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No.BS/325/SE-S/2016

31st July 2020

<p>The Listing Department, National Stock Exchange of India Ltd Exchange Plaza Bandra Kurla Complex MUMBAI 400051</p> <p>Symbol & Series: MMTC /EQ (Fax No: <u>022-26598237/ 8238/8347/8348</u>)</p>	<p>Department of Corporate Services Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers Dalal Street MUMBAI 400 001</p> <p>Company Scrip Code:513377 (Fax No:<u>022-22723121/ 22722037 / 22722039</u>)</p>
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Sub: Compliance under Regulation 24(A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

In terms of Regulation 24(A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose Secretarial Compliance Report duly issued by Mr. Jitesh Gupta, Practicing Company Secretary (COP No.-2448), for the financial year ended July 31, 2020.

Please take the same on your record.

Thanking you,

Yours faithfully,
For MMTC Limited,

(G.Anandanarayanan)
Company Secretary

Encl: As above.

J. K. Gupta & Associates

(Company Secretaries)

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SECRETARIAL COMPLIANCE REPORT OF MMTC LIMITED FOR THE YEAR ENDED 31ST MARCH 2020

We J. K. Gupta & Associates have examined:

- all the documents and records made available to us and explanation provided by MMTC Limited ("the listed entity"),
- the filings/ submissions made by the listed entity to the stock exchanges,
- website of the listed entity,
- any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended 31st March 2020 ("Review Period") in respect of compliance with the provisions of:

- the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; [Not applicable to the Company during the Audit Period]
- Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; [Not applicable to the Company during the Audit Period]
- Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; [Not applicable to the Company during the Audit Period]



- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [Not applicable to the Company during the Audit Period]
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; [Not applicable to the Company during the Audit Period]
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; [Not applicable to the Company during the Audit Period]
- i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding dealing with client ;

and based on the above examination, we hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	<i>Regulation 17(1)(b) of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015</i>	<i>In respect to the appointment of at least 50% of Independent Directors on the Board of the Company.</i>	During the FY (2019-20), the minimum requirement of having 50% Independent Director was breached w.e.f 26 th January, 2020. However, as per the discussion with the Management, the company being the Central PSU, the Board members of the company are appointed by the President of India, i.e. Ministry of Commerce & Industry. Hence, Administrative Ministry i.e. MOC&I is frequently made aware of in this regard and the company has been pursuing with the Ministry in this regard regularly.

See 4/7/20



2.	Regulation 17(1)(a) of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015	<i>In respect to the appointment of atleast 50% of non-executive directors in a company</i>	During the FY (2019-20), the minimum requirement of having 50% non-executive Director was breached w.e.f 26th January, 2020. However, as per the discussion with the Management, the company being the Central PSU, the Board members of the company are appointed by the President of India, i.e. Ministry of Commerce & Industry. Hence, Administrative Ministry i.e. MOC&I is frequently made aware of in this regard and the company has been pursuing with the Ministry in this regard regularly.
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b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.

c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	Bombay Stock Exchange National Stock Exchange	Provisions of Regulation 17 (1) & 18(1) of the SEBI LODR, 2015	Penalty imposed by BSE and NSE for non-compliance of Regulation 17(1)& 18(1) of SEBI LODR, 2015, for non-appointment of woman director and not having the requisite number of independent directors in company for the financial year 2019-2020 and non-compliance in relation to the Audit committee, respectively.	As per the Information provided by the Management of the company, Ms. Swadhinta Krishna was appointed as a Women Independent Director w.e.f. 24 th January 2020. Further, as per the provision of Regulation 17(1), the Board does not have requisite number of Independent Directors.



				<p>Furthermore, the management of the company through its letter dated 10.02.2020 addressed to NSE & BSE, informed that the company had compiled the provisions of regulation 18 by providing the following clarification:</p> <p>“Audit committee of the company comprises of the 3 Independent Director and 1 Government nominee director”.</p>
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d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. no.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31st March 2019	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	Not Applicable	<p>As per Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, where the chairperson of the listed entity is an executive director, at least half of the Board of directors should comprise of Independent Directors, but during the period under review, requisite number of independent directors were not appointed on the Board of the listed entity.</p>	<p>Based on the observation raised, The Management of the Company has informed that, as on 31st March 2019, upon superannuation of one whole time Director, the requirement of number of Independent Directors has been met with by the company.</p>	<p>The said Company has complied with the requirement at the end of previous financial year ending on 31st March 2019.</p> <p>However, the Company is again falling under the non-compliance of Regulation 17(1), as the Composition of Independent Director on the Board has not been fulfilled from 27th January 2020 onwards.</p>



2.	Not Applicable	<p><i>As per Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, the board of directors shall have at least one woman director in the company, but during the period under review, no woman director is being appointed on the Board of the listed entity.</i></p>	<p>Based on observation raised during the Audit Period for 2018-2019, the Management of Companies, explained that, the (MMTC Ltd.) listed entity being a CPSE, therefore all the Directors on the Board of the company are appointed by the President of India through the administrative Ministry and the company has been pursuing with the Ministry in this regard regularly.</p> <p>However, the Company has appointed a woman director on the Board, named as Ms. Swadhinta Krishna on 24th January 2020.</p> <p>Hence, the requirement of said provision is complied.</p>	<p>The Management's action has been recorded.</p>
3.	Not Applicable	<p><i>In compliance to the Regulation 17(10) and 25(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Directors of the listed entity has not been carried out during the review</i></p>	<p><i>The Management of Company informed that, the said provisions are exempt for the Government Companies as per the Companies Act, 2013.</i></p>	<p>The Management's reply has been taken on record and found satisfactorily.</p>



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		<i>period. However, the board informs that this provision has been exempt for Government Companies under the Companies Act, 2013.</i>	
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Place: Delhi
Date: 31.07.2020

For J. K. Gupta & Associates



Jitesh Gupta
FCS No.: 3978
C P No.: 2448
UDIN: F003978B000535960