

SECRETARIAL COMPLIANCE REPORT

To,
The Board of Directors
Hindustan Zinc Limited
Yashad Bhawan, Yashadgarh,
Udaipur-313004, Rajasthan

We M/s. Chandrasekaran Associates have examined:

- (a) All the documents and records made available to us and explanation provided by Hindustan Zinc Limited. ("the listed entity"),
- (b) The filings/ submissions made by the listed entity to the stock exchanges,
- (c) Website of the listed entity,
- (d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended on 31st March, 2020 ("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;
- (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 during the period under review.
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not Applicable during the period under review.
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable during the year under review.



- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013; Not Applicable during the year under review.
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
- (k) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009.

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	Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states 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 director 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	As on 31.03.2020 Company should have appointed 4 (four) Independent Directors on its Board. However Company has only appointed 2 (two) Independent Directors.	Composition of Board is not in Compliance of Provision of Regulations 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
2	Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states that the committee shall comprise of at least three directors, all directors of the committee shall be non-executive directors; and at least fifty percent of the	Composition of Nomination and Remuneration committee fall short one Non-Executive Member during the period started from February 23, 2019	Composition of Nomination and Remuneration committee was not in compliance in terms of Regulation 19 of SEBI (Listing Obligation &



directors shall be independent directors.	till 02.05.2019	Disclosure Requirement), Regulations, 2015 during the period started from February 23, 2019 till 02.05.2019.
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- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observation s/ remarks of the Practicing Company Secretary, if any.
1	BSE Limited and National Stock Exchange (NSE)	Composition of Board was not in Compliance of Provision of Regulations 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	BSE Limited and National Stock Exchange (NSE) each has imposed a fine of Rs. 18,05,400/- (inclusive of GST @ 18 %) for this non-compliance.	Composition of Board is not in Compliance of Provision of Regulations 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
2	BSE Limited and National Stock Exchange (NSE)	Composition of Nomination and Remuneration committee was not in Compliance of Provision of Regulations 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	BSE Limited and National Stock Exchange (NSE) each has imposed a fine of Rs. 87,320/- (inclusive of GST @ 18 %) for this non-compliance and as confirmed by the management of the company that the same	Composition of Nomination and Remuneration committee was not in compliance in terms of Regulation 19 of SEBI (Listing Obligation & Disclosure Requirement) , Regulations, 2015 during



			<p>has been paid by the company under protest and company also issued letters to the stock exchanges that there was no non-compliance of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015, as during the above said period no meeting of the NRC was held and the vacancy created due to resignation of the NRC member was filled immediately in the next Board meeting of the company, on which the replies from the stock exchanges are still awaited.</p>	<p>the period started from February 23, 2019 till 02.05.2019.</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 31 st 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 during the year under review.	Composition of Board is not in Compliance of Provision of Regulations 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	As confirmed by the management, company is continuously following up with the Ministry of Mines for the	As per the Article 4 of Shareholders Agreement dated April 4, 2004, approval of the Ministry of Mines is required for the appointment of Independent



			appointment of more Independent Directors (including one woman Independent Director) and the reply in this respect is still awaited.	Directors (Including women Independent Director) therefore the actions taken by the company seems satisfactory.
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(e) The company has suitably included the conditions as mentioned in Para 6(A) and 6(B) of the SEBI Circular CIR/CFD/CMD1/114/2019, dated October 18, 2019 in the terms of appointment of statutory auditor of the Company.

For Chandrasekaran Associates
Company Secretaries



Shashikant Tiwari
Partner
Membership No. A28994
Certificate of Practice No. 13050
UDIN: A028994B000174073



Date: 29.04.2020
Place: Delhi