



इरकॉन इन्टरनेशनल लिमिटेड  
नवरत्न कम्पनी  
(भारत सरकार का उपक्रम)  
**IRCON INTERNATIONAL LIMITED**  
NAVRATNA COMPANY  
(A Govt. of India Undertaking)



IRCON/SECY/STEX/124

Dated: 28<sup>th</sup> May, 2024

<b>BSE Limited</b> Listing Dept./ Dept. of Corporate Services Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400001 <b>बीएसई लिमिटेड</b> लिस्टिंग विभाग / कॉर्पोरेट सेवा विभाग पी. जे. टावर्स, दलाल स्ट्रीट, मुंबई- 400001 Scrip code / ID: <b>541956 / IRCON</b>	<b>National Stock Exchange of India Limited</b> Listing Department Exchange Plaza, Plot no. C/I, G Block Bandra –Kurla Complex, Bandra (East) Mumbai – 400051 <b>नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड</b> लिस्टिंग विभाग एक्सचेंज प्लाजा, प्लॉट नं सी / आई, जी ब्लॉक, बान्द्रा-कुर्ला कॉम्प्लेक्स, बान्द्रा (पूर्व) मुंबई-400051 Scrip Code: <b>IRCON</b>
--	---

**Sub: Annual Secretarial Compliance Report for the financial year ended 31<sup>st</sup> March, 2024/ 31 मार्च, 2024 को समाप्त वित्तीय वर्ष के लिए वार्षिक सचिवीय अनुपालन रिपोर्ट**

Dear Sir/ Madam, महोदय/ महोदया,

Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Secretarial Compliance Report dated 28<sup>th</sup> May, 2024 for the financial year ended 31<sup>st</sup> March 2024 is attached as **Annexure**.

सेबी (सूचीबद्धता दायित्व और प्रकटीकरण अपेक्षाएँ) विनियम, 2015 के विनियम 24ए के अनुसार, 31 मार्च 2024 को समाप्त वित्तीय वर्ष के लिए दिनांक 28 मई, 2024 की वार्षिक सचिवीय अनुपालन रिपोर्ट अनुलग्नक के रूप में संलग्न है।

कृपया उपरोक्त जानकारी को रिकॉर्ड पर लें।

धन्यवाद,  
भवदीय,

(अंकित जैन)/ (Ankit Jain)  
अनुपालन अधिकारी/ Compliance Officer  
सदस्यता क्र./ Membership No.: A35053





**Secretarial Compliance Report of  
Ircon International Limited (CIN: L45203DL1976GOI008171)  
for the year ended 31<sup>st</sup> March 2024**  
(Pursuant to the Regulation 24A of the SEBI LODR) Regulation, 2015)

To,  
**Ircon International Limited (“the Company”)**  
**Plot No. C - 4, District Centre Saket,**  
**New Delhi - 110017**

We, VAP & Associates have examined:

- (a) all the documents and records made available to us and explanation provided by **Ircon International Limited** (“the listed entity”),
- (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 31<sup>st</sup> March, 2024 (“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 there under, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Amendments thereof;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations 2018, to the extent applicable;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendment thereof;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 and amendment thereof **(No such event during Audit Period)**;
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(No such event during Audit Period)**;
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and amendment thereof **(No such event during Audit Period)**;
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 **(No such event during Audit Period)**;
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendment thereof;
- i) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(No such event during Audit Period)**;
- j) The Depositories Act, 1996 and the Regulations and Bye Laws framed there under to the extent of Regulation 76 of the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;
- k) the Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulation, 1993 regarding the Companies Act, 2013 and dealing with the client to the extent of securities issued.

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)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action (Advisory/Clarification/Fine/ Show Cause Notice/ Warning, etc)	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1	As per Regulation 17(1)(b), Where the listed Company does not have a regular Non-Executive Chairperson, at least half of the Board of Directors shall comprise of Independent Directors.	SEBI (LODR) Regulations, 2015	Half of the Board did not comprise of Independent Directors from 01.04.2023 till 31.03.2024.	BSE and NSE	NSE and BSE have Levied monetary fine(s)	Non-compliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the Financial Year 2023-24.	Rs.. 5,31,000/- each by BSE and NSE for Quarter ended 31.03.2023, Rs. 5,36,900/- each by BSE and NSE for Quarter ended 30.06.2023 and Rs. 5,42,800/- each by BSE and NSE for Quarter ended 30.09.2023. 5,42,800/- each by BSE and NSE for Quarter ended 31.12.2023. Total Rs. 43,07,000/-	Where the listed Company does not have a regular Non-Executive Chairperson, at least half of the Board of Directors shall comprise of Independent Directors.	Ircon International Limited (IRCON) is a government company as per provisions of Section 2(45) of the Companies Act, 2013. As per provisions of the Companies Act, 2013 and Articles of Association of the Company, the President of India vests with the power to appoint Directors (including Independent Director) on the Board of IRCON. All Directors in IRCON are appointed by the Government of India through its Administrative Ministry, Ministry of Railways (MoR) and IRCON has no role to play for appointment of any Director including Independent Directors/ Woman Director The non-compliances are due to non-appointment of Independent Director on the Board for which the Company has no role to play. The Company has, number of times, requested	As per the information and explanation provided by the management, since the appointment of Directors on the Board of Company are made by the Administrative Ministry. The Company is regularly requesting the Ministry of Railways (being Administrative Ministry) for appointment of the Independent Directors on the Board of the Company.

									<p>the MoR for appointment of requisite number of Independent Directors on the Board of IRCON to ensure compliance. The Company is regularly Following up for the matter for an early appointment of the vacant position of the Directors. As advised, the notice of penalty, have been placed before the Board at the meeting and the remarks have been apprised to the Stock Exchanges.</p> <p>Further, NSE vide its various e-mails has stated that the Company can apply for waiver of fine as per SEBI SOP, once the compliances are made by the Company.</p>	
--	--	--	--	--	--	--	--	--	--	--

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

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action taken by	Type of Action (Advisory/Clarification/Fine/Show Cause Notice/Warning, etc.)	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Where the chairperson of the board of directors is a non-executive director, at least one-third of the board of directors shall comprise of independent directors and where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors. Provided that where the regular non-executive chairperson is a promoter of the listed entity or is related to any promoter or person occupying management positions at the level of board of director or at one level below the board of directors, at least half of the board of directors of the listed entity shall consist of independent directors.	Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015	Half of the board was not Independent during the year.	NSE & BSE	BSE vide mail dated 29.07.2022, 04.11.2022, 25.01.2023 and 26.04.2023 had observed that Chairperson of Board of IRCON International Ltd. is not a non-executive director but the number of directors is 4 which is less than half of the BoD strength. Total number of directors are 9 on board. NSE vide mail dated 25.07.2022, 19.10.2022, 10.01.2023 and 08.05.2023 had observed that half of the Board is not independent during the quarter ended June 30, 2022, September 30, 2022, December 31, 2022 and 31.03.2022.	BSE vide mail dated 22.08.2022, 21.11.2022 and 21.02.2023 levied fine as per SEBI circular no. SEBI/HO/CFD/CMD /CIR/P/2020/12 dated January 22, 2020, for non-compliance with the requirements pertaining to the composition of the Board including failure to appoint women director under Regulation 17(1) for the quarter ended June 2022, September 2022 and December, 2022. NSE vide letter dated 22.08.2022, 21.11.2022 and 21.02.2023 levied fine as per SEBI circular no. SEBI/HO/CFD/CMD /CIR/P/2020/12 dated January 22, 2020, for non-compliance with the	Fine of Rs. 5,36,900/-  (Rs. 4,55,000/- plus GST @ 18% Rs. 81,900/-) for quarter ended June, 2022 by BSE & NSE both.  Fine of Rs. 5,42,800/-  (Rs. 4,60,000/- plus GST @ 18% Rs. 82,800/-) for quarter ended September, 2022 and December, 2022 by BSE & NSE both.	IRCON is a Government Company and the Directors including the Independent Directors/ Woman Director of the listed entity are appointed by the Government of India.  In absence of non-appointment of independent directors, the listed entity could not comply with the provisions of Regulation 17(1)(b) of the SEBI (LODR) Regulations, 2015 during the period(s) indicated in the deviation's column.	Ircon International Limited (IRCON) is a government company as per provisions of Section 2(45) of the Companies Act, 2013. As per provisions of the Companies Act, 2013 and Articles of Association of the Company, the President of India vests with the power to appoint Directors (including Independent Director) on the Board of IRCON. All Directors in IRCON are appointed by the Government of India through its Administrative Ministry, Ministry of Railways (MoR) and IRCON has no role to play for appointment of any Director including Independent Directors/ Woman Director unless nominated by the Government.  The non-compliances are due to non-appointment of Independent Director on the Board for which the Company has no role to play. The Company has, number of times, requested the MoR for appointment of requisite number of	None

						<p>requirements pertaining to the Regulation 17(1) for the quarter ended June 2022, September, 2022 and December 2022.</p>			<p>Independent Directors on the Board of IRCON to ensure compliance. The Company is regularly Following up for the matter for an early appointment of the vacant position of the Directors. The matter regarding levying of fine by the Stock Exchanges for non-compliance of composition of Board has been discussed regularly in the Board Meetings and the Board is also of the view that the Company has no role to play for appointment of Independent Directors, it is done by the Administrative Ministry and levy of fine by the Exchanges is not reasonable. As advised, the notice of penalty, have been placed before the Board at the meeting and the remarks have been apprised to the Stock Exchanges.</p>	
--	--	--	--	--	--	--	--	--	--	--

*Note: Non-Compliance for periods prior to the previous year has already been informed in previous Secretarial Compliance Report.*

In Addition to the abovementioned circular the following affirmations are being provided hereunder:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations/ Remarks by PCS*
1.	<u>Secretarial Standards:</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)	Yes	Nil
2.	<u>Adoption and timely updation of the Policies:</u> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/guidelines issued by SEBI	Yes Yes	Nil
3.	<u>Maintenance and disclosures on Website:</u> • The Listed entity is maintaining a functional website Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website	Yes Yes Yes	Nil
4.	<u>Disqualification of Director:</u> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	As per MCA notification dated June 05, 2015 , Sub-section (2) of Section 164 shall not apply in case of Government company .
5.	<u>To examine details related to Subsidiaries of listed entities:</u> (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries	NA Yes	As per the information provided by the Company, there was no material subsidiary of the Company during the F. Y. 2023-24
6.	<u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	Nil
7.	<u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	NA	As per the information and explanation provided by the Company, Ministry of Corporate Affairs has, vide its notification dated June 05, 2015, has notified that sub-section (2) of Section 178 regarding the performance evaluation shall not apply to Directors of Government Companies. Further, MCA vide its notification dated July 05, 2017, has made an amendment in the Schedule IV of the act, whereby it has exempted Government Companies from complying with the requirement of performance

			evaluation of Non-Independent Directors and Chairman by the Independent Directors and performance evaluation of the Independent Director by the Board, if the concerned department or ministries have specified these requirements.
8.	<p><u>Related Party Transactions:</u> The listed entity has obtained prior approval of Audit Committee for all Related party transactions In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee</p>	<p>Yes</p> <p>NA</p>	<p>Regulation 23(5) of SEBI (LODR) Regulations, 2015, provides an exemption for;</p> <p>(a) transactions entered into between two government companies;</p> <p>(b) transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval; and</p> <p>(c) transactions entered into between two wholly-owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval,</p> <p>As per the information and explanation provided by the Company, approval of audit committee is not required in such cases.</p> <p>However, as per Companies Act, 2013, approval of the other Related Party Transaction(s) were taken from Audit Committee on case-to-case basis.</p>
9.	<p><u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	Yes	Nil
10.	<p><u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) &amp; 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015</p>	Yes	Nil
11.	<p><u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Actions taken against the listed entity/ its</p>	Yes	NSE and BSE have Levied monetary fine(s) for Non-compliance of Regulation 17(1) of



	promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder		SEBI (LODR) Regulations, 2015 for the Quarter ended 31.03.2023, 30.06.2023, 30.09.2023 and 31.12.2023. The Company is regularly requesting the Ministry of Railways (being Administrative Ministry) for appointment of the Independent Directors on the Board of the Company. Further, NSE vide its various e-mails has stated that the Company can apply for waiver of fine as per SEBI SOP, once the compliances are made by the Company.
12.	Resignation of statutory auditors from the listed entity or its material subsidiaries: In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(is) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	Not applicable during the period as in case of Government companies, the Comptroller and Auditor General of India (C&AG) appoints statutory auditors. Additionally, the terms and conditions of their appointments are determined by the C&AG.
13.	<u>Additional Non-compliances, if any:</u> No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	Nil	Nil

**Assumptions & Limitation of scope and Review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the Company.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the Company.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For VAP & Associates**  
**Company Secretaries**  
**FRN: P2023UP098500**  
**Peer Review No: 1083/2021**

**Parul Jain**  
**Managing Partner**  
**M. No. F8323**  
**CP No. 13901**  
**UDIN: F008323F000467298**

**Place: Ghaziabad**  
**Date: 28.05.2024**