



एन एम डी सी लिमिटेड 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 : L13100AP1958 GOI 001674

No. 18(1)/2019- Sectt

27th May 2019

| | |
|--|---|
| 1) The BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 | 2) National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 |
| 3) The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata - 700001 | |

Dear Sir / Madam,

Sub: Annual Secretarial Compliance Report

**Ref: SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019;
Stock Code: NSE: NMDC; BSE: 526371**

In terms of SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019, please find enclosed the Annual Secretarial Compliance Report of NMDC Limited dated 27th May 2019, for the year ended 31st March 2019, certified by M/s D. Hanumanta Raju & Co., Practicing Company Secretaries.

This is for your information and records.

Thanking you

Yours faithfully,
For NMDC Limited


A S Pardha Saradhi
Company Secretary

Encl: As above

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Vijayanagar Colony, Hyderabad - 500 057.
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CS DATLA HANUMANTHA RAJU

B.COM., LL.B., PGDT, M.B.A., FCS
PARTNER

D. HANUMANTA RAJU & CO.
COMPANY SECRETARIES

**SECRETARIAL COMPLIANCE REPORT OF
NMDC LIMITED
FOR THE YEAR ENDED 31.03.2019**

We, D. Hanumanta Raju & Co, Company Secretaries, having our office at B-13, F-1, P.S. Nagar, Vijayanagar Colony, Hyderabad – 500 057 have examined:

- a) all the documents and records made available to us and explanations provided by **NMDC LIMITED**, (“The Listed Entity”),
- b) the filings/ submissions made by the Listed Entity to the stock exchanges,
- c) website of the Listed Entity,
- d) declaration received from the listed entity on Annual Compliance for the financial Year ended 31st March, 2019 (“Review Period”) in respect of compliance with the provisions of:
 1. the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued there under; and
 2. the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made there under and the Regulations, circulars, guidelines issued there under 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 Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the listed entity during the period under review)
- 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; (Not applicable to the listed entity during the period under review)
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the listed entity during the period under review)
- g) Securities and Exchange Board of India (Issue and Listing of Non Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the listed entity during the period under review)
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



- i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- j) 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 Company 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. | Composition of Board of Directors with respect to Independent Directors as specified under Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; | Company has not appointed sufficient number of Independent Directors. | The Company should have at least half of the Board as Independent Directors if the Chairman is an Executive Director. It was observed that listed entity is having 13 directors on its Board as on 31.03.2019 including 6 Independent Directors. It is yet to appoint 2 more Independent Directors. |

- (b) The Listed Entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under in so far as it appears from our examination of those records.
- (c) The following are the details of actions taken against the Company by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under:



| 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 17(1) – Non Compliance with the requirements pertaining to the composition of the Board of Directors. | Fine of Rs. 106,200/- including GST imposed on the company | Company had replied to the Stock exchanges on the said matter stating that the Company is a Central Public Sector Enterprise (CPSE) under the administrative control of Ministry of steel, Government of India. As per Article 74(b) of the Articles of Association of the Company, inter alia, the President of India shall appoint all members of the Board of Directors. |
| 2 | National Stock Exchange of India Limited | Regulation 17(1) – Non Compliance with the requirements pertaining to the composition of the Board of Directors. | Fine of Rs. 106,200/- including GST imposed on the company | <p>The present composition of Board of the Company consists of 5 executive directors including Chairman and Managing Director, 2 Government Nominee Directors and 6 Independent Directors.</p> <p>At present there is a vacancy of 2 Independent Directors on the Board. The Company is actively pursuing with its administrative Ministry for filling up the said vacancies of Independent Directors.</p> |

(d) The Listed Entity has taken the following actions to comply with the observations made in previous reports: Not Applicable for the period under review.

Place: Hyderabad
Date: 27.05.2019



**For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES**

Hanumanta Raju
**CS DATLA HANUMANTA RAJU
PARTNER**

FCS: 4044, CP NO: 1709