



## NLC India Limited

(‘Navratna’ - Government of India Enterprise)

Registered Office: No.135, EVR Periyar High Road, Kilpauk, Chennai-600 010.

Corporate Office: Block-1, Neyveli-607 801, Cuddalore District, Tamil Nadu.

CIN : L93090TN1956GOI003507, Website: [www.nlcindia.in](http://www.nlcindia.in)

email: [cosec@nlcindia.in](mailto:cosec@nlcindia.in), Phone: 044-28369139

Lr. No./Secy/ Reg.24A of LODR/2024

Date: 21.05.2024

To National Stock Exchange of India Ltd. Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.	To BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
<b>Scrip Code: NLCINDIA</b>	<b>Scrip Code: 513683</b>

Sir/Madam,

**Sub: Annual Secretarial Compliance Report of NLC India Limited  
for the Financial Year ended 31<sup>st</sup> March, 2024.**

\*\*\*\*

In accordance with the Regulation 24A of SEBI (LODR) Regulations, 2015, we hereby submit the Annual Secretarial Compliance Report of the Company for the Financial Year ended 31<sup>st</sup> March, 2024 received from M/s D. Hanumanta Raju & Co., peer reviewed Practicing Company Secretaries firm.

This is for your information and records, please.

Thanking You,

Yours faithfully,  
**for NLC India Limited**

**Company Secretary &  
Compliance Officer**

Encl: As above

**SECRETARIAL COMPLIANCE REPORT OF  
NLC INDIA LIMITED  
FOR THE FINANCIAL YEAR ENDED 31.03.2024**

We, **D. Hanumanta Raju & Co., Company Secretaries**, having our office at B-13, F-1, P.S. Nagar, Vijayanagar Colony, Hyderabad – 500057, Telangana have examined:

- a) all the documents and records made available to us and explanations provided by **NLC INDIA LIMITED** (“the listed entity”),
- b) the filings/submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/filing, as may be relevant, which has been relied upon to make this report.

for the financial year ended on March 31, 2024 (“Review Period”) in respect of compliance with the provisions of :

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

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the listed entity during the review period);**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the listed entity during the review period);**



- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the listed entity during the review period);**
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) Securities and Exchange Board of India (Register to Issue and Share transfer Agents) Regulations, 1993; regarding the Companies Act and Dealing with the client;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- (j) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021-  
**(Not Applicable to the listed entity during the review period);**

and circulars/ guidelines issued thereunder;

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)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	The Listed Entity shall have an optimum combination of executive and non executive directors with at least one-independent woman director and not less than fifty per cent of the board of directors shall comprise of non-executive / Independent directors.	Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The listed entity does not have requisite number of Independent Directors during the financial year.	BSE Limited (BSE) and National Stock Exchange (NSE)	Fine	The listed entity does not have requisite number of Independent Directors during the financial year.	Both the Stock Exchanges have imposed a fine aggregating to Rs. 21,53,500/- each including GST on the listed entity for the quarters ended 31.03.2023, 30.06.2023, 30.09.2023 and	The Listed Entity should have at least half of the Board as Independent Directors, if the Chairman is an Executive Director. It has been observed that the Listed Entity is having 11 (Eleven) Directors on its Board as on 31.03.2024 including 6 (Six) Executive and 2 (Two) Nominee Directors and 3 (Three) Independent Directors. The Listed Entity is yet to appoint 5 (Five) Independent Directors.	The Stock Exchanges were informed that Being Government Company, as per Articles of Association of the Company, the power to appoint Directors on the Board of the Company vests with the President of India. Ministry of Coal, the Administrative Ministry, has been requested periodically to expedite for the appointment of required number of Independent Directors so as to comply with the statutory requirements. Further, the stock exchanges were requested to waive the	NIL





							31.12.2023.		fine imposed on the Company. Till date, the Company has not paid any fine in this regard.	
2.	At least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not.	Regulation 24(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	The requirement of appointment of atleast one Independent Director of the Company on the Board of Directors of Unlisted Material Subsidiary have not been complied, with respect to NLC Tamilnadu Power Limited during the review period.	NIL	NA	The requirement of appointment of atleast one Independent Director of the Company on the Board of Directors of Unlisted Material Subsidiary have not been complied, with respect to NLC Tamilnadu Power Limited during the review period.	NA	The Listed Entity shall appoint atleast one Independent Director of the Company on the Board of Directors of NLC Tamilnadu Power Limited since it is one of the Unlisted Material Subsidiary of the listed entity.	The Company has from time to time communicated to Ministry of Coal, the Administrative Ministry, for appointment of one Independent Director from the Board of the Company on the Board of Directors of the unlisted material subsidiaries.	NIL



b) The Listed Entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations/ Remarks of the Practicing Company Secretary	Observations made in the secretarial compliance report for the year ended March 31, 2023	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Details of Violation/Deviations and actions taken/penalty imposed, if any, on the listed entity	Remedial actions if any taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
1.	However, being a Government Company the power to appoint Directors on the Board of the Company vests with the President of India.	However, being a Government Company the power to appoint Directors on the Board of the Company vests with the President of India.	<p><b>Regulation 17(1):</b> Board of directors shall have an optimum combination of executive and non-executive directors with at least 1 woman director and not less than fifty per cent of the board of directors shall comprise of non-executive directors;</p> <p>Provided that the Board of directors of the top 500 listed entities shall have at least 1 independent woman director by April 1, 2019 and the Board of directors of the top 1000 listed entities shall have at least 1 independent woman director by April 1, 2020.</p>	<p>BSE and NSE has levied fine as per SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020, for non-compliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015 pertaining to Board Composition for the Quarters ended June 30, 2022; September 30, 2022; December 31, 2022 and March 31, 2023. Details of the fine imposed are as follows: BSE have levied fine including GST @18% of Rs. 5,36,900/- for the quarter ended June 30, 2022, Rs. 5,42,800/- for the quarter ended December 31, 2022,</p>	The Stock Exchanges were informed that the power to appoint Directors on the Board of the Company vests with the President of India. Ministry of Coal, the Administrative Ministry, has been requested to expedite the appointment of required	The action taken by the listed entity is sufficient as being a Government Company the power to appoint Directors on the Board of the Company vests with the President of India.



			<p>Where the chairperson of the board of directors is a non-executive director, at least one-third of the board of directors shall comprise of independent directors and where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors:</p> <p>Provided that where the regular non-executive chairperson is a promoter of the listed entity or is related to any promoter or person occupying management positions at the level of board of directors or at one level below the board of directors, at least half of the board of directors of the listed entity shall consist of independent directors.</p>	<p>Rs. 5,31,000/- for the quarter ended March 31, 2023 (<b>total amounting to Rs. 16,10,700/-</b>) and NSE have levied fine including GST @18% of Rs. 5,36,900/- for quarter ended June 30, 2022, Rs. 5,42,800/- for quarter ended September 30, 2022, Rs, 5,42,800/- for the quarter ended December 31, 2022, and Rs 5,31,000/- for the quarter ended March 31, 2023 (<b>total amounting to Rs. 21,53,500/-</b>)</p>	<p>number of Independent Directors so as to comply with the statutory requirements. Further, the stock exchanges were requested to waive the fine imposed on the company. Till date, the company has not paid any fine in this regard.</p>	
--	--	--	---	---	--	--





I. We hereby report that, during the Review Period the compliance status of the listed entity with the following requirements:

S.No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
1.	<p><b>Secretarial Standards:</b></p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).</p>	Yes	NIL
2.	<p><b>Adoption and timely updation of the Policies:</b></p> <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities.</li> <li>• All the policies are in conformity with SEBI Regulations and have been reviewed &amp; updated on time, as per the regulations/circulars/guidelines issued by SEBI.</li> </ul>	Yes	NIL
3.	<p><b>Maintenance and disclosures on Website:</b></p> <ul style="list-style-type: none"> <li>• The Listed entity is maintaining a functional website.</li> <li>• Timely dissemination of the documents/information under a separate section on the website.</li> <li>• Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/section of the website.</li> </ul>	Yes	NIL
4.	<p><b>Disqualification of Director(s):</b></p> <p>None of the Director(s) of the listed entity is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	Yes	NIL





<p><b>5.</b></p>	<p><b>Details related to Subsidiaries of listed entities have been examined w.r.t.:</b></p> <p>(a) Identification of material subsidiary companies.</p> <p>(b) Disclosure requirement of material as well as other subsidiaries.</p>	<p>Yes</p>	<p>NIL</p>
<p><b>6.</b></p>	<p><b>Preservation of Documents:</b></p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	<p>Yes</p>	<p>NIL</p>
<p><b>7.</b></p>	<p><b>Performance Evaluation:</b></p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.</p>	<p>Not Applicable</p>	<p>The Directors of the Listed Entity are appointed by Ministry of Coal, Government of India. Further Ministry of Corporate Affairs vide its notification dated 5<sup>th</sup> June, 2015 stated that Government Company are exempted from the compliance of provisions of Section 134(3)(p) of the Companies Act, 2013.</p>





			delayed disclosure made by the listed entity in respect of appointment of company secretary approved at the Board Meeting held on 25.11.2022 and intimated to the Stock Exchanges on 01.12.2022.
<b>12.</b>	<b>Resignation of Statutory Auditors from the listed entity or its material subsidiaries:</b>  In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	Not Applicable	NIL
<b>13.</b>	<b>Additional Non-compliances, if any:</b>  No additional non-compliances observed for any SEBI regulation /circular /guidance note etc. except as reported above.	Yes	NIL

**Assumptions & Limitation of scope and Review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.





4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

**Place: Hyderabad**

**Date: 21.05.2024**



**For D. HANUMANTA RAJU & CO  
COMPANY SECRETARIES**

**CS DATLA HANUMANTA RAJU  
PARTNER**

**FCS: 4044, CP NO: 1709**

**UDIN: F004044F000410945**

**PR NO: 699/2020**