

**PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF NMDC LIMITED FOR BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER**

This Public Announcement (the "Public Announcement") is being made pursuant to the provisions of Regulation 7(i) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (the "Buyback Regulations") for the time being in force including any statutory modifications and amendments from time to time and contains the disclosures as specified in Schedule II to the Buyback Regulations.

**CASH OFFER FOR BUYBACK OF NOT EXCEEDING 10,20,40,815 (TEN CRORE TWENTY LAKH FORTY THOUSAND EIGHT HUNDRED FIFTEEN) FULLY PAID UP EQUITY SHARES OF FACE VALUE OF Re. 1 EACH AT A PRICE OF Rs.98/- (RUPEES NINETY EIGHT ONLY) PER FULLY PAID UP EQUITY SHARE ON PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS**

- DETAILS OF THE BUYBACK OFFER AND OFFER PRICE**
  - The Board of Directors (the "Board") of NMDC Limited ("Company") passed a resolution on January 8, 2019 ("Board Meeting") to approve the proposal of buyback of fully paid-up equity shares of face value of Re. 1/- each ("Shares" or "Equity Shares") of the Company not exceeding 10,20,40,815 (Ten Crore Twenty Lakh Forty Thousand Eight Hundred Fifteen) Equity Shares from the equity shareholders/beneficial owners of Equity Shares of the Company as on Record Date (hereinafter defined) (the "Eligible Shareholders"), on a proportionate basis, through tender offer route (the "Buyback" / "Buyback Offer") at a price of Rs.98/- (Rupees Ninety Eight only) per Equity Share ("Buyback Price" / "Buyback Offer Price") payable in cash, for an aggregate maximum consideration not exceeding Rs.1,000 Crore (Rupees One Thousand Crore) excluding the transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, etc. (the "Buyback Offer Size"). The Buyback is subject to receipt of any approvals, permissions and sanctions of statutory, regulatory or governmental authorities as may be required under applicable laws including but not limited to Securities and Exchange Board of India ("SEBI"), the BSE Limited (the "BSE"), National Stock Exchange of India Limited ("NSE") and Calcutta Stock Exchange Limited (the "CSE"), where the Equity Shares of the Company are listed. BSE and NSE together referred as "Stock Exchanges".
  - The Buyback is in accordance with the provisions of Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act 2013, as amended (the "Companies Act"), the Companies (Share Capital and Debentures) Rules, 2014, as amended (the "Share Capital Rules") to the extent applicable and in accordance with Article 6A of the Articles of Association of the Company, and subject to the provisions of the Buyback Regulations and such other approvals, permissions as may be required from time to time from the Stock Exchanges where the Equity Shares of the Company are listed and from any other statutory and/or regulatory authority, as may be required and which may be agreed to by the Board and/or any committee thereof. The Buyback would be undertaken in accordance with SEBI circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 (the "SEBI Circulars"), which prescribes mechanism for acquisition of shares through stock exchange. In this regard, the Company will request BSE to provide the acquisition window. For the purpose of this Buyback, BSE would be the Designated Stock Exchange.
  - The Buyback offer size is not exceeding 10% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone financial statements of the Company for the financial year ended March 31, 2018 (the last audited financial statements available as on the date of the Board Meeting approving the Buyback) and is within the statutory limits of 10% of the aggregate of the fully paid-up equity share capital and free reserves as per audited standalone financial statements of the Company under the Board of Directors approval route as per the provisions of the Companies Act. Since the Company proposes to Buyback up to 10,20,40,815 (Ten Crore Twenty Lakh Forty Thousand Eight Hundred Fifteen) Equity Shares representing approximately 3.23% of the total number of Equity Shares in the total paid-up share capital of the Company, the same is within the 25% limit as per the provisions of the Companies Act.
  - The maximum amount required by the Company for the said Buyback aggregating to Rs.1,000 Crore (Rupees One Thousand Crore), is within permitted limits. The funds for the Buyback will be met out of internally generated cash resources of the Company. The Company confirms that as required under Section 68(2)(i) of the Companies Act and Regulation 4(ii) of Buyback Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the fully paid-up share capital and free reserves after the Buyback.
  - The Buyback offer price of Rs. 98/- (Rupees Ninety Eight only) per Equity Share has been arrived at after considering various factors such as the average closing prices of the Equity Shares on the Stock Exchanges where the Equity Shares of the Company are listed, the net-worth of the Company and the impact of the Buyback on the key financial ratios of the Company. The Buyback Offer Price of Rs.98/- (Rupees Ninety Eight only) per Equity Share represents (i) premium of 2.70% on BSE and 2.82% on NSE over the volume weighted average price of the equity Shares on BSE and NSE respectively for 2 weeks preceding the date of intimation to the BSE and NSE for the Board Meeting to consider the proposal of the Buyback; (ii) premium of 2.35% on BSE and 2.35% on NSE over the closing market price of the Equity Shares on BSE and NSE on the date of intimation to BSE and NSE i.e. January 1, 2019.
  - The Buyback shall be on a proportionate basis from all the Eligible Shareholders of the Company through the "Tender Offer" route, as prescribed under Regulation 4(i)(v)(a) of the Buyback Regulations. Please see paragraph 9 below for details regarding record date and share entitlement for tender in the Buyback.
  - The Buyback Offer Size does not include any other expenses incurred or to be incurred for the Buyback like filing fees payable to SEBI, Stock Exchange fees, advisors fees, public announcement publication expenses, printing and dispatch expenses, and other incidental and related expenses.
  - A copy of this Public Announcement is available on the Company's website (www.nmdc.com) and is expected to be available on the website of SEBI (www.sebi.gov.in) during the period of the Buyback and on the website of Stock Exchanges (www.bseindia.com) and (www.nseindia.com).

**2. NECESSITY FOR BUYBACK**

Share buyback is the acquisition by a company of its own shares. The objective is to return surplus cash to the members holding equity shares of the Company. Buyback is a more efficient form of returning surplus cash to the members holding equity shares of the Company, inter-alia, for the following reasons:

- The Buyback will help the Company to return surplus cash to its members holding equity shares broadly in proportion to their shareholding, thereby, enhancing the overall return to members;
- The Buyback, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of higher number of shares as per their entitlement or 15% of the number of shares to be bought back, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder";
- The Buyback may help in improving return on equity;
- Optimizes the capital structure.

**3. DETAILS OF PROMOTER SHAREHOLDING AND INTENTION TO PARTICIPATE IN THE BUYBACK**

3.1 The aggregate shareholding of the Promoter, as on the date of the Board Meeting i.e. Tuesday, January 8, 2019 is given below:

Name of shareholder	No. of Equity Shares held	No. of Equity Shares held in dematerialized form	Percentage issued Equity Share capital
President of India acting through Ministry of Steel, Government of India	2,29,15,71,551	2,29,15,71,551	72.43%

- No shares in the Company were either purchased or sold by the Promoter during a period of six months preceding the date of the Board Meeting at which the Buyback was approved.
- In terms of the Buyback Regulations, under the Tender Offer route, the promoter and promoter group of the Company have an option to participate in the Buyback. In this regard, the Promoter as listed in paragraph 3.1 above has expressed their intention, vide their letter dated January 8, 2019 to participate in the Buyback and tender up to 10,20,40,815 (Ten Crore Twenty Lakh Forty Thousand Eight Hundred Fifteen) Equity Shares.
- Since the entire shareholding of the Promoter is in the demat mode, the details of the date and price of acquisition/ sale of entire Equity Shares that the Promoter has acquired/sold till date as per the information provided by the Promoter vide its letter dated January 8, 2019, are set-out below:

Date of Transaction	No. of Equity Shares	Acquisition/Sale Consideration (Rs)	Nature of Transaction Consideration
November 15, 1958	4	4000	Subscription to memorandum by GoI
May 25, 1959	496	4,96,000	Further allotment to GoI
September 17, 1959	500	5,00,000	Further allotment to GoI
January 15, 1960	2,761	27,61,000	Further allotment to GoI
April 20, 1960	292	2,92,000	Further allotment to GoI
June 20, 1960	500	5,00,000	Further allotment to GoI
July 29, 1960	2,000	20,00,000	Further allotment to GoI
October 07, 1960	2,000	20,00,000	Further allotment to GoI
February 20, 1961	2,000	20,00,000	Further allotment to GoI
March 20, 1961	500	5,00,000	Further allotment to GoI
April 20, 1961	5,750	57,50,000	Further allotment to GoI
July 20, 1961	2,000	20,00,000	Further allotment to GoI
August 21, 1961	3,000	30,00,000	Further allotment to GoI
October 20, 1961	2,000	20,00,000	Further allotment to GoI
November 20, 1961	2,500	25,00,000	Further allotment to GoI
February 20, 1962	7,900	79,00,000	Further allotment to GoI
July 20, 1962	7,500	75,00,000	Further allotment to GoI
August 10, 1962	10,000	1,00,00,000	Further allotment to GoI
December 20, 1962	3,500	35,00,000	Further allotment to GoI
March 20, 1963	4,000	40,00,000	Further allotment to GoI
June 17, 1963	7,900	79,00,000	Further allotment to GoI
August 05, 1963	5,000	50,00,000	Further allotment to GoI
October 18, 1963	7,500	75,00,000	Further allotment to GoI
January 25, 1964	2,500	25,00,000	Further allotment to GoI
March 19, 1965	3,500	35,00,000	Further allotment to GoI
August 25, 1965	13,183	1,31,83,000	Further allotment to GoI
May 27, 1966	14,250	1,42,50,000	Further allotment to GoI
July 15, 1966	20,000	2,00,00,000	Further allotment to GoI
October 18, 1966	7,000	70,00,000	Further allotment to GoI
November 19, 1966	9,000	90,00,000	Further allotment to GoI
March 28, 1967	964	9,64,000	Further allotment to GoI
May 15, 1967	12,203	1,22,03,000	Further allotment to GoI
June 13, 1967	15,000	1,50,00,000	Further allotment to GoI
July 13, 1967	10,000	1,00,00,000	Further allotment to GoI
October 19, 1967	18,500	1,85,00,000	Further allotment to GoI
December 06, 1967	20,000	2,00,00,000	Further allotment to GoI
January 29, 1968	14,900	1,49,00,000	Further allotment to GoI
June 03, 1968	1,650	16,50,000	Further allotment to GoI
July 08, 1968	8,350	83,50,000	Further allotment to GoI
July 18, 1969	20,000	2,00,00,000	Further allotment to GoI
December 24, 1969	31,800	3,18,00,000	Further allotment to GoI
February 03, 1970	6,200	62,00,000	Further allotment to GoI

April 04, 1970	24,800	2,48,00,000	Further allotment to GoI
July 04, 1970	16,000	1,60,00,000	Further allotment to GoI
August 28, 1970	13,500	1,35,00,000	Further allotment to GoI
September 08, 1970	8,000	80,00,000	Further allotment to GoI
October 24, 1970	6,700	67,00,000	Further allotment to GoI
November 20, 1970	7,800	78,00,000	Further allotment to GoI
December 01, 1970	21,200	2,12,00,000	Further allotment to GoI
February 13, 1971	12,800	1,28,00,000	Further allotment to GoI
March 22, 1971	21,500	2,15,00,000	Further allotment to GoI
May 21, 1971	11,900	1,19,00,000	Further allotment to GoI
July 22, 1971	25,500	2,55,00,000	Further allotment to GoI
September 21, 1971	18,400	1,84,00,000	Further allotment to GoI
November 30, 1971	35,100	3,51,00,000	Further allotment to GoI
January 21, 1972	26,300	2,63,00,000	Further allotment to GoI
February 21, 1972	14,700	1,47,00,000	Further allotment to GoI
April 07, 1972	16,900	1,69,00,000	Further allotment to GoI
August 19, 1972	28,400*	2,84,00,000	Further allotment to GoI
November 14, 1972	81,897*	8,18,97,000	Further allotment to GoI
March 21, 1973	60,403*	6,04,03,000	Further allotment to GoI
May 01, 1978	(11,828)*	1,18,28,000	Cancellation
	(60,403)*	6,04,03,000	Cancellation
December 22, 1978	25,000	2,50,00,000	Further allotment to GoI
	4,000	40,00,000	Further allotment to GoI
May 09, 1980	25,500**	2,55,00,000	Allotment to GoI pursuant to acquisition in Mandovi Pellets Limited
January 03, 1981	10,000	1,00,00,000	Further allotment to GoI
May 23, 1981	10,000	1,00,00,000	Further allotment to GoI
August 31, 1981	8,500	85,00,000	Further allotment to GoI
November 04, 1981	2,500	25,00,000	Further allotment to GoI
January 15, 1982	12,500	1,25,00,000	Further allotment to GoI
June 09, 1982	23,800	2,38,00,000	Further allotment to GoI
March 26, 1983	39,800	3,98,00,000	Further allotment to GoI
July 04, 1983	30,000	3,00,00,000	Further allotment to GoI
September 08, 1983	25,000	2,50,00,000	Further allotment to GoI
November 11, 1983	5,000	50,00,000	Further allotment to GoI
April 19, 1984	13,500	1,35,00,000	Further allotment to GoI
June 30, 1984	8,000	80,00,000	Further allotment to GoI
March 06, 1985	40,000	4,00,00,000	Further allotment to GoI
April 23, 1985	42,800	4,28,00,000	Further allotment to GoI
September 16, 1985	25,000	2,50,00,000	Further allotment to GoI
December 27, 1985	46,000	4,60,00,000	Further allotment to GoI
April 04, 1986	23,300	2,33,00,000	Further allotment to GoI
July 08, 1986	18,000	1,80,00,000	Further allotment to GoI
February 06, 1987	2,000	20,00,000	Further allotment to GoI
April 18, 1987	2,500	25,00,000	Further allotment to GoI
July 11, 1987	2,500	25,00,000	Further allotment to GoI
December 26, 1987	10,300	1,03,00,000	Further allotment to GoI
May 06, 1988	10,000	1,00,00,000	Further allotment to GoI
June 09, 1989	39,700	3,97,00,000	Further allotment to GoI
August 11, 1989	26,000	2,60,00,000	Further allotment to GoI
September 28, 1989	2,500	25,00,000	Further allotment to GoI
February 22, 2009	29,500	2,95,00,000	Further allotment to GoI
May 29, 1990	32,400	3,24,00,000	Further allotment to GoI
March 26, 1991	38,000	3,80,00,000	Further allotment to GoI
<b>Sub-division of nominal value of Equity shares of the Company from Rs.1000 per Equity Share to Rs.10 per Equity Share vide AGM dated September 24, 1992</b>			
December 28, 1993	(2,130,000)	17,79,00,000	Disinvestment to Public**
April 25, 1997	(5,154)	360000	Disinvestment to Employees of our Company***
<b>Sub-division of nominal value of Equity shares of the Company from Rs.1000 per Equity Share to Rs.10 per Equity Share vide AGM dated September 24, 1992</b>			
December 28, 1993	(2,130,000)	17,79,00,000	Disinvestment to Public**
April 25, 1997	(5,154)	3,60,000	Disinvestment to Employees of our Company****
<b>Sub-division of nominal value of Equity shares of the Company from Rs.10 per Equity Share to Re.1 per Equity Share vide EGM dated April 03, 2008</b>			
June 13, 2008	260,04,40,920	Bonus Issue in the ratio of 2 Equity Shares for 1 Equity Share held	Bonus Issue in the ratio of 2 Equity Shares for 1 Equity Share held
March 27, 2010	(33,22,43,200)	99,30,42,00,000	Offer for Sale*****
December 12, 2012	(39,64,71,600)	59,73,27,00,000	Offer for sale through Stock Exchange Mechanism*****
October 23, 2013	(280)	39,000	Offer and allotment of equity shares to an eligible employee of NMDC Limited as per CCEA approval dated October 25, 2012
October 10, 2016	(80,08,20,108)	75,27,70,90,152	Buyback of Equity Shares*****
January 9 & 10, 2018	(795,54,641)	12,24,53,03,826	Offer for sale through Stock Exchange Mechanism*****
<b>Total Current Holding</b>	<b>2,29,15,71,551</b>		

**Note:**

\* Upon the transfer of the Kiriburu Iron Ore Mines and Meghathuburu Iron Ore Project of the Company to Steel Authority of India and pursuant to an order of the Ministry of Steel and Mines under the Public Sector Iron and Steel Companies (Restructuring and Miscellaneous Provisions) (Modification of paid up Share Capital) Order, 1979 No. 131 dated April 28, 1979, out of 1,10,29,97, equity share (i.e. 28,400 equity shares issued on August 19, 1972 and 81,897 equity shares issued on November 14, 1972) 11,828 equity shares were cancelled.

\*\* Allotment of equity shares pursuant to acquisition of 25,50,000 equity shares of Rs.10 each fully paid up in Mandovi Pellets Limited on March 25, 1980 by the Company by way of transfer from President of India.

\*\*\* Pursuant to an offer for sale by our Promoter, of 2,130,000 Equity Shares of Rs. 10 each of our Company were transferred to certain institutional investors and other members of the public for cash at an average price of Rs. 83.50 per equity share aggregating to Rs. 177,55,00,000. The Department of Public Enterprises, Ministry of Industries, vide its letter dated D.O.No.DPE/12(1)/92-Fin dated July 14, 1993 informed our Company and the Ministry of Steel about the disinvestment of equity shares of our Company by the President of India and requested our Company to take appropriate action for transferring these shares in the name of the parties to whom shares had been sold.

\*\*\*\* Transfer of 5,154 Equity Shares by our Promoter to our employees at a price of Rs. 71 per share aggregating to Rs.3,65,934. The MoS had approved this transfer vide its letter no. 6(2)/94-RM/(Vol.-II) dated December 20, 1996

\*\*\*\*\* Offer for Sale of 33,22,43,200 equity shares of Re.1 each of NMDC Limited by the President of India on an issue price at Rs. 300 per share for the FPO of NMDC Ltd with Rs. 285 per share for retail and eligible employees.

\*\*\*\*\* Offer for sale through Stock Exchange Mechanism of 39,64,71,600 equity shares of Rs. 1 each of NMDC Limited by the President of India at a floor price at Rs. 147 per share. The average sale price in NSE was Rs. 150.80 per share in BSE it was Rs. 150.84 per share.

\*\*\*\*\* The President of India acting through Ministry of Steel, Government of India, tendered 80,08,20,108 equity shares of Re. 1 each at Rs. 94 per share under Buy-back Offer.

\*\*\*\*\* Pursuant to the Offer for Sale (OFS), the President of India (acting through the Ministry of Steel, Government of India), the Promoter of NMDC Limited sold equity shares aggregating 7,95,54,641 on 9th January 2018 and 10th January 2018 representing 2.51% of the paid-up equity share capital of the Company. The Floor Price for the Offer was Rs. 153.50 per equity share. The aggregate amount raised is gross of Stock Exchange transaction charges and all applicable taxes and charges.

- The Board confirms that there are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.
- The Board has confirmed on the date of Board Meeting (i.e. January 8, 2019) that it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion that:
  - immediately following the date of the Board Meeting, there will be no grounds on which the Company could be found to be unable to pay its debts;
  - as regards the Company's prospects for the year immediately following date of the Board Meeting and having regard to the Board's intentions with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date of Board Meeting; and
  - in forming an opinion as aforesaid, the Board has taken into account the liabilities as of the Company was being wound up under the provisions of the Companies Act 1956 or Companies Act, 2013 or Insolvency and Bankruptcy Code 2016, as the case may be, including prospective and contingent liabilities.

- The text of the report dated January 8, 2019 received from Tej Raj & Pal, Chartered Accountants, Statutory Auditors of the Company addressed to the Board of Directors of the Company is reproduced below:

**Unquote**

**Auditor's Report as prescribed in Clause (xi) of Schedule I of the Buyback Regulations:**  
To, The Board of Directors, NMDC Limited 10-3-311/A, Khanij Bhavan, Castle Hills, Masab Tank, Hyderabad, Telangana, 500028.

Dear Sirs,

**Sub: Report in terms of Clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018**

We, Tej Raj & Pal, Chartered Accountants, the Statutory Auditors of the Company, have been informed that the Board of Directors of NMDC Limited (the "Company") in their meeting held on January 8, 2019 have decided to buy-back Company's fully paid up equity shares as allowed under Section 68, 69 and 70 of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014 and subsequent amendments thereof and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 ("Buy-back Regulations") at a price of Rs.98 per share. In terms of the requirements of Clause (xi) of Schedule I of the Buy-back Regulations, we confirm as under:

- We have inquired into the state of affairs of the Company in relation to its audited accounts for the year ended March 31, 2018 as approved by the Board of Directors in the meeting held on May 28, 2018 and unaudited limited reviewed results for the six months ended September 30, 2018 as approved by the Board of Directors in their meeting held on November 13, 2018;
- The amount of permissible capital payment towards buy-back of equity shares (including premium) in question as ascertained below in our view has been properly determined in accordance with Section 68(2) of the Companies Act, 2013 and Regulation 4 of Buy-back Regulations:

Particulars	Standalone	
	Amount (in Rs. Crores)	As on March 31, 2018
<b>Issued, subscribed and fully paid up equity shares:</b> 3,16,38,90,474 Equity Shares of Re. 1/- each, fully paid up		316.39
<b>Total-A</b>		<b>316.39</b>
<b>Free Reserves</b>		
General reserve		22,973.79
Retained Earnings		1,026.00
<b>Total-B</b>		<b>23,999.79</b>
<b>Total Ca+A+B</b>		<b>24,316.18</b>
Maximum amount permissible for the Buy-back i.e. 10% of the aggregate fully paid-up equity share capital and free reserves pursuant to Section 68(		