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NMDC

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NMDC Limited

(भारत सरकार का उद्यम) (A GOVT. OF INDIA ENTERPRISE)
पंजीकृत कार्यालय: 'खनिज भवन', 10-3-311/ए, कैसल हिल्स, मासाब टैंक, हैदराबाद - 500 028.
Regd. Office : 'Khanij Bhavan' 10-3-311/A, Castle Hills, Masab Tank, Hyderabad - 500 028.
नैगम पहचान संख्या / Corporate Identity Number : L13100TG1958 GOI 001674

ANNEXURE NO: 1 A
PAGE NO: _____

Extracts of the minutes of the 539th meeting of the Board of Directors of NMDC Limited held on 13.07.2021 at New Delhi.

xxxx xxxx xxxx xxxx xxxx xxxx

7. Item No.539-I-07: **To consider and approve the Scheme of Arrangement between NMDC Limited and NMDC Steel Limited and their respective shareholders and creditors and to take on record the share valuation report of NMDC Limited.**

RESOLVED THAT:-

Pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013 and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions, if any, of the Companies Act, 2013, and / or any statutory modification(s) or re-enactment thereof, and as provided under the enabling provisions of the Memorandum and Articles of Association of NMDC Limited (hereinafter referred to as the "**Company**") and subject to the requisite approval of the shareholders and creditors of the Company and approval of the Ministry of Corporate Affairs, Government of India (hereinafter referred to as the "**MCA**"), and such other approvals as may be required, and subject to such terms and conditions, as may be prescribed by the MCA and any other appropriate authority, while granting approval(s) or confirmation(s), and which may be agreed by the Board of Directors of the Company (hereinafter referred to as the "**Board**"), the consent of the Board be and is hereby accorded to the Scheme of Arrangement (hereinafter referred to as the "**Scheme**") between the Company and NMDC Steel Limited (hereinafter referred to as "**Resulting Company**") and their respective creditors and shareholders, entailing *inter- alia* demerger of the Demerged Undertaking (as defined under the Scheme) of the Company into Resulting Company on a going concern basis, as per the terms and conditions mentioned in the Scheme which is placed before the Board and initialed by the Chairman for the purpose of identification.

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RESOLVED FURTHER THAT:-

Valuation Report dated 13.07.2021 (as tabled) determining the share exchange ratio prepared by M/s BDO Valuation Advisory LLP for the purpose of the Scheme as placed before the Board, is hereby taken on record, approved and accepted.

RESOLVED FURTHER THAT:-

The Fairness Opinion dated 13.07.2021 (as tabled) issued by M/s IDBI Capital Markets & Securities Limited providing the fairness opinion on the share entitlement ratio recommended in the Valuation Report as placed before the Board be and is hereby accepted and taken on record.

RESOLVED FURTHER THAT:-

The certificate dated 13.07.2021 issued by the Statutory Auditors of the Company certifying inter alia that the Scheme is in compliance with the applicable Indian Accounting Standards specified by the Government of India under Section 133 of the Companies Act, 2013, as placed before the Board be and is hereby accepted and taken on record.

RESOLVED FURTHER THAT:-

In terms of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 ("**SEBI Circular**") the undertaking with regard to the non-applicability of requirement as prescribed in terms of Paragraph I(A)(10)(b) of the SEBI Circular in respect of the Scheme duly certified by the Statutory Auditor dated 13.07.2021 as placed before the Board is hereby noted and accepted. The Board hereby note that the conditions under Paragraph I(A)(10)(b) of the SEBI Circular are not applicable to the Scheme and that consequently, the requirements of the said Paragraph I(A)(10)(b) of the SEBI Circular requiring the Scheme to be approved by the requisite majority of public shareholders shall not be applicable.

RESOLVED FURTHER THAT:-

In terms of the SEBI Circular: (i) a report is required to be issued by the Audit Committee of the Demerged Company recommending the draft Scheme, taking into consideration, amongst others, the Valuation Report (*defined below*) (Part I, Paragraph 2(c)); and (ii) a report is required to be issued by the committee of independent directors recommending the draft Scheme, taking into consideration, amongst others, that the Scheme is not

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detrimental to the shareholders of the Demerged Company (Part I, Paragraph 2(i)), however, as the Company does not have any independent directors on its board, the consent of the Board, be and is hereby accorded to approve and record the report of the Board for the purposes of compliance with the relevant provisions of the SEBI Circular.

RESOLVED FURTHER THAT:-

Upon the Scheme being confirmed by the MCA and becoming effective, all the properties and assets (tangible and intangible assets including goodwill) and liabilities of the Demerged Undertaking will be transferred to the Resulting Company at values appearing in the books of accounts of the Demerged Company immediately before the demerger, in accordance with Section 2(19AA) of the Income Tax Act, 1961. The Demerged Undertaking shall, without any further act, instrument or deed, be demerged from the Company and stand transferred to and vested in and/or deemed to have been demerged from the Company and stand transferred to and vested in the Resulting Company as a going concern.

RESOLVED FURTHER THAT:-

Any advocate of J. Sagar Associates, Advocates and Solicitors be appointed as the legal counsel for the purpose of the said Scheme and is authorized to represent the Company before MCA and the Securities and Exchange Board of India (**"SEBI"**) and all other governmental, statutory or regulatory authorities as may be required for the purposes of this Scheme.

RESOLVED FURTHER THAT:-

The Board acknowledges that the Company is a shareholder of the Resulting Company and subject to receipt of necessary directions/instructions/orders from the MCA, hereby agree to dispense with the requirement of convening, holding and conducting the meeting of the equity shareholders of Resulting Company for consideration and approval of the said Scheme.

RESOLVED FURTHER THAT:-

Pursuant to the provisions of Section 232(2) of the Companies Act, 2013, the Report of Directors dated 13.07.2021, explaining effect of the Scheme on the shareholders and key managerial personnel, laying out the particulars of the

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valuation reports, as placed before the Board, is hereby taken on record, approved and accepted.

RESOLVED FURTHER THAT:-

For the purpose of coordinating with SEBI in terms of SEBI Circular BSE Limited be and is hereby designated as the Designated Stock Exchange.

RESOLVED FURTHER THAT:-

Director (Finance) and CMD, NMDC, all the directors of the Company and the company secretary of the Company, be and are hereby jointly and/or severally authorized to take all the necessary steps for implementation of the Scheme, including but not limited to:

a) To verify, sign, deal, swear, affirm, declare, deliver, execute, make, enter into, acknowledge, file, record and perfect all deeds, declarations, instruments, affidavits, applications, petitions, objections, notices and writings whatsoever as may be usual, necessary, proper or expedite and all type of documents, including the Scheme, petitions, affidavits and applications in relation to the matter aforesaid;

b) To accept services of notices or other processes which may from time to time be issued in connection with the matter aforesaid;

c) To produce all documents or other evidences in connection with the Scheme and all and any of other proceedings incidental thereto or arising thereat;

d) To file applications / forms and affidavits and / or other legal documents with the MCA, SEBI and any other governmental, statutory or regulatory authority as may be required for confirmation of the Scheme by MCA and the Scheme becoming effective and operative, and/or any other regulatory authorities for obtaining their approval;

e) To engage professionals including company secretaries, chartered accountants, advocates, valuers or any other one or more agencies, as may be required for the aforesaid purpose, on such terms and conditions as they may deem fit and if considered necessary, also engage services of counsel(s) and declare and file all pleadings and reports;

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f) To make any alterations / changes, modification or amendments in the Scheme or application or forms or ancillary documents thereto as may be expedient or necessary by the Board, including any alteration, modification or amendment required to be made for complying with the requirements or conditions imposed by MCA and/or other appropriate authorities, if any;

g) To prepare interim financial statements along with relevant annexures, schedules and other necessary supporting documents which will be certified by the management of the Company and to pass such accounting entries and / or making such other adjustments in the books of accounts, as are considered necessary to give effect to the above resolution;

h) To provide necessary declarations / certificates in relation to the Scheme capturing the true and factual aspects of the Company;

i) To comply with all the necessary formalities, compliances and disclosures in this regard and to file the necessary forms or documents with the relevant authorities;

j) To authenticate all the necessary documents as 'certified copies' or in any other manner as may be required, including affixing the Common Seal of the Company on any documents in connection with the above resolution;

k) To do all such acts, deeds, matters and things as may be deemed necessary, expedient, usual or proper and to settle any question or difficulty that may arise;

l) To withdraw the Scheme at any stage in case the changes or modifications required in the Scheme or the conditions imposed by any Shareholder, Creditor, MCA and/or any other authority, are not acceptable, and if the Scheme cannot be implemented otherwise, and to do all such acts, deeds and things as they may think necessary and desirable in connection therewith and incidental thereto;

m) To appoint personnel to represent the Company in general before MCA, Registrar of Companies, Regional Director, Designated Stock Exchange, Income tax authorities or such other authorities or in any such meetings convened by MCA or such other competent authority in relation to any matter pertaining to the aforesaid Scheme and to give any oral or written explanations regarding the Scheme;

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n) To delegate / sub-delegate the powers, privileges and authorizations accorded herein under this resolution by way of Power of Attorney or otherwise, to such person(s) as they may be in their full and absolute discretion, deem appropriate;

o) To inform and apply to the Central and State Government(s) and other local authorities, including but not limited to the sub-registrar of assurances, customs authorities, excise authorities, income tax authorities, sales tax authorities, value added tax and entry tax authorities, telephone authorities, electricity authorities, postal authorities, banks and all other applicable authorities, agencies, etc., and to represent the Company before the said authorities and agencies and to sign and submit such applications, letters, forms, returns, memoranda, undertakings, declarations, deeds or documents and to take all required necessary steps and actions, from time to time in the connection with the Scheme;

p) To do all such other acts, matters, deeds and things as may be considered necessary and expedient in connection with or incidental to giving effect to the purpose of the above resolution or otherwise giving effect to the Scheme (including any modifications or alterations that may be required to be signed in one or more trenches from time to time to implement the above resolution); and

q) To issue a certified true copy of the above resolutions as may be required for submission to regulators, including MCA and SEBI.

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सत्य प्रति का प्रमाण
Certified to be True Copy

NMDC LTD. Hyderabad.

ए.एस. पार्थ सारथी
A.S. PARDHA SARADHI
कंपनी सचिव
Company Secretary
एनएमडीसी लिमिटेड/NMDC Limited
हैदराबाद/HYDERABAD-500 023.