

एन एम डी सी



NMDC

# 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 : L13100TG1958 GOI 001674

November 12, 2020

The Manager <b>Listing Department</b> <b>National Stock Exchange of India Limited</b> Exchange Plaza, C-1, Block G BandraKurla Complex Bandra (East), Mumbai- 400051 Maharashtra, India.	The Manager <b>Department of Corporate Services</b> <b>BSE Limited</b> 25 <sup>th</sup> Floor, PhirozeJeejeebhoy Towers Dalal Street, Fort Mumbai - 400 001 Maharashtra, India.	The Manager <b>Listing Department</b> <b>The Calcutta Stock Exchange Limited</b> 7, Floor, Lyons Range, Kolkata - 700 001 India.
<b>Scrip Code: NMDC</b>	<b>Scrip Code:526371</b>	<b>Scrip Code: NMDC</b>

**Sub: Submission of Public Announcement for buyback of equity shares of NMDC Limited ("Company")**

Dear Sir/Madam,

This is further to our intimation dated November 10, 2020, where the Company has informed that the Board of Directors of the Company have approved the proposal to Buyback fully paid up Equity Shares of the Company from the existing shareholders/ beneficial owners as on Record Date on a proportionate basis through the Tender Offer process.

In this connection please note that today i.e. November 12, 2020 the Company has published the Public Announcement of buyback in Financial Express (English – All editions), Jansatta (Hindi – All editions) and Navatelangana (Telugu being the regional language of Hyderabad wherein the registered office of the Company is located) pursuant to Securities & Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended ("**Buyback Regulations**"). The copy of the said Public Announcement is enclosed for your reference and dissemination on the Stock Exchanges.

Thanking you,

Yours faithfully,

For NMDC Limited

A S Pardha Saradhi  
Company Secretary

Encl: as above





## NMDC Limited

(A Government of India Enterprise)  
CIN: L13100TG1958GOI001674

Regd. Office : Khanij Bhawan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad-500028, Telangana;  
Contact Person: A. S. Pardha Saradhi, Company Secretary & Compliance Officer  
Tel.: 040-23538757, Fax: 040-23538759, E-mail: cs@nmcdc.co.in, Website: www.nmcdc.co.in

### PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF NMDC LIMITED FOR BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED

This Public Announcement (the "Public Announcement") is being made pursuant to the provisions of Regulation 7(i) and other applicable provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (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 read with Schedule I of Buyback Regulations.

CASH OFFER FOR BUYBACK OF NOT EXCEEDING 13,12,43,809 (THIRTEEN CRORE TWELVE LAKH FORTY THREE THOUSAND EIGHT HUNDRED NINE) FULLY PAID UP EQUITY SHARES OF FACE VALUE OF RE 1 EACH AT A PRICE OF RS 105 (RUPEES ONE HUNDRED FIVE ONLY) PER FULLY PAID UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER ROUTE

#### 1. DETAILS OF THE BUYBACK OFFER AND OFFER PRICE

1.1 The board of directors (the "Board") of NMDC Limited ("NMDC" / "Company") passed a resolution on November 10, 2020 ("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 13,12,43,809 (Thirteen Crore Twelve Lakh Forty Three Thousand Eight Hundred Nine) fully paid up Equity Shares from the equity shareholders/ beneficial owners of Equity Shares (the "Equity Shareholders" / "Shareholders") of the Company as on November 23, 2020 (the "Record Date") (for further details in relation to Record Date, refer to Paragraph 9 of this Public Announcement), on a proportionate basis, through tender offer route (the "Buyback" / "Buyback Offer") at a price of Rs 105 (Rupees One Hundred Five Only) per Equity Share ("Buyback Price" / "Buyback Offer Price") payable in cash, for an aggregate maximum consideration not exceeding Rs. 1378.05,99,945 (Rupees One Thousand Three Hundred Seventy Eight Crore Five Lakh Ninety Nine Thousand Nine Hundred Forty Five only) excluding the transaction costs viz. brokerage, advisor's fees, intermediaries fees, public announcement publication fees, filing fees, turnover charges, applicable taxes inter alia buyback taxes, securities transaction tax, goods and services tax, stamp duty and other incidental and related expenses (the "Buyback Offer Size"). The Buyback Offer Size represents 5.00% and 5.05% of the aggregate of the Company's paid-up capital and free reserves as per the audited standalone and consolidated financial statements of the Company, respectively for the financial year ended March 31, 2020. 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"), BSE Limited (the "BSE"), National Stock Exchange of India Limited (the "NSE") and Calcutta Stock Exchange (the "CSE") where the Equity Shares of the Company are listed, (the "BSE", "NSE" together with CSE, the "Stock Exchanges")

1.2 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 (Share Capital and Debentures) Rules, 2014, as amended, and other relevant rules made thereunder, each as amended from time to time (the "Companies Act"), and in accordance with Article 6A of the Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations") 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.

1.3 The Buyback Offer Size represents 5.00% and 5.05% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company, respectively for the financial year ended March 31, 2020 (the last audited standalone and consolidated 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 under the Board of Directors approval route as per the provisions of the Companies Act. Further, since the Company proposes to buyback up to 13,12,43,809 (Thirteen Crore Twelve Lakh Forty Three Thousand Eight Hundred Nine) Fully paid up Equity Shares representing 4.29% 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.

1.4 The maximum amount required by the Company for the said Buyback aggregating to Rs 1378.05,99,945 (Rupees One Thousand Three Hundred Seventy Eight Crore Five Lakh Ninety Nine Thousand Nine Hundred Forty Five only), and 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)(d) of the Companies Act and Regulation 4(i) of the 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.

1.5 The Buyback Offer Price of Rs 105 (Rupees One Hundred Five 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 105 (Rupees One Hundred Five Only) per Equity Share represents (i) a premium of 19.42% on BSE and 19.36% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE, respectively for 26 weeks preceding the Board Meeting date; (ii) a premium of 21.01% on BSE and 21.46% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE, respectively for 2 weeks preceding the Board Meeting date; (iii) a premium of 24.63% on BSE and 24.78% on NSE over the closing price of the Equity Shares on BSE & NSE, respectively as on the date of intimation to BSE & NSE for the Board Meeting to consider the proposal of the Buyback.

1.6 The Buyback shall be on a proportionate basis from all the Equity Shareholders of the Company through the "Tender Offer" route, as prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Please see paragraph 9 below for details regarding Record Date and share entitlement for tender in the Buyback.

1.7 A copy of this Public Announcement is available on the Company's website (www.nmcdc.co.in) 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  
Equity 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:

- i. 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;
- ii. 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";
- iii. The Buyback may help in improving return on equity; and
- iv. Optimizes the capital structure.

3. DETAILS OF PROMOTER SHAREHOLDING  
3.1 The aggregate shareholding of the Promoter, as on the date of the Board Meeting i.e. Tuesday, November 10, 2020 is given below:

S. No	Name of shareholder	No. of Equity Shares held	No. of Equity Shares held in dematerialized form	Percentage issued Equity Share capital
1.	President of India acting through Ministry of Steel, Government of India	2,13,24,53,593	2,13,24,53,593	69.65%
<b>Total</b>		<b>2,13,24,53,593</b>	<b>2,13,24,53,593</b>	<b>69.65%</b>

3.2 No shares or other specified securities 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.

3.3 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 November 11, 2020 to participate in the Buyback and tender up to 13,12,43,809 (Thirteen Crore Twelve Lakh Forty Three Thousand Eight Hundred Nine) Equity Shares.

3.4 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 November 11, 2020 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 Government of India ("Gov")
May 25, 1959	496	496000	Further allotment to Gov
September 17, 1959	500	500000	Further allotment to Gov
January 15, 1960	2,761	2761000	Further allotment to Gov
April 20, 1960	292	292000	Further allotment to Gov
June 20, 1960	500	500000	Further allotment to Gov
July 29, 1960	2,000	2000000	Further allotment to Gov
October 07, 1960	2,000	2000000	Further allotment to Gov
February 20, 1961	2,000	2000000	Further allotment to Gov
March 20, 1961	500	500000	Further allotment to Gov
April 20, 1961	5,750	5750000	Further allotment to Gov
July 20, 1961	2,000	2000000	Further allotment to Gov
August 21, 1961	3,000	3000000	Further allotment to Gov
October 20, 1961	2,000	2000000	Further allotment to Gov
November 20, 1961	2,500	2500000	Further allotment to Gov
February 20, 1962	7,900	7900000	Further allotment to Gov
July 20, 1962	7,500	7500000	Further allotment to Gov
August 10, 1962	10,000	10000000	Further allotment to Gov
December 20, 1962	3,500	3500000	Further allotment to Gov
March 20, 1963	4,000	4000000	Further allotment to Gov
June 17, 1963	7,900	7900000	Further allotment to Gov
August 05, 1963	5,000	5000000	Further allotment to Gov
October 18, 1963	7,500	7500000	Further allotment to Gov
January 25, 1964	2,500	2500000	Further allotment to Gov
March 19, 1965	3,500	3500000	Further allotment to Gov
August 25, 1965	13,183	13183000	Further allotment to Gov
May 27, 1966	14,250	14250000	Further allotment to Gov
July 15, 1966	20,000	20000000	Further allotment to Gov
October 18, 1966	7,000	7000000	Further allotment to Gov
November 19, 1966	9,000	9000000	Further allotment to Gov
March 28, 1967	964	964000	Further allotment to Gov
May 15, 1967	12,203	12203000	Further allotment to Gov
June 13, 1967	15,000	15000000	Further allotment to Gov
July 13, 1967	10,000	10000000	Further allotment to Gov
October 19, 1967	18,500	18500000	Further allotment to Gov
December 06, 1967	20,000	20000000	Further allotment to Gov
January 29, 1968	14,900	14900000	Further allotment to Gov
June 03, 1968	1,650	1650000	Further allotment to Gov
July 08, 1968	8,350	8350000	Further allotment to Gov
July 18, 1969	20,000	20000000	Further allotment to Gov
December 24, 1969	31,800	31800000	Further allotment to Gov
February 03, 1970	6,200	6200000	Further allotment to Gov
April 04, 1970	24,800	24800000	Further allotment to Gov
July 04, 1970	16,000	16000000	Further allotment to Gov
August 28, 1970	13,500	13500000	Further allotment to Gov
September 08, 1970	8,000	8000000	Further allotment to Gov
October 24, 1970	6,700	6700000	Further allotment to Gov
November 20, 1970	7,800	7800000	Further allotment to Gov
December 01, 1970	21,200	21200000	Further allotment to Gov
February 13, 1971	12,800	12800000	Further allotment to Gov
March 22, 1971	21,500	21500000	Further allotment to Gov
May 21, 1971	11,900	11900000	Further allotment to Gov
July 22, 1971	25,500	25500000	Further allotment to Gov
September 21, 1971	18,400	18400000	Further allotment to Gov
November 30, 1971	35,100	35100000	Further allotment to Gov
January 21, 1972	26,300	26300000	Further allotment to Gov
February 21, 1972	14,700	14700000	Further allotment to Gov
April 07, 1972	16,900	16900000	Further allotment to Gov
August 19, 1972	28,400*	28400000	Further allotment to Gov
November 14, 1972	81,897*	81897000	Further allotment to Gov
March 21, 1973	60,403*	60403000	Further allotment to Gov
	(11,828)**		Cancellation
May 01, 1978	(60,403)*	60403000	Cancellation
December 22, 1978	25,000	25000000	Further allotment to Gov
	4,000	4000000	Further allotment to Gov
May 09, 1980	25,500**	25500000	Allotment to Gov pursuant to acquisition in Mandovi Pellets Limited
January 03, 1981	10,000	10000000	Further allotment to Gov
May 23, 1981	10,000	10000000	Further allotment to Gov
August 31, 1981	8,500	8500000	Further allotment to Gov
November 04, 1981	2,500	2500000	Further allotment to Gov
January 15, 1982	12,500	12500000	Further allotment to Gov
June 09, 1982	23,800	23800000	Further allotment to Gov
March 26, 1983	39,800	39800000	Further allotment to Gov
July 04, 1983	30,000	30000000	Further allotment to Gov
September 08, 1983	25,000	25000000	Further allotment to Gov
November 11, 1983	5,000	5000000	Further allotment to Gov
April 19, 1984	13,500	13500000	Further allotment to Gov
June 30, 1984	8,000	8000000	Further allotment to Gov
March 06, 1985	40,000	40000000	Further allotment to Gov
April 23, 1985	42,800	42800000	Further allotment to Gov
September 16, 1985	25,000	25000000	Further allotment to Gov
December 27, 1985	46,000	46000000	Further allotment to Gov
April 04, 1986	23,300	23300000	Further allotment to Gov
July 08, 1986	18,000	18000000	Further allotment to Gov
February 06, 1987	2,000	2000000	Further allotment to Gov
April 18, 1987	2,500	2500000	Further allotment to Gov
July 11, 1987	2,500	2500000	Further allotment to Gov
December 26, 1987	10,300	10300000	Further allotment to Gov
May 06, 1988	10,000	10000000	Further allotment to Gov
June 09, 1989	39,700	39700000	Further allotment to Gov
August 11, 1989	26,000	26000000	Further allotment to Gov
September 28, 1989	2,500	2500000	Further allotment to Gov
February 22, 1990	29,500	29500000	Further allotment to Gov
May 29, 1990	32,400	32400000	Further allotment to Gov
March 26, 1991	38,000	38000000	Further allotment to Gov
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			
December 28, 1993	(2,130,000)	177900000	Disinvestment to Public**
April 25, 1997	(5,154)	360000	Disinvestment to Employees of our Company****
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			
June 13, 2008	2,600,440,920		Bonus issue in the ratio of 2 Equity Shares for 1 Equity Share held
March 27, 2010	(332,243,200)	99304200000	Offer for Sale*****
December 12, 2012	(39,64,71,600)	59732700000	Offer for sale through Stock Exchange Mechanism*****
October 23, 2013	(280)	39000	Offer and allotment of equity shares to an 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*****
March 7, 2019	(7,85.35.839)	769.65.12.222	Buyback of Equity Shares*****
February 3, 2020	(8,05.82.119)	924.43.96.643.07	Divestment in CPSE ETF February 2020*****
<b>Total Current Holding</b>		<b>2,13,24,53,593</b>	

Note: \* Upon the transfer of the Kiruburu Iron Ore Mines and Meghahatuburu 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 1,10,297 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 2,13,00,000 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. 17,78,55,000. 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 divestment 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.-I) dated December 20, 1996.

\*\*\*\*\* Offer for Sale of 32,24,320 equity shares of Rs. 1 each of NMDC Limited by the President of India for 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 President of India acting through Ministry of Steel, Government of India, tendered 7,85,35,839 equity shares of Re.1 each at Rs. 98 per share under Buy-back Offer.  
\*\*\*\*\* The President of India acting through Ministry of Steel, Government of India, sold 8,05,82,119 equity shares of Re.1 each at Rs. 114.72 per share in CPSE ETF February 2020.

#### 4. NO DEFAULTS

The Board confirms that the Company has not defaulted in the repayment of the deposits accepted either before or after the commencement of the Companies Act, interest payment thereon, redemption of debentures or preference shares or payment of dividend to any shareholder or repayment of any term loan or interest payable thereon to any financial institutions or banking company.

#### 5. CONFIRMATION BY THE BOARD OF DIRECTORS

The Board has confirmed on the date of Board Meeting (i.e. November 10, 2020) that it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion that:

- a) 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;
- b) 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
- c) In forming the opinion, the Board has taken into account the liabilities as if the Company were 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.

#### 6. REPORT BY THE COMPANY'S STATUTORY AUDITOR

The text of the report dated November 10, 2020 received from M/s Sagar & Associates, Chartered Accountants, the Statutory Auditor of the Company addressed to the Board of Directors of the Company is reproduced below:-

Quote  
**Auditors' Report on buy back of shares pursuant to the requirement of the Companies Act, 2013, as amended (the "Act") and Clause (xi) of Schedule I to the Securities and Exchange Board of India (Buy -Back of Securities) Regulations, 2018, as amended (the "Buyback Regulations")**

To:  
**The Board of Directors, NMDC Limited**  
Khanij Bhawan, 10-3-311/A  
Castle Hills, Masab Tank  
Hyderabad - 500028, Telangana

1. This Report is issued in accordance with the terms of our engagement dated 10th November, 2020.

2. We have been engaged by NMDC Limited (the "Company") to perform a reasonable assurance engagement on determination of the amount of permissible capital payment in connection with the proposed buy back by the Company of its equity shares in pursuance of the provisions of Section 68 and 70 of the Act and the Buyback Regulations.

3. The management of the Company has prepared the accompanying Annexure A - Statement of permissible capital payment as on March 31, 2020 (the "Statement") pursuant to the proposed buy-back of equity shares approved by the Board of Directors of the Company ("Board of Directors") at their meeting held on November 10, 2020, in accordance with the provisions of sections 68, 69 and 70 of the Act and the SEBI Buyback Regulations. The Statement contains the computation of amount of permissible capital payment towards buy-back of equity shares in accordance with the requirements of section 68(2) of the Act, Regulation 4(i) & proviso to Regulation 5(i)(b) of the Buyback Regulations and based on the latest audited standalone and consolidated financial statements for the year ended March 31, 2020. We have initiated the Statement for identification purposes only.

#### Board of Directors Responsibility for the Statement

4. The preparation of the statement in accordance with Section 68 (2) of the Act and in compliance of the Buyback Regulations determining the amount permissible to be paid for the buy-back is the responsibility of the Board of Directors of the Company, including preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

5. The Board of Directors are responsible to make a full inquiry into the affairs and prospects/ offer document of the Company and to form an opinion that the Company will be able to pay its debts



**7.9 Procedure to be followed by Equity Shareholders holding Equity Shares in the dematerialized form:**

- a. Eligible Shareholders holding Demat Shares who desire to tender their Equity Shares in the electronic form under the Buyback would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buyback.
- b. The Shareholder Broker would be required to place an order/bid on behalf of the Shareholders who wish to tender Equity Shares in the Buyback using the acquisition window of the BSE. Before placing the order/bid, the eligible Shareholder would require to transfer the number of Equity Shares tendered to the special account of Indian Clearing Corporation Limited ("Clearing Corporation" / "ICCL") specifically created for the purpose of Buyback offer, by using the early pay in mechanism as prescribed by BSE or ICCL prior to placing the bid by the Shareholder Broker. This shall be validated at the time of order/ bid entry.

The details of the special account shall be informed in the issue opening circular that will be issued by the BSE or the Clearing Corporation.

- c. For custodian participant orders for Demat Shares, early pay-in is mandatory prior to confirmation of order/bid by custodians. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period (i.e. date of closing of the Buyback offer). Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- d. Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("TRS") generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. TRS will contain details of order submitted like bid ID number, DP ID, client ID, Number of Demat Shares tendered etc.
- e. In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the Clearing Corporation and a valid bid in the exchange bidding system, the bid by such Equity Shareholder shall be deemed to have been accepted.

**7.10 Procedure to be followed by equity Shareholders holding Equity Shares in the physical form:**

- a. In accordance with the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 the physical shareholders are allowed to tender their shares in the Buyback. However, such tendering shall be as per the provisions of the Buyback Regulations.
- b. Eligible Shareholders who are holding Physical Shares and intend to participate in the Buyback will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include the (i) Tender Form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares), (ii) original share certificate(s), (iii) valid share transfer form(s)/Form SH-4 duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iv) self-attested copy of PAN Card(s) of all Eligible Shareholders, (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder is deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the register of members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar card, voter identity card or passport.
- c. Based on these documents, the concerned Shareholder Broker shall place an order/ bid on behalf of the Eligible Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buyback, using the Acquisition Window of BSE. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio number, certificate number, distinctive number, number of Equity Shares tendered etc.
- d. Any Shareholder Broker/Eligible Shareholder who places a bid for Physical Shares, is required to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buyback i.e. **Aarathi Consultants Pvt. Ltd.** (at the address mentioned at paragraph 11 below) not later than 2 (two) days from the offer closing date. The envelope should be super scribed as **'NMDC Limited Buyback 2020'**. One copy of the TRS will be retained by Registrar to the Buyback and it will provide acknowledgement of the same to the Shareholder Broker in case of hand delivery.
- e. The Eligible Shareholders holding Physical Shares should note that Physical Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the Physical Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar to the Buyback will verify such bids based on the documents submitted on a daily basis and till such verification, BSE shall display such bids as 'unconfirmed physical bids'. Once Registrar to the Buyback confirms the bids, they will be treated as 'confirmed bids'.
- f. In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buyback before the closure of the tendering period of the Buyback.

**8. METHOD OF SETTLEMENT****Upon finalization of the basis of acceptance as per Buyback Regulations:**

- 8.1. The Company will transfer the funds pertaining to the Buyback to the Company's Broker bank account, who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank account as per the prescribed schedule. For Equity Shares accepted under the Buyback, the Equity Shareholders will receive funds pay-out in their bank account from the Clearing Corporation.
- 8.2. The Equity Shares bought back in the demat form would be transferred directly to the escrow account of the Company opened for the Buyback (the **'Demat Escrow Account'**) provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of the BSE.
- 8.3. The Eligible Shareholders of the Demat Shares will have to ensure that they keep the depository participant ("DP") account active and unlocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance.
- 8.4. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the Shareholder. In case of custodian participant orders, excess Demat Shares or unaccepted Demat Shares, if any, will be returned to the respective custodian participant. Excess Demat Shares or unaccepted Demat Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation. Any excess Physical Shares pursuant to proportionate acceptance/rejection will be returned back to the concerned Eligible Shareholders directly by the Registrar to the Buyback. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Physical Shares, in case the Physical Shares accepted by the Company are less than the Physical Shares tendered by the shareholder in the Buyback.
- 8.5. In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account.
- 8.6. The Shareholder Broker would issue contract note to the Eligible Shareholders tendering Equity Shares in the Buyback. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- 8.7. The settlements of fund obligation for Demat and Physical Shares shall be effected as per the SEBI circulars and as prescribed by BSE and Clearing Corporation from time to time. For Demat Shares accepted under the Buyback, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the Clearing Corporation and in case of Physical Shares, the Clearing Corporation will release the funds to the Shareholder Broker(s) as per secondary market payout mechanism. If such shareholder's bank account details are not available or if the funds transfer instruction is rejected by the Reserve Bank of India ("RBI") bank(s), due to any reasons, then the amount payable to the concerned shareholders will be transferred to the Shareholder Broker for onward transfer to such shareholders.
- 8.8. Eligible Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for any cost, applicable taxes, charges and

expenses (including brokerage) that may be levied by the Shareholder Broker for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Eligible Shareholders.

- 8.9 The Equity Shares bought back will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

**9. RECORD DATE AND SHAREHOLDER ENTITLEMENT**

- 9.1 As required under the Buyback Regulations, the Company has fixed Monday, November 23, 2020 as the record date (the **'Record Date'**) for the purpose of determining the entitlement and the names of the shareholders, who are eligible to participate in the Buyback.

- 9.2 The Equity Shares proposed to be bought back by the Company, as part of this Buyback Offer shall be divided in to two categories:

(a) reserved category for Small Shareholders (A **'Small Shareholder'** is defined in the Buyback Regulations as a shareholder, who holds equity shares having market value, on the basis of closing price of the Equity Shares on the recognized stock exchange registering the highest trading volume in respect of such shares, as on record date, of not more than Rs. 2,00,000 (Rupees Two Lakh Only)) and

(b) the general category for all other shareholders, and the entitlement of a shareholder in each category shall be calculated accordingly.

- 9.3 In accordance with Regulation 6 of the Buyback Regulations, 15% (fifteen per cent) of the number of Equity Shares which the Company proposes to buy back, or number of shares entitled as per shareholding of Small Shareholders, whichever is higher, shall be reserved for the Small Shareholders as part of this Buyback.

- 9.4 On the basis of shareholding as on the Record Date, the Company will determine the entitlement of each shareholder to tender their Equity Shares in the Buyback. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such shareholder belongs. The final number of Equity Shares that the Company will purchase from each Eligible Shareholder will be based on the number of Equity Shares tendered. Accordingly, the Company may not purchase all of the Equity Shares tendered by an Eligible Shareholder.

- 9.5 In order to ensure that the same Eligible Shareholder with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common PAN shall be clubbed together for determining the category (Small Shareholder or General Category) and the buyback entitlement. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding Physical Shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buyback will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different schemes/sub-accounts and have a different demat account nomenclature based on information prepared by the Registrar to the Buyback as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body - broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

- 9.6 After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by shareholders in that category, and thereafter from shareholders who have tendered over and above their entitlement in other category.

- 9.7 The Equity Shareholders' participation in the Buyback will be voluntary. The Equity Shareholders can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. The Equity Shareholders may also accept a part of their entitlement. The Equity Shareholders also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Equity Shareholders, if at all.

- 9.8 The maximum tender under the Buyback by any shareholder cannot exceed the number of Equity Shares held by the shareholder as on the Record Date.

- 9.9 The Equity Shares tendered as per the entitlement by shareholders as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations.

- 9.10 Detailed instructions for participation in the Buyback (tender of Equity Shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Eligible Shareholders as on the Record Date and the Company shall comply with the SEBI circular No. SEBI/CIR/CFD/DCR1/CIR/P/2020/83 on "Relaxations relating to procedural matters - Takeovers and Buy-back" dated May 14, 2020, read with SEBI circular No. SEBI/HO/CFD/DCR2/CIR/P/2020/139 dated July 27, 2020, as applicable.

**10. COMPLIANCE OFFICER**

Shri A. S. Pardha Saradhi, Company Secretary  
NMDC Limited, Khanij Bhavan, 10-3-311/A,  
Castle Hills, Masab Tank, Hyderabad-500028  
Tel: 040-23538757  
Fax: 040-23538759  
Email: [cs\\_pardha@nmdc.co.in](mailto:cs_pardha@nmdc.co.in)  
Website: [www.nmdc.co.in](http://www.nmdc.co.in)

Investor may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 10:00 a.m. IST to 5:00 p.m. IST on all working days except Saturday, Sunday and public holidays.

**11. REGISTRAR TO THE BUYBACK OFFER/ INVESTOR SERVICE CENTRE**

In case of any query, the shareholders may contact the Registrar & Transfer Agent on any day except Sunday and Public Holiday from 10:00 a.m. IST to 5:00 p.m. IST i.e. Monday to Friday and from 10:00 a.m. IST to 1:00 p.m. IST on Saturday, at the following address:



**Aarathi Consultants Pvt. Ltd.**  
1-2-285, Domalguda, Hyderabad  
**Contact Person:** G Bhaskara Murthy  
**Tel.:** +91 (40) 2763 8111/2763 4445  
**Fax.:** +91 (40) 2763 2184  
**Email:** [info@aarathiconsultants.com](mailto:info@aarathiconsultants.com)  
**Website:** [www.aarathiconsultants.com](http://www.aarathiconsultants.com)  
**SEBI Registration Number:** INR000000379  
**Validity Period:** Permanent  
**CIN:** U74140TG1992PTC014044

**12. MANAGER TO THE BUYBACK OFFER**

**IDBI Capital Markets & Securities Limited**  
6th floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005  
**Tel No.:** +91 22 2217 1700; **Fax No.:** +91 22 2215 1787;  
**Contact Person:** Chandresh Sharma  
**Email:** [nmdc.buyback2020@idbicapital.com](mailto:nmdc.buyback2020@idbicapital.com); **Website:** [www.idbicapital.com](http://www.idbicapital.com)  
**SEBI Registration Number:** INM000010866; **Validity Period:** Permanent  
**Corporate Identity Number:** U65990MH1993GOI075578

**13. DIRECTORS' RESPONSIBILITY**

"As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accepts full responsibility for the information contained in this Public Announcement and confirms that the information in this Public Announcement contain true, factual and material information and shall not contain any misleading information."

For and on behalf of the Board of Directors of **NMDC Limited**

Sd/- Sumit Deb Chairman & Managing Director (DIN: 08547819)	Sd/- Amitava Mukherjee Director (Finance) (DIN: 08265207)	Sd/- A. S. Pardha Saradhi Company Secretary (FCS 10808)
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Place: Hyderabad  
Date: November 11, 2020



**NMDC Limited**(A Government of India Enterprise)  
CIN: L13100TG1958GOI001674Regd. Office : Khanij Bhawan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad-500028, Telangana;  
Contact Person: A. S. Pardha Saradhi, Company Secretary & Compliance Officer  
Tel.: 040-23538757, Fax: 040-23538759, E-mail: cs@nmcd.co.in, Website: www.nmcd.co.in**PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF NMDC LIMITED FOR BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED**

This Public Announcement (the "Public Announcement") is being made pursuant to the provisions of Regulation 7(i) and other applicable provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (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 read with Schedule I of Buyback Regulations.

**CASH OFFER FOR BUYBACK OF NOT EXCEEDING 13,12,43,809 (THIRTEEN CRORE TWELVE LAKH FORTY THREE THOUSAND EIGHT HUNDRED NINE) FULLY PAID UP EQUITY SHARES OF FACE VALUE OF RE. 1 EACH AT A PRICE OF RS 105 (RUPEES ONE HUNDRED FIVE ONLY) PER FULLY PAID UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER ROUTE**

**1. DETAILS OF THE BUYBACK OFFER AND OFFER PRICE**

1.1 The board of directors (the "Board") of NMDC Limited ("NMDC" / "Company") passed a resolution on November 10, 2020 ("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 13,12,43,809 (Thirteen Crore Twelve Lakh Forty Three Thousand Eight Hundred Nine) fully paid up Equity Shares from the equity shareholders/ beneficial owners of Equity Shares (the "Equity Shareholders" / "Shareholders") of the Company as on November 23, 2020 (the "Record Date") (for further details in relation to Record Date, refer to Paragraph 9 of this Public Announcement), on a proportionate basis, through tender offer route (the "Buyback" / "Buyback Offer") at a price of Rs 105 (Rupees One Hundred Five only) per Equity Share ("Buyback Price" / "Buyback Offer Price") payable in cash, for an aggregate maximum consideration not exceeding Rs. 1378,05,99,945 (Rupees One Thousand Three Hundred Seventy Eight Crore Five Lakh Ninety Nine Thousand Nine Hundred Forty Five only) excluding the transaction costs viz. brokerage, advisor's fees, intermediaries fees, public announcement publication fees, filing fees, turnover charges, applicable taxes inter alia buyback taxes, securities transaction tax, goods and services tax, stamp duty and other incidental and related expenses (the "Buyback Offer Size"). The Buyback Offer Size represents 5.00% and 5.05% of the aggregate of the Company's paid-up capital and free reserves as per the audited standalone and consolidated financial statements of the Company, respectively for the financial year ended March 31, 2020. 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"), BSE Limited (the "BSE"), National Stock Exchange of India Limited (the "NSE") and Calcutta Stock Exchange (the "CSE") where the Equity Shares of the Company are listed, (the "BSE", "NSE" together with CSE, the "Stock Exchanges")

1.2 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 (Share Capital and Debentures) Rules, 2014, as amended, and other relevant rules made thereunder, each as amended from time to time (the "Companies Act"), and in accordance with Article 6A of the Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations") 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.

1.3 The Buyback Offer Size represents 5.00% and 5.05% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company, respectively for the financial year ended March 31, 2020 (the last audited standalone and consolidated 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 under the Board of Directors approval route as per the provisions of the Companies Act. Further, since the Company proposes to buyback up to 13,12,43,809 (Thirteen Crore Twelve Lakh Forty Three Thousand Eight Hundred Nine) Fully paid up Equity Shares representing 4.29% 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.

1.4 The maximum amount required by the Company for the said Buyback aggregating to Rs 1378,05,99,945 (Rupees One Thousand Three Hundred Seventy Eight Crore Five Lakh Ninety Nine Thousand Nine Hundred Forty Five only), and 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)(d) of the Companies Act and Regulation 4(ii) of the 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.

1.5 The Buyback Offer Price of Rs 105 (Rupees One Hundred Five 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 105 (Rupees One Hundred Five only) per Equity Share represents (i) a premium of 19.42% on BSE and 19.36% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE, respectively for 26 weeks preceding the Board Meeting date; (ii) a premium of 21.01% on BSE and 21.46% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE, respectively for 2 weeks preceding the Board Meeting date; (iii) a premium of 24.63% on BSE and 24.78% on NSE over the closing price of the Equity Shares on BSE & NSE, respectively as on the date of intimation to BSE & NSE for the Board Meeting to consider the proposal of the Buyback.

1.6 The Buyback shall be on a proportionate basis from all the Equity Shareholders of the Company through the "Tender Offer" route, as prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Please see paragraph 9 below for details regarding Record Date and share entitlement for tender in the Buyback.

1.7 A copy of this Public Announcement is available on the Company's website (www.nmcd.co.in) 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**

Equity 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; and
- Optimizes the capital structure.

**3. DETAILS OF PROMOTER SHAREHOLDING**

3.1 The aggregate shareholding of the Promoter, as on the date of the Board Meeting i.e. Tuesday, November 10, 2020 is given below:

S. No	Name of shareholder	No. of Equity Shares held	No. of Equity Shares held in dematerialized form	Percentage issued Equity Share capital
1.	President of India acting through Ministry of Steel, Government of India	2,13,24,53,593	2,13,24,53,593	69.65%
	<b>Total</b>	<b>2,13,24,53,593</b>	<b>2,13,24,53,593</b>	<b>69.65%</b>

3.2 No shares or other specified securities 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.

3.3 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 November 11, 2020 to participate in the Buyback and tender up to 13,12,43,809 (Thirteen Crore Twelve Lakh Forty Three Thousand Eight Hundred Nine) Equity Shares.

3.4 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 November 11, 2020 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 Government of India ("Gov")
May 25, 1959	496	496000	Further allotment to Gov
September 17, 1959	500	500000	Further allotment to Gov
January 15, 1960	2,761	2761000	Further allotment to Gov
April 20, 1960	292	292000	Further allotment to Gov
June 20, 1960	500	500000	Further allotment to Gov
July 29, 1960	2,000	2000000	Further allotment to Gov
October 07, 1960	2,000	2000000	Further allotment to Gov
February 20, 1961	2,000	2000000	Further allotment to Gov
March 20, 1961	500	500000	Further allotment to Gov
April 20, 1961	5,750	5750000	Further allotment to Gov
July 20, 1961	2,000	2000000	Further allotment to Gov
August 21, 1961	3,000	3000000	Further allotment to Gov
October 20, 1961	2,000	2000000	Further allotment to Gov
November 20, 1961	2,500	2500000	Further allotment to Gov
February 20, 1962	7,900	7900000	Further allotment to Gov
July 20, 1962	7,500	7500000	Further allotment to Gov
August 10, 1962	10,000	10000000	Further allotment to Gov
December 20, 1962	3,500	3500000	Further allotment to Gov
March 20, 1963	4,000	4000000	Further allotment to Gov
June 17, 1963	7,900	7900000	Further allotment to Gov
August 05, 1963	5,000	5000000	Further allotment to Gov
October 18, 1963	7,500	7500000	Further allotment to Gov
January 25, 1964	2,500	2500000	Further allotment to Gov
March 19, 1965	3,500	3500000	Further allotment to Gov
August 25, 1965	13,183	13183000	Further allotment to Gov
May 27, 1966	14,250	14250000	Further allotment to Gov
July 15, 1966	20,000	20000000	Further allotment to Gov
October 18, 1966	7,000	7000000	Further allotment to Gov
November 19, 1966	9,000	9000000	Further allotment to Gov
March 28, 1967	964	964000	Further allotment to Gov
May 15, 1967	12,203	12203000	Further allotment to Gov
June 13, 1967	15,000	15000000	Further allotment to Gov
July 13, 1967	10,000	10000000	Further allotment to Gov
October 19, 1967	18,500	18500000	Further allotment to Gov
December 06, 1967	20,000	20000000	Further allotment to Gov
January 29, 1968	14,900	14900000	Further allotment to Gov
June 03, 1968	1,650	1650000	Further allotment to Gov
July 08, 1968	8,350	8350000	Further allotment to Gov
July 18, 1969	20,000	20000000	Further allotment to Gov
December 24, 1969	31,800	31800000	Further allotment to Gov
February 03, 1970	6,200	6200000	Further allotment to Gov
April 04, 1970	24,800	24800000	Further allotment to Gov
July 04, 1970	16,000	16000000	Further allotment to Gov
August 28, 1970	13,500	13500000	Further allotment to Gov
September 08, 1970	8,000	8000000	Further allotment to Gov
October 24, 1970	6,700	6700000	Further allotment to Gov
November 20, 1970	7,800	7800000	Further allotment to Gov
December 01, 1970	21,200	21200000	Further allotment to Gov
February 13, 1971	12,800	12800000	Further allotment to Gov
March 22, 1971	21,500	21500000	Further allotment to Gov
May 21, 1971	11,900	11900000	Further allotment to Gov
July 22, 1971	25,500	25500000	Further allotment to Gov
September 21, 1971	18,400	18400000	Further allotment to Gov
November 30, 1971	35,100	35100000	Further allotment to Gov
January 21, 1972	26,300	26300000	Further allotment to Gov
February 21, 1972	14,700	14700000	Further allotment to Gov
April 07, 1972	16,900	16900000	Further allotment to Gov
August 19, 1972	28,400*	28400000	Further allotment to Gov
November 14, 1972	81,897*	81897000	Further allotment to Gov
March 21, 1973	60,403*	60403000	Further allotment to Gov
May 01, 1978	(11,828)*	11828000	Cancellation
December 22, 1978	(60,403)*	60403000	Cancellation
May 09, 1980	25,500**	25500000	Allotment to Gov pursuant to acquisition in Mandovi Pellets Limited
January 03, 1981	10,000	10000000	Further allotment to Gov
May 23, 1981	10,000	10000000	Further allotment to Gov
August 31, 1981	8,500	8500000	Further allotment to Gov
November 04, 1981	2,500	2500000	Further allotment to Gov
January 15, 1982	12,500	12500000	Further allotment to Gov
June 09, 1982	23,800	23800000	Further allotment to Gov
March 26, 1983	39,800	39800000	Further allotment to Gov
July 04, 1983	30,000	30000000	Further allotment to Gov
September 08, 1983	25,000	25000000	Further allotment to Gov
November 11, 1983	5,000	5000000	Further allotment to Gov
April 19, 1984	13,500	13500000	Further allotment to Gov
June 30, 1984	8,000	8000000	Further allotment to Gov
March 06, 1985	40,000	40000000	Further allotment to Gov
April 23, 1985	42,600	42600000	Further allotment to Gov
September 16, 1985	25,000	25000000	Further allotment to Gov
December 27, 1985	46,000	46000000	Further allotment to Gov
April 04, 1986	23,300	23300000	Further allotment to Gov
July 08, 1986	18,000	18000000	Further allotment to Gov
February 06, 1987	2,000	2000000	Further allotment to Gov
April 18, 1987	2,500	2500000	Further allotment to Gov
July 11, 1987	2,500	2500000	Further allotment to Gov
December 26, 1987	10,300	10300000	Further allotment to Gov
May 06, 1988	10,000	10000000	Further allotment to Gov
June 09, 1989	39,700	39700000	Further allotment to Gov
August 11, 1989	26,000	26000000	Further allotment to Gov
September 28, 1989	2,500	2500000	Further allotment to Gov
February 22, 1990	29,500	29500000	Further allotment to Gov
May 29, 1990	32,400	32400000	Further allotment to Gov
March 26, 1991	38,000	38000000	Further allotment to Gov
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			
December 28, 1993	(2,130,000)	177900000	Disinvestment to Public ***
April 25, 1997	(5,154)	360000	Disinvestment to Employees of our Company****
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			
June 13, 2008	2,600,440,920		Bonus issue in the ratio of 2 Equity Shares for 1 Equity Share held
March 27, 2010	(332,243,200)	99304200000	Offer for Sale*****
December 12, 2012	(39,64,71,600)	59732700000	Offer for sale through Stock Exchange Mechanism*****
October 23, 2013	(280)	39000	Offer and allotment of equity shares to an 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*****
March 7, 2019	(7,85,35,839)	769,65,12,222	Buyback of Equity Shares*****
February 3, 2020	(8,05,82,119)	924,43,96,643.07	Divestment in CPSE ETF February 2020*****
<b>Total Current Holding</b>	<b>2,13,24,53,593</b>		

**Note:**

\* Upon the transfer of the Kiriburu Iron Ore Mines and Meghahatuburu 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 1,10,297 equity shares (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. 17,78,55,000. 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-RM1 (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 for 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 President of India acting through Ministry of Steel, Government of India, tendered 7,85,35,839 equity shares of Re. 1 each at Rs. 98 per share under Buy-back Offer. \*\*\*\*\* The President of India acting through Ministry of Steel, Government of India, sold 8,05,82,119 equity shares of Re.1 each at Rs. 114.72 per share in CPSE ETF February 2020.

**4. NO DEFAULTS**

The Board confirms that the Company has not defaulted in the repayment of the deposits accepted either before or after the commencement of the Companies Act, interest payment thereon, redemption of debentures or preference shares or payment of dividend to any shareholder or repayment of any term loan or interest payable thereon to any financial institutions or banking company.

**5. CONFIRMATION BY THE BOARD OF DIRECTORS**

The Board has confirmed on the date of Board Meeting (i.e. November 10, 2020) that it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion that:

a) 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;

b) 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

c) In forming the opinion, the Board has taken into account the liabilities as if the Company were 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.

**6. REPORT BY THE COMPANY'S STATUTORY AUDITOR**

The text of the report dated November 10, 2020 received from M/s Sagar & Associates, Chartered Accountants, the Statutory Auditor of the Company addressed to the Board of Directors of the Company is reproduced below:-

**Quote**

**Auditors' Report on buy back of shares pursuant to the requirement of the Companies Act, 2013, as amended (the "Act") and Clause (xi) of Schedule I to the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the "Buyback Regulations")**

To,

**The Board of Directors,**  
**NMDC Limited**  
Khanij Bhawan, 10 - 3 - 31



### 7.9 Procedure to be followed by Equity Shareholders holding Equity Shares in the dematerialized form:

- Eligible Shareholders holding Demat Shares who desire to tender their Equity Shares in the electronic form under the Buyback would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buyback.
- The Shareholder Broker would be required to place an order/bid on behalf of the Shareholders who wish to tender Equity Shares in the Buyback using the acquisition window of the BSE. Before placing the order/bid, the eligible Shareholder would require to transfer the number of Equity Shares tendered to the special account of Indian Clearing Corporation Limited ("**Clearing Corporation**" / "**ICCL**") specifically created for the purpose of Buyback offer, by using the early pay in mechanism as prescribed by **BSE or ICCL** prior to placing the bid by the Shareholder Broker. This shall be validated at the time of order/ bid entry.  
  
The details of the special account shall be informed in the issue opening circular that will be issued by the BSE or the Clearing Corporation.
- For custodian participant orders for Demat Shares, early pay-in is mandatory prior to confirmation of order/bid by custodians. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period (i.e. date of closing of the Buyback offer). Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("**TRS**") generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. TRS will contain details of order submitted like bid ID number, DP ID, client ID, Number of Demat Shares tendered etc.
- In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the Clearing Corporation and a valid bid in the exchange bidding system, the bid by such Equity Shareholder shall be deemed to have been accepted.

### 7.10 Procedure to be followed by equity Shareholders holding Equity Shares in the physical form:

- In accordance with the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 the physical shareholders are allowed to tender their shares in the Buyback. However, such tendering shall be as per the provisions of the Buyback Regulations.
- Eligible Shareholders who are holding Physical Shares and intend to participate in the Buyback will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include the (i) Tender Form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares), (ii) original share certificate(s), (iii) valid share transfer form(s)/Form SH-4 duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iv) self-attested copy of PAN Card(s) of all Eligible Shareholders, (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder is deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the register of members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar card, voter identity card or passport.
- Based on these documents, the concerned Shareholder Broker shall place an order/ bid on behalf of the Eligible Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buyback, using the Acquisition Window of BSE. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio number, certificate number, distinctive number, number of Equity Shares tendered etc.
- Any Shareholder Broker/Eligible Shareholder who places a bid for Physical Shares, is required to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buyback i.e. **Aarathi Consultants Pvt. Ltd.** (at the address mentioned at paragraph 11 below) not later than 2 (two) days from the offer closing date. The envelope should be super scribed as "**NMDC Limited Buyback 2020**". One copy of the TRS will be retained by Registrar to the Buyback and it will provide acknowledgement of the same to the Shareholder Broker in case of hand delivery.
- The Eligible Shareholders holding Physical Shares should note that Physical Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the Physical Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar to the Buyback will verify such bids based on the documents submitted on a daily basis and till such verification, BSE shall display such bids as 'unconfirmed physical bids'. Once Registrar to the Buyback confirms the bids, they will be treated as 'confirmed bids'.
- In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buyback before the closure of the tendering period of the Buyback.

### 8. METHOD OF SETTLEMENT

#### Upon finalization of the basis of acceptance as per Buyback Regulations:

- The Company will transfer the funds pertaining to the Buyback to the Company's Broker bank account, who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank account as per the prescribed schedule. For Equity Shares accepted under the Buyback, the Equity Shareholders will receive funds pay-out in their bank account from the Clearing Corporation.
- The Equity Shares bought back in the demat form would be transferred directly to the escrow account of the Company opened for the Buyback (the "**Demat Escrow Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of the BSE.
- The Eligible Shareholders of the Demat Shares will have to ensure that they keep the depository participant ("**DP**") account active and unlocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance.
- If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the Shareholder. In case of custodian participant orders, excess Demat Shares or unaccepted Demat Shares, if any, will be returned to the respective custodian participant. Excess Demat Shares or unaccepted Demat Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation. Any excess Physical Shares pursuant to proportionate acceptance/rejection will be returned back to the concerned Eligible Shareholders directly by the Registrar to the Buyback. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Physical Shares, in case the Physical Shares accepted by the Company are less than the Physical Shares tendered by the shareholder in the Buyback.
- In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account.
- The Shareholder Broker would issue contract note to the Eligible Shareholders tendering Equity Shares in the Buyback. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- The settlements of fund obligation for Demat and Physical Shares shall be effected as per the SEBI circulars and as prescribed by BSE and Clearing Corporation from time to time. For Demat Shares accepted under the Buyback, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the Clearing Corporation and in case of Physical Shares, the Clearing Corporation will release the funds to the Shareholder Broker(s) as per secondary market payout mechanism. If such shareholder's bank account details are not available or if the funds transfer instruction is rejected by the Reserve Bank of India ("**RBI**") bank(s), due to any reasons, then the amount payable to the concerned shareholders will be transferred to the Shareholder Broker for onward transfer to such shareholders.
- Eligible Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for any cost, applicable taxes, charges and

expenses (including brokerage) that may be levied by the Shareholder Broker for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Eligible Shareholders.

- The Equity Shares bought back will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

### 9. RECORD DATE AND SHAREHOLDER ENTITLEMENT

- As required under the Buyback Regulations, the Company has fixed Monday, November 23, 2020 as the record date (the "**Record Date**") for the purpose of determining the entitlement and the names of the shareholders, who are eligible to participate in the Buyback.
- The Equity Shares proposed to be bought back by the Company, as part of this Buyback Offer shall be divided in to two categories:
  - reserved category for Small Shareholders (A "**Small Shareholder**") is defined in the Buyback Regulations as a shareholder, who holds equity shares having market value, on the basis of closing price of the Equity Shares on the recognized stock exchange registering the highest trading volume in respect of such shares, as on record date, of not more than Rs. 2,00,000 (Rupees Two Lakh Only)) and
  - the general category for all other shareholders, and the entitlement of a shareholder in each category shall be calculated accordingly.
- In accordance with Regulation 6 of the Buyback Regulations, 15% (fifteen per cent) of the number of Equity Shares which the Company proposes to buy back, or number of shares entitled as per shareholding of Small Shareholders, whichever is higher, shall be reserved for the Small Shareholders as part of this Buyback.
- On the basis of shareholding as on the Record Date, the Company will determine the entitlement of each shareholder to tender their Equity Shares in the Buyback. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such shareholder belongs. The final number of Equity Shares that the Company will purchase from each Eligible Shareholder will be based on the number of Equity Shares tendered. Accordingly, the Company may not purchase all of the Equity Shares tendered by an Eligible Shareholder.
- In order to ensure that the same Eligible Shareholder with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common PAN shall be clubbed together for determining the category (Small Shareholder or General Category) and the buyback entitlement. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding Physical Shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buyback will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different schemes/sub-accounts and have a different demat account nomenclature based on information prepared by the Registrar to the Buyback as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body - broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.
- After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by shareholders in that category, and thereafter from shareholders who have tendered over and above their entitlement in other category.
- The Equity Shareholders' participation in the Buyback will be voluntary. The Equity Shareholders can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. The Equity Shareholders may also accept a part of their entitlement. The Equity Shareholders also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Equity Shareholders, if at all.
- The maximum tender under the Buyback by any shareholder cannot exceed the number of Equity Shares held by the shareholder as on the Record Date.
- The Equity Shares tendered as per the entitlement by shareholders as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations.
- Detailed instructions for participation in the Buyback (tender of Equity Shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Eligible Shareholders as on the Record Date and the Company shall comply with the SEBI circular No. SEBI/CIR/CFD/DCR1/CIR/P/2020/83 on "Relaxations relating to procedural matters - Takeovers and Buy-back" dated May 14, 2020, read with SEBI circular No. SEBI/HO/CFD/DCR2/CIR/P/2020/139 dated July 27, 2020, as applicable.

### 10. COMPLIANCE OFFICER

Shri A.S. Pardha Saradhi, Company Secretary  
 NMDC Limited, Khanij Bhavan, 10-3-311/A,  
 Castle Hills, Masab Tank, Hyderabad-500028  
 Tel: 040-23538757  
 Fax: 040-23538759  
 Email: cs\_pardha@nmdc.co.in  
 Website: www.nmdc.co.in

Investor may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 10:00 a.m. IST to 5:00 p.m. IST on all working days except Saturday, Sunday and public holidays.

### 11. REGISTRAR TO THE BUYBACK OFFER/ INVESTOR SERVICE CENTRE

In case of any query, the shareholders may contact the Registrar & Transfer Agent on any day except Sunday and Public Holiday from 10:00 a.m. IST to 5:00 p.m. IST i.e. Monday to Friday and from 10:00 a.m. IST to 1:00 p.m. IST on Saturday, at the following address:



**Aarathi Consultants Pvt. Ltd.**  
 1-2-285, Domalguda, Hyderabad  
**Contact Person:** G. Bhaskara Murthy  
**Tel.:** +91 (40) 2763 8111/2763 4445  
**Fax.:** +91 (40) 2763 2184  
**Email:** info@aarathiconsultants.com,  
**Website:** www.aarathiconsultants.com  
**SEBI Registration Number:** INR000000379  
**Validity Period:** Permanent  
**CIN:** U74140TG1992PTC014044

### 12. MANAGER TO THE BUYBACK OFFER



**IDBI Capital Markets & Securities Limited**  
 6th floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005  
**Tel No.:** +91 22 2217 1700; Fax No.: +91 22 2215 1787;  
**Contact Person:** Chandresh Sharma  
**Email:** nmdc.buyback2020@idbicapital.com; Website: www.idbicapital.com  
**SEBI Registration Number:** INM00010866; Validity Period: Permanent  
**Corporate Identity Number:** U65990MH1993GOI075578

### 13. DIRECTORS' RESPONSIBILITY

"As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accepts full responsibility for the information contained in this Public Announcement and confirms that the information in this Public Announcement contain true, factual and material information and shall not contain any misleading information."

For and on behalf of the Board of Directors of **NMDC Limited**

Sd/- Sumit Deb Chairman & Managing Director (DIN: 08547819)	Sd/- Amitava Mukherjee Director (Finance) (DIN: 08265207)	Sd/- A. S. Pardha Saradhi Company Secretary (FCS 10808)
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Place: Hyderabad  
 Date: November 11, 2020



NMDC Limited (A Government of India Enterprise) CIN: L13100TG1958GO1001674. Regd. Office : Khanji Bhawan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad-500028, Telangana;

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF NMDC LIMITED FOR BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED

This Public Announcement (the "Public Announcement") is being made pursuant to the provisions of Regulation 7(i) and other applicable provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (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 read with Schedule I of Buyback Regulations.

CASH OFFER FOR BUYBACK OF NOT EXCEEDING 13,12,43,809 (THIRTEEN CRORE TWELVE LAKH FORTY THREE THOUSAND EIGHT HUNDRED NINE) FULLY PAID UP EQUITY SHARES OF FACE VALUE OF RE 1 EACH AT A PRICE OF RS 105 (RUPEES ONE HUNDRED FIVE ONLY) PER FULLY PAID UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER ROUTE

1. DETAILS OF THE BUYBACK OFFER AND OFFER PRICE

1.1 The board of directors (the "Board") of NMDC Limited ("NMDC" / "Company") passed a resolution on November 10, 2020 ("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 13,12,43,809 (Thirteen Crore Twelve Lakh Forty Three Thousand Eight Hundred Nine) fully paid up Equity Shares from the equity shareholders/ beneficial owners of Equity Shares (the "Equity Shareholders" / "Shareholders") of the Company as on November 23, 2020 (the "Record Date") (for further details in relation to Record Date, refer to Paragraph 9 of this Public Announcement), on a proportionate basis, through tender offer route (the "Buyback" / "Buyback Offer") at a price of Rs 105 (Rupees One Hundred Five Only) per Equity Share ("Buyback Price" / "Buyback Offer Price") payable in cash, for an aggregate maximum consideration not exceeding Rs. 1378.05,99,945 (Rupees One Thousand Three Hundred Seventy Eight Crore Five Lakh Ninety Nine Thousand Nine Hundred Forty Five Only) excluding the transaction costs viz. brokerage, advisor's fees, intermediaries fees, public announcement publication fees, filing fees, turnover charges, applicable taxes inter alia buyback taxes, securities transaction tax, goods and services tax, stamp duty and other incidental and related expenses (the "Buyback Offer Size"). The Buyback Offer Size represents 5.00% and 5.05% of the aggregate of the Company's paid-up capital and free reserves as per the audited standalone and consolidated financial statements of the Company, respectively for the financial year ended March 31, 2020. 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"), BSE Limited (the "BSE"), National Stock Exchange of India Limited (the "NSE") and Calcutta Stock Exchange (the "CSE") where the Equity Shares of the Company are listed (the "BSE", "NSE" together with CSE, the "Stock Exchanges").

Table with 4 columns: Date of Transaction, No. of Equity Shares, Acquisition/ Sale Consideration (Rs), Nature of Transaction / Consideration. Rows include transactions from November 15, 1958 to February 3, 2020, and a Total Current Holding of 2,13,24,53,593.

Note: \*Upon the transfer of the Kiruburu Iron Ore Mines and Meghalaburu 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 1,10,297 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 25,500,000 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.

1.2 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, and the Companies (Share Capital and Debentures) Rules, 2014, as amended, and other relevant rules made thereunder, each as amended from time to time (the "Companies Act"), and in accordance with Article 6A of the Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations") 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 prescribe 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.

1.3 The Buyback Offer Size represents 5.00% and 5.05% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company, respectively for the financial year ended March 31, 2020 (the last audited standalone and consolidated 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 under the Board of Directors approval route as per the provisions of the Companies Act. Further, since the Company proposes to buyback up to 13,12,43,809 (Thirteen Crore Twelve Lakh Forty Three Thousand Eight Hundred Nine) Fully paid up Equity Shares representing 4.29% 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.

1.4 The maximum amount required by the Company for the said Buyback aggregating to Rs 1378.05,99,945 (Rupees One Thousand Three Hundred Seventy Eight Crore Five Lakh Ninety Nine Thousand Nine Hundred Forty Five Only), and 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)(d) of the Companies Act and Regulation 4(i) of the Buyback Regulations, the ratio of the aggregate of secured and unsecured debts owned by the Company shall not be more than twice the fully paid-up share capital and free reserves after the Buyback.

1.5 The Buyback Offer Price of Rs 105 (Rupees One Hundred Five 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 105 (Rupees One Hundred Five Only) per Equity Share represents (i) a premium of 19.42% on BSE and 19.36% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE, respectively for 26 weeks preceding the Board Meeting date; (ii) a premium of 21.01% on BSE and 21.46% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE, respectively for 2 weeks preceding the Board Meeting date; (iii) a premium of 24.63% on BSE and 24.78% on NSE over the closing price of the Equity Shares on BSE & NSE, respectively as on the date of intimation to BSE & NSE for the Board Meeting to consider the proposal of the Buyback.

1.6 The Buyback shall be on a proportionate basis from all the Equity Shareholders of the Company through the "Tender Offer" route, as prescribed under Regulation 4(i)(a) of the Buyback Regulations. Please see paragraph 9 below for details regarding Record Date and share entitlement for tender in the Buyback.

1.7 A copy of this Public Announcement is available on the Company's website (www.nmdc.co.in) 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

Equity 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:

- i. 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;
ii. 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";
iii. The Buyback may help in improving return on equity; and
iv. Optimizes the capital structure.

3. DETAILS OF PROMOTER SHAREHOLDING

3.1 The aggregate shareholding of the Promoter, as on the date of the Board Meeting i.e. Tuesday, November 10, 2020 is given below:

Table with 4 columns: S. No., Name of shareholder, No. of Equity Shares held, No. of Equity Shares held in dematerialized form, Percentage issued Equity Share capital. Total: 2,13,24,53,593, 2,13,24,53,593, 69.65%.

3.2 No shares or other specified securities 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.

3.3 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 November 11, 2020 to participate in the Buyback and tender up to 13,12,43,809 (Thirteen Crore Twelve Lakh Forty Three Thousand Eight Hundred Nine) Equity Shares.

3.4 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 November 11, 2020 are set-out below:

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 President of India acting through Ministry of Steel, Government of India, tendered 7,85,33,639 equity shares of Re.1 each at Rs. 98 per share under Buy-back Offer.

The President of India acting through Ministry of Steel, Government of India, sold 8,05,82,119 equity shares of Re.1 each at Rs. 114.72 per share in CPSE ETF February 2020.

4. NODEFAULTS

The Board confirms that the Company has not defaulted in the repayment of the deposits accepted either before or after the commencement of the Companies Act, interest payment thereon, redemption of debentures or preference shares or payment of dividend to any shareholder or repayment of any term loan or interest payable thereon to any financial institutions or banking company.

5. CONFIRMATION BY THE BOARD OF DIRECTORS

The Board has confirmed on the date of Board Meeting (i.e. November 10, 2020) that it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion that:

- a) 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;
b) 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
c) In forming the opinion, the Board has taken into account the liabilities as if the Company were 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.

6. REPORT BY THE COMPANY'S STATUTORY AUDITOR

The text of the report dated November 10, 2020 received from M/s Sagar & Associates, Chartered Accountants, the Statutory Auditor of the Company addressed to the Board of Directors of the Company is reproduced below:-

Quote Auditors' Report on buy back of shares pursuant to the requirement of the Companies Act, 2013, as amended (the "Act") and Clause (xi) of Schedule I to the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the "Buyback Regulations")

To, The Board of Directors, NMDC Limited Khanji Bhawan, 10-3-311/A, Castle Hills, Masab Tank Hyderabad - 500028, Telangana

- 1. This Report is issued in accordance with the terms of our engagement dated 10th November, 2020.
2. We have been engaged by NMDC Limited (the "Company") to perform a reasonable assurance engagement on determination of the amount of permissible capital payment in connection with the proposed buy back by the Company of its equity shares in pursuance of the provisions of Section 68 and 70 of the Act and the Buyback Regulations.
3. The management of the Company has prepared the accompanying Annexure A - Statement of permissible capital payment as on March 31, 2020 (the "Statement") pursuant to the proposed buy-back of equity shares approved by the Board of Directors of the Company ("Board of Directors") at their meeting held on November 10, 2020, in accordance with the provisions of sections 68, 69 and 70 of the Act and the SEBI Buyback Regulations. The Statement contains the computation of amount of permissible capital payment towards buy-back of equity shares in accordance with the requirements of section 68(2) of the Act, Regulation 4(i) & proviso to Regulation 5(i)(b) of the Buyback Regulations and based on the latest audited standalone and consolidated financial statements for the year ended March 31, 2020. We have initiated the Statement for identification purposes only.

Board of Directors Responsibility for the Statement

- 4. The preparation of the statement in accordance with Section 68 (2) of the Act and in compliance of the Buyback Regulations determining the amount permissible to be paid for the buy-back is the responsibility of the Board of Directors of the Company, including preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
5. The Board of Directors are responsible to make a full inquiry into the affairs and prospects/ offer document of the Company and to form an opinion that the Company will be able to pay its debts from the date of board meeting and will not be rendered insolvent within a period of one year from the date of board meeting at which the proposal for buyback was approved by the Board of Directors of the Company and informing the opinion. It has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act or the Insolvency and Bankruptcy Code 2016. Further, a declaration is required to be signed by at least two directors of the Company in this respect in accordance with the requirements of the section 68 (6) of the Act and the Buyback Regulations.

Auditor's Responsibility

- 6. Pursuant to the requirements of the Buyback Regulations, it is our responsibility to provide reasonable assurance on the following "Reporting Criteria": Whether the amount of capital payment for the buy-back as stated in Annexure A has been determined considering the Audited financial statements for the year ended March 31, 2020 and is within the permissible limit and computed in accordance with the provisions of Section 68 of the Act and Regulation 4(i) & proviso to Regulation 5(i)(b) of the Buyback Regulations; Whether the Board of Directors in their meeting held on November 10, 2020 have formed their opinion, as specified in Clause (xi) of Schedule I to the Regulations, on a reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from date of the board meeting; and Whether we are aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

7. The standalone and consolidated financial statements for the year ended March 31, 2020 have been audited by us on which we issued an unmodified audit opinion vide our report dated 16th June 2020. Our audits of these financial statements were conducted in accordance with the Standards on Auditing as specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

8. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

10. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the reporting criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the Reporting Criteria.

We have performed the following procedures in relation to the Statement:

- i) We have inquired into the state of affairs of the Company in relation to its audited financial statements for the year ended March 31, 2020;
ii) Examined authorization for buyback from the Articles of Association of the Company;
iii) Examined that the amount of capital payment for the buy-back as detailed in Annexure A is within permissible limit computed in accordance with section 68 (2) of the Act and Regulation 4(i) & proviso to Regulation 5(i)(b) of the Buyback Regulations;
iv) Examined that the ratio of debt owned by the Company, is not more than twice the capital and its free reserve after such buy-back;

- v) Examined that all shares for buy-back are fully paid-up;
vi) Inquired into the state of affairs of the Company in relation to the audited standalone and consolidated financial statements for the year ended March 31, 2020 and the limited review standalone and consolidated financial results for the six months period ended September 30, 2020;
vii) Examined resolutions passed in the meetings of the Board of Directors;
viii) Examined Director's declarations for the purpose of buy back and solvency of the Company;
ix) Obtained necessary representations from the management of the Company.

Opinion

11. Based on our examination as above, and the information and explanations given to us, in our opinion,

the Statement of permissible capital payment towards buyback of equity shares, as stated in Annexure A, is in our view properly determined in accordance with Section 68 of the Act; and

the Board of Directors, in their meeting held on November 10, 2020, have formed the opinion, as specified in clause (x) of Schedule I of the Regulations, on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from date of board meeting and we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

Restriction on Use

12. The report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable them to include it (a) in the public announcement to be made by the Company, (b) in the draft letter of offer and letter of offer to be filed with the Securities and Exchange Board of India, the stock exchanges, the Registrar of Companies as required under the Regulations, the National Securities Depository Limited, the Central Depository Securities (India) Limited and (c) providing to the parties including manager to the offer in connection with buyback and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For M/s Sagar & Associates Chartered Accountants FRN 003510S

Sd/- (CA B Srinivasa Rao) Partner M.No 202352 UDIN: 20202352AAAAL3953 Place - Hyderabad Date - 10th November 2020

ANNEXURE A Statement of permissible capital payment

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(i) and proviso to Regulation 5(i)(b) of Buyback Regulations:

Table with 3 columns: Particulars, Amount (in Rs. Crore) As on March 31, 2020 (Standalone, Consolidated). Total C=A+B: 27,561.27, 27,291.93.

For M/s Sagar & Associates Chartered Accountants FRN 003510S

Sd/- (CA B Srinivasa Rao) Partner M.No 202352 UDIN: 20202352AAAAL3953 Place - Hyderabad

Unquote

7. PROCESS AND METHODOLOGY TO BE ADOPTED FOR THE BUYBACK

7.1 The Buyback is open to all Eligible Shareholders of the Company holding Shares either in physical form ("Physical Shares") or in the dematerialized form ("Demat Shares") as on the Record Date as per the records made available to the Company by the Depositories/Registrar.

7.2 The Buyback shall be implemented by the Company using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and in accordance with the procedure prescribed in the Companies Act and the Buyback Regulations and as may be determined by the Board (including the committee authorized to complete the formalities of the Buyback, the "Buyback Committee") and on such terms and conditions as may be permitted by law from time to time.

7.3 For implementation of the Buyback, the Company has appointed IDBI Capital Markets & Securities Limited as the registered broker to the Company (the "Company's Broker") through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company's Broker are as follows:



IDBI Capital Markets & Securities Limited 6th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai - 400005 Contact Person: Charushila Parkar Tel No: +91 22 2217 1700; Fax No: +91 22 2215 1787; Email: charushila.parkar@idbicapital.com; Website: www.idbicapital.com SEBI Registration Number: IN200007237 Corporate Identity Number: UE65990MH1993GOI075578

7.4 The Company will request BSE to provide a separate acquisition window to facilitate placing of sell orders by eligible Equity Shareholders who wish to tender Equity Shares in the Buyback. The details of the platform will be as specified by BSE from time to time. In the event Shareholder Broker(s) of Eligible Shareholder is not registered with BSE, then the Eligible Shareholders can approach any BSE registered stock broker and can register themselves by using quick unique client code ("UCC") facility through the BSE registered stock broker (after submitting all details as may be required by such BSE registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register using UCC facility through any other BSE registered broker, Eligible Shareholders may approach Company's Broker i.e., IDBI Capital Markets & Securities Limited to place their bids.

7.5 At the beginning of the tendering period, the order for buying Equity Shares will be placed by the Company through Company's Broker. During the tendering period, the order for selling the Equity Shares will be placed in the acquisition window by eligible Equity Shareholders through their respective stock brokers ("Shareholder Broker") during normal trading hours of the secondary market. The Shareholder Broker can enter orders for Demat shares as well as Physical Shares.

7.6 The reporting requirements for Non-Resident Shareholders under the Foreign Exchange Management Act, 1999 and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholder and/or the Shareholder Broker through which the Eligible Shareholder places the bid.

7.7 Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the tendering period of the Buyback. Multiple bids made by a single Eligible Shareholder for selling Equity Shares shall be clubbed and considered as "one bid" for the purposes of acceptance.

7.8 The cumulative quantity tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.



**7.9 Procedure to be followed by Equity Shareholders holding Equity Shares in the dematerialized form:**

- a. Eligible Shareholders holding Demat Shares who desire to tender their Equity Shares in the electronic form under the Buyback would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buyback.
- b. The Shareholder Broker would be required to place an order/bid on behalf of the Shareholders who wish to tender Equity Shares in the Buyback using the acquisition window of the BSE. Before placing the order/bid, the eligible Shareholder would require to transfer the number of Equity Shares tendered to the special account of Indian Clearing Corporation Limited ("Clearing Corporation" / "ICCL") specifically created for the purpose of Buyback offer, by using the early pay in mechanism as prescribed by BSE or ICCL prior to placing the bid by the Shareholder Broker. This shall be validated at the time of order/bid entry.  
  
The details of the special account shall be informed in the issue opening circular that will be issued by the BSE or the Clearing Corporation.
- c. For custodian participant orders for Demat Shares, early pay-in is mandatory prior to confirmation of order/bid by custodians. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period (i.e. date of closing of the Buyback offer). Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- d. Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("TRS") generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. TRS will contain details of order submitted like bid ID number, DP ID, client ID, Number of Demat Shares tendered etc.
- e. In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the Clearing Corporation and a valid bid in the exchange bidding system, the bid by such Equity Shareholder shall be deemed to have been accepted.

**7.10 Procedure to be followed by equity Shareholders holding Equity Shares in the physical form:**

- a. In accordance with the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 the physical shareholders are allowed to tender their shares in the Buyback. However, such tendering shall be as per the provisions of the Buyback Regulations.
- b. Eligible Shareholders who are holding Physical Shares and intend to participate in the Buyback will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include the (i) Tender Form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares), (ii) original share certificate(s), (iii) valid share transfer form(s) (Form SH-4 duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iv) self-attested copy of PAN Card(s) of all Eligible Shareholders, (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder is deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the register of members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar card, voter identity card or passport.
- c. Based on these documents, the concerned Shareholder Broker shall place an order/bid on behalf of the Eligible Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buyback, using the Acquisition Window of BSE. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio number, certificate number, distinctive number, number of Equity Shares tendered etc.
- d. Any Shareholder Broker/Eligible Shareholder who places a bid for Physical Shares, is required to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buyback i.e. **Aarthi Consultants Pvt. Ltd.** (at the address mentioned at paragraph 11 below) not later than 2 (two) days from the offer closing date. The envelope should be super scribed as "NMDCLimited Buyback 2020". One copy of the TRS will be retained by Registrar to the Buyback and it will provide acknowledgement of the same to the Shareholder Broker in case of hand delivery.
- e. The Eligible Shareholders holding Physical Shares should note that Physical Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the Physical Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar to the Buyback will verify such bids based on the documents submitted on a daily basis and till such verification, BSE shall display such bids as 'unconfirmed physical bids'. Once Registrar to the Buyback confirms the bids, they will be treated as 'confirmed bids'.
- f. In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buyback before the closure of the tendering period of the Buyback.

**8. METHOD OF SETTLEMENT**

**Upon finalization of the basis of acceptance as per Buyback Regulations:**

- 8.1. The Company will transfer the funds pertaining to the Buyback to the Company's Broker bank account, who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank account as per the prescribed schedule. For Equity Shares accepted under the Buyback, the Equity Shareholders will receive funds pay-out in their bank account from the Clearing Corporation.
- 8.2. The Equity Shares bought back in the demat form would be transferred directly to the escrow account of the Company opened for the Buyback (the "Demat Escrow Account") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of the BSE.
- 8.3. The Eligible Shareholders of the Demat Shares will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance.
- 8.4. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the Shareholder. In case of custodian participant orders, excess Demat Shares or unaccepted Demat Shares, if any, will be returned to the respective custodian participant. Excess Demat Shares or unaccepted Demat Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation. Any excess Physical Shares pursuant to proportionate acceptance/rejection will be returned back to the concerned Eligible Shareholders directly by the Registrar to the Buyback. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Physical Shares, in case the Physical Shares accepted by the Company are less than the Physical Shares tendered by the shareholder in the Buyback.
- 8.5. In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account.
- 8.6. The Shareholder Broker would issue contract note to the Eligible Shareholders tendering Equity Shares in the Buyback. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- 8.7. The settlements of fund obligation for Demat and Physical Shares shall be effected as per the SEBI circulars and as prescribed by BSE and Clearing Corporation from time to time. For Demat Shares accepted under the Buyback, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the Clearing Corporation and in case of Physical Shares, the Clearing Corporation will release the funds to the Shareholder Broker(s) as per secondary market payout mechanism. If such shareholder's bank account details are not available or if the funds transfer instruction is rejected by the Reserve Bank of India ("RBI") bank(s), due to any reasons, then the amount payable to the concerned shareholders will be transferred to the Shareholder Broker for onward transfer to such shareholders.
- 8.8. Eligible Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for any cost, applicable taxes, charges and

expenses (including brokerage) that may be levied by the Shareholder Broker for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Eligible Shareholders.

- 8.9 The Equity Shares bought back will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

**9. RECORD DATE AND SHAREHOLDER ENTITLEMENT**

- 9.1 As required under the Buyback Regulations, the Company has fixed Monday, November 23, 2020 as the record date (the "Record Date") for the purpose of determining the entitlement and the names of the shareholders, who are eligible to participate in the Buyback.
- 9.2 The Equity Shares proposed to be bought back by the Company, as part of this Buyback Offer shall be divided in to two categories:
  - (a) reserved category for Small Shareholders (A "Small Shareholder" is defined in the Buyback Regulations as a shareholder, who holds equity shares having market value, on the basis of closing price of the Equity Shares on the recognized stock exchange registering the highest trading volume in respect of such shares, as on record date, of not more than Rs. 2,00,000 (Rupees Two Lakh Only)) and
  - (b) the general category for all other shareholders, and the entitlement of a shareholder in each category shall be calculated accordingly.
- 9.3 In accordance with Regulation 6 of the Buyback Regulations, 15% (fifteen per cent) of the number of Equity Shares which the Company proposes to buy back, or number of shares entitled as per shareholding of Small Shareholders, whichever is higher, shall be reserved for the Small Shareholders as part of this Buyback.
- 9.4 On the basis of shareholding as on the Record Date, the Company will determine the entitlement of each shareholder to tender their Equity Shares in the Buyback. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such shareholder belongs. The final number of Equity Shares that the Company will purchase from each Eligible Shareholder will be based on the number of Equity Shares tendered. Accordingly, the Company may not purchase all of the Equity Shares tendered by an Eligible Shareholder.
- 9.5 In order to ensure that the same Eligible Shareholder with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common PAN shall be clubbed together for determining the category (Small Shareholder or General Category) and the buyback entitlement. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding Physical Shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buyback will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different schemes/sub-accounts and have a different demat account nomenclature based on information prepared by the Registrar to the Buyback as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body - broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.
- 9.6 After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by shareholders in that category, and thereafter from shareholders who have tendered over and above their entitlement in other category.
- 9.7 The Equity Shareholders' participation in the Buyback will be voluntary. The Equity Shareholders can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. The Equity Shareholders may also accept a part of their entitlement. The Equity Shareholders also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Equity Shareholders, if at all.
- 9.8 The maximum tender under the Buyback by any shareholder cannot exceed the number of Equity Shares held by the shareholder as on the Record Date.
- 9.9 The Equity Shares tendered as per the entitlement by shareholders as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations.
- 9.10 Detailed instructions for participation in the Buyback (tender of Equity Shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Eligible Shareholders as on the Record Date and the Company shall comply with the SEBI circular No. SEBI/CIR/CFD/DCR/ICIR/P/2020/83 on "Relaxations relating to procedural matters - Takeovers and Buy-back" dated May 14, 2020, read with SEBI circular No. SEBI/HO/CFD/DCR/ICIR/P/2020/139 dated July 27, 2020, as applicable.

- 9.6 After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by shareholders in that category, and thereafter from shareholders who have tendered over and above their entitlement in other category.
- 9.7 The Equity Shareholders' participation in the Buyback will be voluntary. The Equity Shareholders can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. The Equity Shareholders may also accept a part of their entitlement. The Equity Shareholders also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Equity Shareholders, if at all.

- 9.8 The maximum tender under the Buyback by any shareholder cannot exceed the number of Equity Shares held by the shareholder as on the Record Date.
- 9.9 The Equity Shares tendered as per the entitlement by shareholders as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations.
- 9.10 Detailed instructions for participation in the Buyback (tender of Equity Shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Eligible Shareholders as on the Record Date and the Company shall comply with the SEBI circular No. SEBI/CIR/CFD/DCR/ICIR/P/2020/83 on "Relaxations relating to procedural matters - Takeovers and Buy-back" dated May 14, 2020, read with SEBI circular No. SEBI/HO/CFD/DCR/ICIR/P/2020/139 dated July 27, 2020, as applicable.

**10. COMPLIANCE OFFICER**

Shri A. S. Partha Saradhi, Company Secretary  
NMDCLimited, Khanj Bhavan, 10-3-311/A,  
Castle Hills, Masab Tank, Hyderabad-500028  
Tel: 040-23538757  
Fax: 040-23538759  
Email: [cs\\_pardha@nmdc.co.in](mailto:cs_pardha@nmdc.co.in)  
Website: [www.nmdc.co.in](http://www.nmdc.co.in)

Investor may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 10:00 a.m. IST to 5:00 p.m. IST on all working days except Saturday, Sunday and public holidays.

**11. REGISTRAR TO THE BUYBACK OFFER/ INVESTOR SERVICE CENTRE**

In case of any query, the shareholders may contact the Registrar & Transfer Agent on any day except Sunday and Public Holiday from 10:00 a.m. IST to 5:00 p.m. IST i.e. Monday to Friday and from 10:00 a.m. IST to 1:00 p.m. IST on Saturday, at the following address:



**Aarthi Consultants Pvt. Ltd.**  
1-2-285, Domaiguda, Hyderabad  
**Contact Person:** G. Bhaskara Murthy  
**Tel.:** +91 (40) 2763 8111/2763 4445  
**Fax.:** +91 (40) 27632184  
**Email:** [info@arthiconsultants.com](mailto:info@arthiconsultants.com),  
**Website:** [www.arthiconsultants.com](http://www.arthiconsultants.com)  
**SEBI Registration Number:** INR000000379  
**Validity Period:** Permanent  
**CIN:** U74140TG1992PTC014044

**12. MANAGER TO THE BUYBACK OFFER**



**IDBI Capital Markets & Securities Limited**  
6th floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005  
**Tel No.:** +91 22 2217 1700, Fax No.: +91 22 2215 1787;  
**Contact Person:** Chandresh Sharma  
**Email:** [nmdc.buyback2020@idbicapital.com](mailto:nmdc.buyback2020@idbicapital.com); [www.idbicapital.com](http://www.idbicapital.com)  
**SEBI Registration Number:** INM00010866; **Validity Period:** Permanent  
**Corporate Identity Number:** U65990MH1993GOI075578

**13. DIRECTORS' RESPONSIBILITY**

"As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accepts full responsibility for the information contained in this Public Announcement and confirms that the information in this Public Announcement contain true, factual and material information and shall not contain any misleading information."

For and on behalf of the Board of Directors of **NMDC Limited**

Sd/- Sumit Deb Chairman & Managing Director (DIN: 08547819)	Sd/- Amitava Mukherjee Director (Finance) (DIN: 08265207)	Sd/- A. S. Partha Saradhi Company Secretary (FCS 10808)
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Place: Hyderabad  
Date: November 11, 2020