



MAHANAGAR TELEPHONE NIGAM LIMITED
(A GOVERNMENT OF INDIA ENTERPRISE)
CIN L32101DL1986GO1023501

Registered and Corporate Office: MahanagarDoorsancharSadan 5th Floor, 9 CGO Complex, Lodhi Road, New Delhi - 110 003. Tel: 011-24319020, Fax: 011-24324243, Website: www.mtnl.net.in
[/www.bol.net.in](http://www.bol.net.in)

MTNL/SECTT/SE/2022

May 05, 2022

To
The Listing Department,
Bombay Stock Exchange (BSE)
National Stock Exchange (NSE)
OTCIQ

Ref: BSE Scrip Code: 500108/ NSE Symbol: MTNL/ OTCIQ Symbol: MTENY

**Sub: ANNUAL SECRETARIAL COMPLIANCE REPORT OF MTNL FOR THE
FINANCIAL YEAR ENDED ON 31st MARCH, 2022.**

Dear Sir,

Kindly find enclosed Annual Secretarial Compliance Report pursuant to SEBI's Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by M/s. Mritunjay Shekhar & Associates, Practicing Company Secretaries for the Financial Year ended on 31st March, 2022.

Kindly take the same on record.

Thanking you,
Yours faithfully,

(S.R.SAYAL)
Company Secretary

Encl: As above

ANNUAL SECRETARIAL COMPLIANCE REPORT
OF
M/S. MAHANAGAR TELEPHONE NIGAM LIMITED
FOR THE YEAR ENDED 31st MARCH 2022

*(Pursuant to circular CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued
by the Securities Exchange Board of India)*

We, **Mritunjay Shekhar & Associates, Company Secretaries** have examined:

- All the documents and records made available to us and explanation provided by **M/s Mahanagar Telephone Nigam Limited**.
- the filings/ submissions made by the listed entity to the stock exchanges,
- the 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 2022 (“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: -

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Take over Regulations) Regulations, 2011;

(d) Securities and Exchange Board of India (Prohibition of Insider

Trading) Regulations, 2015; 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 the following: -

SI No.	Compliance Requirement (Regulations/ Circulars / Remarks of the guidelines including specific Practicing clause)	Deviations	Observations/Remarks of the Practicing Company Secretary
1.	Regulation 17(1), 17(2A), 18 (1), 19(1)/19(2) and 20 of SEBI (LODR) Regulations, 2015	Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director and quorum for meeting of the Board of Directors, Provisions pertaining to Audit Committee Composition, Provisions pertaining to Nomination and Remuneration Committee Composition, Provisions pertaining to Stakeholders Relationship Committee Composition and Provisions pertaining to Risk Management Committee Composition.	As per the Information received from the Company, the Composition of Board of Directors is not in the terms of SEBI (LODR) Regulations, 2015 for the FY 2021-22. The Composition of the following Committees is in terms of SEBI (LODR) Regulations, 2015 w.e.f. 12.11.2021 Audit Committee Nomination and Remuneration Committee Stakeholders Relationship Committee Risk Management Committee. Reply of MTNL is given in Annexure (II, IV to VI) to this Report

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from

my/our examination of those records.

(c) The following are the details of actions taken against the listed entity/ its Promoters/ Directors/ Material Subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and Circulars/ Guidelines issued thereunder:

Sr. No.	Action Taken by	Details of Violations	Details of action taken e.g. fines, remarks of the warning letter, Practicing debarment, etc.	Observations/Remarks of the Practicing Company Secretary, if any
1.	BSE Letter no. SOP – C Review(debt) – December 2021 dated 15 th March 2022	Non-disclosure of extent and nature of security created and maintained with respect to secured listed NCDs in the financial statements.	FINES	Reply of MTNL is given in Annexure I to this Report
2.	NSE (Email/ letter no. NSE/LISTSOP/C OMB/FINES/083 2 dtd. February 21, 2021) BSE (E mail dtd. February 21, 2022)	Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director and quorum for meeting of the Board of Directors, Provisions pertaining to Audit Committee Composition, Provisions pertaining to Nomination and Remuneration Committee Composition, Provisions pertaining to Stakeholders Relationship Committee Composition and Provisions pertaining to Risk Management Committee Composition. In this regard	FINES	Reply of MTNL is given in Annexure II to this Report

		NSE has imposed fine on MTNL amounting to Rs. 8,56,680/- (inclusive of Basic fine amounting to Rs. 7,26,000/- and GST amounting to Rs. 1,30,680/-).		
3.	BSE Letter no. SOP - C Review(debt) - September 2021 dated December 10, 2021	Non-disclosure of extent and nature of security created and maintained with respect to secured listed NCDs in the financial statements.	FINES	Reply of MTNL is given in Annexure III to this Report
4.	NSE (Email/ letter no. NSE/LISTSOP/C OMB/FINES/082 5 dtd. November 22, 2021) BSE (E mail dtd. November 22, 2021)	Non-compliance with the provisions of Regulation 17(1), 17(2A), 18 (1), 19(1)/19(2) and 20 of SEBI (LODR) Regulations, 2015 i.e. Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director and quorum for meeting of the Board of Directors, Provisions pertaining to Audit Committee Composition, Provisions pertaining to Nomination and Remuneration Committee Composition and Provisions pertaining to Stakeholders Relationship Committee Composition and Non-Compliance and/or Regulation 76 of SEBI (Depositories and Participants) Regulations 2018. In this regard NSE & BSE has imposed fine on MTNL	FINES	Reply of MTNL is given in Annexure IV to this Report

CS MRITUNJAY SHEKHAR & ASSOCIATES**Company Secretaries****Email - shekharmritunjay3@gmail.com****MNo.9540043975/8076567045**311B, Vikas Surya Galaxy, Plot No.9,
Sector-4, Dwarka, New Delhi 110075
Website: <https://www.msaonline.info/>

		amounting to Rs. 12,05,960/- (inclusive of Basic fine amounting to Rs. 10,22,000/- and GST amounting to Rs. 1,83,960/-).		
5.	NSE (Email/ letter no. NSE/LISTSOP/C OMB/FINES/082 1 dtd. August 20, 2020) BSE (E mail dtd. August 20, 2021)	Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director and quorum for meeting of the Board of Directors, Provisions pertaining to Audit Committee Composition, Provisions pertaining to Nomination and Remuneration Committee Composition and Provisions pertaining to Stakeholders Relationship Committee Composition and/or Regulation 76 of SEBI (Depositories and Participants) Regulations 2018.. In this regard BSE & NSE has imposed fine on MTNL amounting to Rs 11,92,980/- (inclusive of Basic fine amounting to Rs 10,11,000/- and GST amounting to Rs 1,81,980/-) respectively.	FINES	Reply of MTNL is given in Annexure V to this Report
6.	NSE (Email/ letter no. NSE/LISTSOP/C OMB/FINES/082 5 dtd. May 17, 2021) BSE (E mail dtd.	Non-compliance with the provisions of Regulation 17(1), 17(2A), 18, 19 and 20 of SEBI (LODR) Regulations, 2015 i.e. Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint	FINES	Reply of MTNL is given in Annexure VI to this Report

CS MRITUNJAY SHEKHAR & ASSOCIATES**Company Secretaries****Email - shekharmritunjay3@gmail.com****MNo.9540043975/8076567045**311B, Vikas Surya Galaxy, Plot No.9,
Sector-4, Dwarka, New Delhi 110075
Website: <https://www.msaonline.info/>

	May 17, 2021)	woman director and quorum for meeting of the Board of Directors, Provisions pertaining to Audit Committee Composition, Provisions pertaining to Nomination and Remuneration Committee Composition and Provisions pertaining to Stakeholders Relationship Committee Composition In this regard NSE & BSE has imposed fine on MTNL amounting to Rs 11,87,080/- (inclusive of Basic fine amounting to Rs 10,06,000/- and GST amounting to Rs 1,81,080/-).		
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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 Report	Observations made in the Previous Secretarial Compliance Report for the year ended 31 st March 2020 (the years are to be mentioned)	Action taken by the listed entity, if any	Comments of the Practicing Company Secretary on the Action taken by the listed entity
1.	Non-compliance with the provisions of Regulation 17(1) and 17(2A) of SEBI (LODR) Regulations, 2015 i.e. Non-compliance with the requirements	NA	Detailed in the Annexure to the Report	The Board of Directors of MTNL in its 348 th Board Meeting held on 12.11.2021 has appointed Four

CS MRITUNJAY SHEKHAR & ASSOCIATES**Company Secretaries**

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Sector-4, Dwarka, New Delhi 110075
Website: <https://www.msaonline.info/>

	pertaining to the Composition of the Board and quorum for meeting of the Board of directors. After 26.10.2020 till 31.03.2021, the Company was in non-compliance with the Regulation 18 (1), 19(1)/19(2) and 20 of SEBI (LODR) Regulations, 2015			Independent Directors.
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For MRITUNJAY SHEKHAR & ASSOCIATES**Company Secretaries**MRITUNJAY
CHANDRA
SHEKHAR
Digitally signed by
MRITUNJAY CHANDRA
SHEKHAR
Date: 2022.05.03 11:26:20
+05'30'**MRITUNJAY CHANDR ASHEKHAR**

ACS/ FCS No.: 17250

C P No.: 20871

Date: 03rd May 2022**UDIN number A017250D000259140**

Place: NEW DELHI

**ANNEXURES TO ANNUAL SECRETARIAL COMPLIANCE REPORT
OF M/s. MAHANAGAR TELEPHONE NIGAM LIMITED FOR THE YEAR ENDED 31st
MARCH 2022**

ANNEXURE – I

Clarification submitted by MTNL vides its letter no. MTNL/SECTT/SE/2022 Dated 16/03/2022 to BSE email dtd. March 15, 2022 is as follows: -

In this regard we would like to draw your attention to the provision of Regulation 54 (2) of SEBI (LODR) 2015, which are reproduced below (2) The listed entity shall disclose to the stock exchange in quarterly, half-yearly, year-to-date and annual financial statements, as applicable, the extent and nature of security created and maintained with respect to its secured listed non-convertible debt securities. It is submitted that the Non-Convertible Debentures/Bonds issued by MTNL are unsecured in nature. As Bonds issued by MTNL is unsecured in nature, therefore Regulation 54(2) of SEBI (LODR) 2015 is not applicable in case of MTNL.

ANNEXURE II

Clarification submitted by MTNL vides its letter no. MTNL/SECTT/SE/2022 Dated 23/02/2022 to NSE letter no. NSE/LIST-SOP/COMB/FINES/0832 dtd. February 21, 2022 and BSE email dtd. February 21, 2022 is as follows: -

Kindly refer our earlier letters wherein it has been stated that MTNL is a Public Sector Undertaking. All appointments including Independent Directors on the Board are made by the Administrative Ministry, Government of India, i.e. Ministry of Communications & Information Technology. From 26.10.2020 till 11.11.2021, MTNL was not having any Independent directors on its Board. The Board of Directors of MTNL in its 348th Board Meeting held on 12.11.2021 has appointed the following Independent Directors for a period of three years, or until further orders whichever is earlier pursuant to the Department of Telecommunication Letter No. No.E-5-3/2018-PSA dtd. 01.11.2021:-

- (i) Sh. Sarv Daman Bharat
- (ii) Ms. Deepika Mahajan
- (iii) Sh. Yogesh Kumar Tamrakar
- (iv) Sh. Vishwas Pathak

For the Quarter ended 31.12.2021, MTNL had four Executive Directors, two Govt. Nominee Directors and four Independent Director (including women directors) on its Board.

In order to comply with provisions of Regulation 17(1) of SEBI (LODR) 2015, we need six independent directors i.e. fifty percent of the total strength as we have six executive directors (including four functional and two Government Nominee directors) including Executive Chairman. Hence MTNL needs two more independent directors on its Board for which we have already sent letter to the Government of India.

Due to non-appointment of two more Independent Directors, we were unable to comply with provisions relating to Board Composition (Regulation 17) i.e. Half of the Board is not Non – Executive.

Due to non-appointment of independent directors till 11.11.2021, we were unable to comply with provisions relating to Audit Committee (Regulation 18), Nomination and Remuneration Committee (Regulation 19), Stakeholders Relationship Committee (Regulation 20) and Risk Management Committee (Regulation 21) during that period. As on 31.12.2021, MTNL is complying with the provisions relating to Audit Committee (Regulation 18), Nomination and Remuneration Committee (Regulation 19), Stakeholders Relationship Committee (Regulation 20) and Risk Management Committee (Regulation 21).

ANNEXURE – III

Clarification submitted by MTNL vides its letter no. MTNL/SECTT/SE/20221 Dated 14/12/2021 to BSE email dtd. December 10, 2021 is as follows: -

In this regard we would like to draw your attention to the provision of Regulation 54 (2) of SEBI (LODR) 2015, which are reproduced below (2) The listed entity shall disclose to the stock exchange in quarterly, half-yearly, year-to-date and annual financial statements, as applicable, the extent and nature of security created and maintained with respect to its secured listed non-convertible debt securities. It is submitted that the Non-Convertible Debentures/Bonds issued by MTNL are unsecured in nature. As Bonds issued by MTNL is unsecured in nature, therefore Regulation 54(2) of SEBI (LODR) 2015 is not applicable in case of MTNL.

ANNEXURE IV

Clarification submitted by MTNL vides its letter no. MTNL/SECTT/SE/2021 Dated 24/11/2021 to NSE letter no. NSE/LIST-SOP/COMB/FINES/0825 dtd. November 22, 2021 and BSE email dtd. November 22, 2021 is as follows: -

MTNL is a Public Sector Undertaking. All appointments including Independent Directors on the Board are made by the Administrative Ministry, Government of India, i.e. Ministry of Communications & Information Technology. Till 25.10.2020, MTNL was having 10 Directors on its Board including 4 Independent Directors. On 25.10.2020 the tenure of all the four Independent directors got completed. As a result, MTNL has no Independent director on its Board w.e.f. 26.10.2020. As on 30.09.2021 (quarter end) MTNL had four Executive Directors and two Govt. Nominee Directors on its Board.

The matter for appointment of Independent Directors has already been taken up with the Government of India

In the circumstances that MTNL had no independent director on its Board, we had reconstituted all the Board level Committees with the existing directors on 11.11.2020 where in the Govt. Director was made Chairperson of all committees.

Due to non-appointment of independent directors, we were unable to comply with provisions relating to Board Composition (Regulation 17), Audit Committee (Regulation 18), Nomination and Remuneration Committee (Regulation 19), and Stakeholders Relationship Committee Composition (Regulation 20). Quorum for the Board meeting and Audit Committee meetings held on 13.08.2021 was not strictly as per Regulation 17(2A) and Regulation 18 of SEBI (LODR) Regulation, 2015.

We are glad to inform you that Government of India, Department of Telecommunications vide letter no E-5-3/2018-PSA dated 01.11.2021 has appointed four Independent Directors on the Board of MTNL. The Board of Directors of MTNL in its 348th Board Meeting held on 12/11/2021 has ratified the said appointment of the following Independent Directors

- (i) Sh. Sarv Daman Bharat
- (ii) Ms. Deepika Mahajan
- (iii) Sh. Yogesh Kumar Tamrakar
- (iv) Sh. Vishwas Pathak

ANNEXURE V

Clarification submitted by MTNL vides its letter no. MTNL/SECTT/SE/2021 dated 23/08/2021 to NSE letter no. NSE/LIST-SOP/COMB/FINES/0821 dtd. August 23, 2021 and BSE email dtd. August 23, 2021 is as follows: -

MTNL is a Public Sector Undertaking. All appointments including Independent Directors on the Board are done by the Administrative Ministry, Government of India, i.e. Ministry of Communications & Information Technology. Till 25.10.2020, MTNL was having 10 Directors on

its Board including 4 Independent Directors. On 25.10.2020 tenure of all the four Independent directors got completed. As a result, MTNL has no Independent director on its Board w.e.f. 26.10.2020. As on 30.06.2021 (quarter end) we had four Executive Directors and two Govt. Nominee Directors on our Board. There is no women director on the Board of MTNL.

We had reconstituted Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee from out of the remaining Directors on 11.11. 2020. However, there was no Independent Director in any of the above committees but the Govt. Director was made Chairperson of the committees.

Due to non-appointment of independent directors, we are unable to comply with provisions relating to Board Composition (Regulation 17), Audit Committee (Regulation 18), Nomination and Remuneration Committee (Regulation 19) and Stakeholders Relationship Committee Composition (Regulation 20). Quorum for the Board meeting and Audit Committee meeting held on 29.06.2021 was not strictly as per Regulation 17(2A) and Regulation 18 of SEBI (LODR) Regulations due to non-appointment of independent directors.

The matter for appointment of Independent Directors has already been taken up with the Government of India and we are awaiting the reply from the Government. We have been informed by the Administrative Ministry that the matter is under process.

As regards compliance of Regulation 76 of SEBI (Depository & Participants), 2018, it is brought to your kind notice that the Audit Report for Reconciliation of Share Capital Audit Report pursuant to SEBI's Circular No. D&CC/FITTC/CIR-16/2002 dated December 31, 2002 issued by M/s. V.K. Sharma & Co., Company Secretaries for the quarter ended on 30th June, 2021 has been filed in BSE on 15.07.2021 in XBRL mode.

ANNEXURE VI

Clarifications submitted by MTNL vide its letter no. MTNL/SECTT/SE/2021 Dated 24/05/2021 to NSE letter no. NSE/LIST-SOP/COMB/FINES/0815 dtd. May 17,2021 and BSE email dtd. May 17, 2021 is as follows:-

MTNL is a Public Sector Undertaking. All appointments including Independent Directors on the Board are done by the Administrative Ministry, Government of India, i.e. Ministry of Communications & Information Technology. Till 25.10.2020, MTNL was having 10 Directors on its Board including 4 Independent Directors. On 25.10.2020 tenure of all the four Independent

directors got completed. As a result, MTNL has no Independent director on its Board w.e.f. 26.10.2020. As on 31.03.2021 (quarter end) we had four Executive Directors and two Govt. Nominee Directors on our Board. There is no women director on the Board of MTNL.

We had reconstituted Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee from out of the remaining Directors on 11.11.2020. However, there was no Independent Director in any of the above committees but the Govt. Director was made Chairperson of the committees.

Due to non-appointment of independent directors, we are unable to comply with provisions relating to Board Composition (Regulation 17), Audit Committee (Regulation 18), Nomination and Remuneration Committee (Regulation 19) and Stakeholders Relationship Committee Composition (Regulation 20). Quorum for the Board meeting and Audit Committee meeting held on 12.02.2021 was not strictly as per Regulation 17(2A) and Regulation 18 of SEBI (LODR) Regulations due to non-appointment of independent directors. Due to non-appointment of independent directors, we were unable to hold Nomination/Stakeholder/Risk Management Committee Meeting during FY 2020-21.

The matter for appointment of Independent Directors has already been taken up with the Government of India and we are awaiting the reply from the Government. We have been informed by the Administrative Ministry that the matter is under process.

For MRITUNJAY SHEKHAR & ASSOCIATES

Company Secretaries

MRITUNJAY Digitally signed by
MRITUNJAY
CHANDRA CHANDRA SHEKHAR
SHEKHAR Date: 2022.05.03
11:27:05 +05'30'

MRITUNJAY CHANDR ASHEKHAR

ACS/ FCS No.: 17250

C P No.: 20871

Date: 03rd May 2022

UDIN number A017250D000259140

Place: NEW DELHI