited ('the Company') with the requirements pertaining to composition of Board under Regulation 17(1)(c) of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, as amended from time to time, (hereinafter referred to as 'SEBI LODR'), was placed before the Board of Directors at its meeting held today, i.e. December 3, 2021.

The Board of Directors of the Company discussed the said matter of non compliance at its aforesaid meeting held on December 3, 2021 and noted that:

1. NSE has imposed penalty of Rs. 2,65,500/- (Rupees Two Lakh Sixty Five Thousand Five Hundred only) for quarter ended June 30, 2021 and Rs. 3,42,200/- (Rupees Three Lakh Forty Two Thousand Two Hundred only) for quarter ended September 30, 2021 on account of Non Compliance with the requirement of minimum number of Directors on the Board of the Company as specified under Regulation 17(1)(c) of SEBI LODR.

2. the Company has explained, vide its request letter dated September 03, 2021 **(attached as Annexure 1**), the circumstances due to which it was having five directors for some period till fresh appointment of a new director was made on August 28, 2021.

3. the Company had no intention of Non Compliance as it was not aware of its name being in the top 2000 list of Companies on NSE. Since, it was not able to access/know the top 2000 list of companies on NSE in the Public Domain, so it relied on the top 2000 list of companies on BSE Limited in which its name was not there in top 2000 Companies.

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4. as soon as Company came to know, vide NSE's letter/email dated August 18, 2021 wherein link of top 2000 list of companies on NSE was provided, that Company's name is in top 2000 list of companies on NSE, immediately a meeting of Board of Directors was called by the Company at shorter notice and an additional (non-executive) Director was appointed on August 28, 2021.

5. the liquidity position of the Company has been severally curtailed due to continued situation of lockdown of its 'Engineering Business Division' on account of Industrial unrest. Due to which, the Company is not able to meet its regular expenses and even its financial obligations towards its bankers, creditors and other parties. As such, it will be extremely difficult for the Company to pay such a hefty amount of Penalty imposed by NSE on it on account of said Non Compliance of which we were not aware.

6. the Company has excellent track record of compliances under SEBI LODR. However the said noncompliance was happened because of ignorance being made to access the said top 2000 list of companies on NSE.

Given the facts /circumstances and current financial health of the Company as mentioned hereinabove and after discussing the said matter of penalty/fine, the Board of Directors of DCM Ltd. has advised to once again make a sincere request to NSE for waiver of the penalty/fine aggregating to Rs. 6,07,700/- (Rupees Six Lakh Seven Thousand Seven Hundred only) imposed by NSE on the company in the matter.

Accordingly, the above is submitted for your judicious reconsideration, information and record, with the request to waive the full penalty/fine of Rs. 6,07,700/- (Rupees Six Lakh Seven Thousand Seven Hundred only).

Yours truly,
For **DCM Limited**

DCM LIMITED DELHI

Yadvinder Goyal
Company Secretary

Encl. - As stated above

Annexure 1

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September 03, 2021

National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1,
G-Block, Bandra -Kurla Complex,
Bandra (E),
Mumbai-400051

Scrip Code: DCM

Subject: Request letter for the waiver of penalty/fine regarding the non-compliance with the requirements pertaining to composition of Board of Directors.

Dear Sir,

This is with reference to the penalty notice no. NSE/LIST-SOP/COMB/FINES/0821 dated August 22, 2021 relating to non-compliance by Company (DCM Limited) with the requirements pertaining to composition of Board under Regulation 17 of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 (LODR), as amended from time to time.

In this respect, we hereby humbly submit that:

- Pursuant to the provisions Regulation 17 (1)(c) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time, the Board of Directors of the top 1000 listed entities (with effect from April 1, 2019) and further modified that the top 2000 listed entities (with effect from April 1, 2020) shall comprise of not less than six directors.
- As per the list of top 2000 companies issued by BSE Limited, DCM Limited (Company) ceased to be the part of top 2000 companies as on 31.03.2021.
- Company filed Corporate Governance Report (CGR) for the quarter ended March 31, 2021, on the basis of list of top 2000 companies issued by BSE Limited since we could not access /locate the list of top 2000 companies issued by NSE in the public domain at the time of filing of said CGR on 15 April 2021.
- In response to CGR report filed for the quarter ended March 31, 2021, the Company received a query/observation from NSE through email dated April 30, 2021 that **"Number of the board member is less than six".**
- The Company duly replied the aforesaid query of NSE vide its letter dated May 04, 2021 on the basis of list of top 2000 companies issued by BSE Limited for the reason that the we could not access/locate the list of top 2000 companies issued by NSE in public domain at the time of filing of said reply as mentioned hereinabove.

E-mail id: investors@dcm.in Registered Office :
Unit Nos. 2050 to 2052, 2nd Floor, Plaza II, Central Square, 20,
Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi - 110006.
Phone : (011) 41539170
CIN: L74899DL1889PLC000004 Website: www.dcm.in Email id: dcmltd@dcm.in

Subsequently, the Company did not receive any further query and/or response from NSE in this regard.

- Further, the Company has submitted the CGR for the quarter ended 30.06.2021 on the basis of previous quarter i.e. 31.03.2021. In this respect company again received a query through email dated August 07, 2021 from NSE that **"Number of the board member is less than six".**
- The Company again replied to the aforesaid query vide its letter dated August 10, 2021 on the basis of list of top 2000 companies issued by BSE Limited, as at the end of March 2021.
- In response to company's reply dated August 10, 2021, the company has received a reply from NSE on August 18, 2021 wherein a link is provided containing the list of top 2000 companies as per NSE record.
- As per the list of top 2000 companies issued/provided by NSE, DCM Limited holds 1497 position. Based on the above NSE took a view that DCM is non-compliant with the provisions of aforesaid regulation and issued a penalty notice of Rs. 2,65,500/- dated August 20, 2021 for the quarter ended June 30, 2021 against the Company.
- after learning from link of NSE **for the first time** that the Company holds 1497 position in the list of top 2000 companies issued by NSE, the management took immediate steps and convened the Board of Directors' meeting on August 28, 2021 at a short notice and has appointed the Sixth Director named Mr. Shayam Sunder Sharma as an additional Director (non-executive) on the Board of the Company to comply with the provisions of Regulation 17(1)(c) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time.

In view of above and previous track record of the Company in complying with the provisions of SEBI rules and regulations we hereby request to you to waive/withdraw the aforesaid penalty of Rs. 2,65,500/- imposed on Company for non-compliance of the aforesaid regulation.

Yours truly,

For DCM Limited

DCM LIMITED DELHI

Sanjeev Kumar
Company Secretary & Compliance Officer
ACS 32723