

Ref: K/953/NSE&BSE/2021

Date: 30.06.2021

The Secretary  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400 001  
Scrip Code: 523610

The Manager  
National Stock Exchange of India Limited  
Exchange Plaza,  
Bandra Kurla Complex, Bandra (E)  
Mumbai- 400 051  
Scrip Code: ITI

Dear Sir/Madam,

Sub: Annual Secretarial Compliance Report for the Year Ended 31<sup>st</sup> March 2021

Ref: Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the captioned subject, please find enclosed Annual Secretarial Compliance Report for the Year Ended 31<sup>st</sup> March 2021 issued by Shri D Venkateswarlu, Practicing Company Secretary.

This is for your kind information and records please.

Thanking you

Yours faithfully

For ITI Limited



S Shanmuga Priya  
Company Secretary

Encl: as above



D VENKATESWARLU  
Practicing Company Secretary

**Secretarial Compliance Report of ITI Limited (CIN: L32202KA1950GOI000640) for the  
Year ended 31<sup>st</sup> March 2021**

Page | 1 I have examined:

- (a) all the documents and records made available to us and explanation provided by M/s ITI 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 31st March 2021 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 there under; 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 thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR");
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR");
- (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; **No transaction observed during the period under review and hence not applicable**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **No transaction observed during the period under review and hence not applicable**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **No transaction observed during the period under review and hence not applicable**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **No transaction observed during the period under review and hence not applicable**

*D Venkateswarlu*



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- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and
- (k) circulars/ guidelines issued thereunder;

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and based on the above examination, I 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:-

SI No	Compliance Requirement (Regulations / Circulars/guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	Regulation 17 of LODR: Composition of Board of Directors read with Regulation 27(2)	Composition of Board of Directors	During the year under review, the composition of Board of Directors of the Company is not in accordance with the provisions Regulation 17 (1) of LODR.
2.	Regulation 38 of LODR: Maintenance of Minimum Public Shareholding	Minimum Public Shareholding	<p>Pursuant to Securities Contracts (Regulation) Rules, 1957 every listed Company should achieve and maintain its Public Shareholding ("MPS") at 25%.</p> <p>As per Securities Contracts (Regulation) (Second Amendment) Rules, 2020 the Company, being CPSE, shall achieve and maintain its MPS at 25% by 02.08.2021</p> <p>As regards compliance with SEBI's (erstwhile) Minimum 10% Public Shareholding requirement, the entire shares of President of India, Promoter is under lock in as per SEBI Regulations.</p> <p>As per the information provided and records produced before me by the Company:</p> <p>Pursuant to CCEA approval dated 20.07.2016, On release of locked-in shares, requisite number of shares will be transferred by Ministry of Communications, Administrative Ministry to Special National Investment Fund to achieve SEBI's (erstwhile) Minimum 10% Public shareholding requirement.</p>

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- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

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SI 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	National Stock Exchange (NSE)	Violation of Regulation 17 of LODR: Composition of Board of Directors read with Regulation 27(2) for Composition of Board Of Directors	NSE has imposed penalty of Rs. 2,24,200/- for the quarter ended 31.03.2020 and Rs. 5,36,900/- for the quarter ended 30.06.2020 and Rs. 5,42,800/- for the quarter ended 30.09.2020 and Rs. 5,42,800/- for the quarter ended 31.12.2020 and Rs. 5,31, 000/- for the quarter ended 31.03.2021.	As per the information provided and records produced before me by the Company:  The Company has submitted representation to National Stock Exchange of India Limited for waiver of penalty (with copy marked to DPE and DOT).  However, NSE vide its email dated September 23, 2020 has informed that the request for waiver of fine shall be considered by the Exchange only after the compliance is achieved by the Company.  The Company is pursuing the subject with Ministry of Communications, Administrative Ministry.
2	Bombay Stock Exchange (BSE)	Violation of Regulation 17 of LODR: Composition of Board of Directors read with Regulation 27(2) for Composition of Board Of Directors	BSE has imposed penalty of Rs. 2,24,200/- for the quarter ended 31.03.2020 and Rs. 5,36,900/- for the quarter ended 30.06.2020 and Rs. 5,42,800/- for the quarter ended 30.09.2020	As per the information provided and records produced before me by the Company:  The Company has submitted representation to BSE Limited for waiver of penalty (with copy marked to DPE and DOT).

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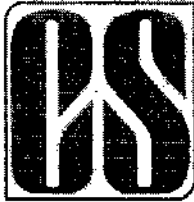
				<p>BSE vide email dated 19th April 2021 informed that the Company's representation for waiver of fine was placed before the "Committee for Reviewing Representations for Waiver of Fines Levied under Standard Operating Procedure (SOP)" of BSE and that the Committee after considering the facts of the case and the Company's representation, decided to waive the fines levied for non-compliance under SEBI (LODR), 2015 for the quarters ended September 2020 and December 2020.</p> <p>Accordingly, the Company has made repeated representation to BSE for waiver of fine, in similar lines, levied for the quarters March 2020 and June 2020.</p>
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(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sl No.	Observations of the Practicing Company Secretary in the previous reports	Observations in the secretarial compliance report for the year ended 31 <sup>st</sup> March 2020	Actions taken by the listed entity, if any	Comments of the practicing Company secretary on the actions taken by the listed entity
1	Regulation 17 of LODR: Composition of Board of Directors read with Regulation 27(2)	Consequent to the completion of term of Mr Saday Krishna Kanoria as Independent Director of the Company w.e.f 23 <sup>rd</sup> November 2019, the composition of Board of Directors Company is not in accordance with the provisions Regulation 17 (1) of LODR.	The Company has requested administrative ministry to expedite the process of appointment of three independent directors including one-woman independent director	As per the information provided and records produced before me by the Company:  The Company is regularly pursuing with Ministry of Communications for appointment of requisite number of Independent Directors including Woman Independent



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				<p>Director so as to ensure compliance with Corporate Governance norms.</p> <p>The subject is discussed in every Board meetings and Government Nominee director is requested to expedite the appointment of requisite number of independent directors.</p> <p>It is assured that Ministry of Communications is fully aware of the subject.</p>
2	Regulation 38 of LODR: Maintenance of Minimum Public Shareholding	Regulation 38 of LODR: Maintenance of Minimum Public Shareholding	<p>The Company has opened its Further Public Offer with one of the objective to meet SEBI's Minimum 25% Public Shareholding requirement. However, for prevailing market conditions the FPO was withdrawn.</p> <p>At present, the Company has time till 02<sup>nd</sup> August 2021 to comply with the requirement of Minimum Public Shareholding of 25% in accordance with Regulation 38 of LODR read with Rule 19 (2) and 19A of Securities Contracts (Regulation) Rules,1957</p>	<p>Pursuant to the provisions of Securities Contracts (Regulation) (Second Amendment) Rules, 2020, the Company has time till 02<sup>nd</sup> August 2021 to comply with SEBI's Minimum 25% Public Shareholding requirement.</p> <p>As per the information provided and records produced before me by the Company:</p> <p>As regards compliance with SEBI's erstwhile Minimum 10% Public Shareholding requirement,</p>



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				pursuant to CCEA approval, the administrative ministry shall transfer requisite number of shares to meet SEBI's Minimum 10% Public shareholding requirement.
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Place: Bengaluru  
Date: 29<sup>th</sup> June 2021



**D VENKATESWARLU**  
Company Secretary  
FCS No: 8554CP No: 7773  
UDIN: F008554C000542318

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