



NH/CS/199

26.06.2021

Manager The Listing Department, M/s BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 मैनेजर, लिस्टिंग विभाग, बीएसई लिमिटेड पि.जे. टावर्स, दलाल स्ट्रीट, मुंबई- 400 001 Scrip Code: 533098	General Manager The Listing Department M/s National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra(E), Mumbai- 400051 महाप्रबंधक, लिस्टिंग विभाग, नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड एक्सचेंज प्लाजा, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (ई), मुंबई - 400 051 Scrip Code: NHPC
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ISIN No. INE848E01016

Sub: Annual Secretarial Compliance Report for year ended March 31, 2021

विषय: 31 मार्च, 2021 को समाप्त वार्षिक सचिवीय अनुपालन रिपोर्ट के संदर्भ में

Sirs/महोदय,

In compliance to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular no. CIR/CFD/CMD1/27/2019 dated February 08, 2019, please find enclosed herewith Annual Secretarial Compliance Report for year ended March 31, 2021, issued by M/s Agarwal S. & Associates, Company Secretaries (Secretarial Auditor of the Company for FY 2020-21).

सेबी (लिस्टिंग दायित्वों और प्रकटीकरण आवश्यकताओं) विनियमन, 2015 के नियमन 24A और सेबी परिपत्र संख्या CIR/CFD/CMD1/27/2019 दिनांक 08.02.2019 के अनुसार, कृपया मेसर्स अग्रवाल एस एंड एसोसिएट्स, कंपनी सेक्रेटरीज (वित्त वर्ष 2020-21 के लिए कंपनी के सेक्रेटेरियल ऑडिटर) द्वारा जारी 31 मार्च, 2021 को समाप्त वर्ष के लिए वार्षिक सचिवीय अनुपालन रिपोर्ट का संलग्न प्राप्त करें ।

धन्यवाद,

संगलन: ऊपरोक्त अनुसार

भवदीय,

SAURABH CHAKRAVORTY  
RTY  
Digitally signed by SAURABH CHAKRAVORTY  
Date: 2021.06.26 16:16:21 +05'30'

(सौरभ चक्रवर्ती)  
कंपनी सचिव



**SECRETARIAL COMPLIANCE REPORT  
OF  
NHPC LIMITED**

**For the year ended 31<sup>st</sup> March, 2021**

We, Agarwal S. & Associates, Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by **NHPC Limited** ("the listed entity/NHPC"),
- (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 31<sup>st</sup> March, 2021 ("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) Regulation, 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;

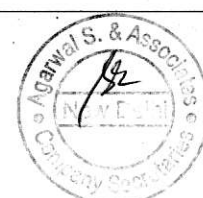


- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations,2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India(Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations,2013;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018  
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)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 17(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The Board of Directors does not consist of a Women Director and Independent Women Director during the financial year 01.04.2020 to 31.03.2021 and the number of Non-executive Directors on the Board is less than fifty percent during the financial year 01.04.2020 to 31.03.2021.	<i>The Board of Directors shall comprise of a Women Director and Independent Women Director and fifty percent of the board of directors shall comprise of non-executive directors during the financial year 01.04.2020 to 31.03.2021.</i>  As informed by the management, the power to appoint Directors including Independent Directors (IDs) vests with the President of India and the said matter is being regularly pursued with the administrative Ministry i.e. Ministry of Power.
2.	Regulation 17(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The number of IDs on the Board is less than fifty percent during the financial year 01.04.2020 to 31.03.2021.	<i>The Board of Directors of the Company is headed by an Executive Chairman. Accordingly, the number of IDs should have been at least 50% of the Board Members during the period under review.</i>



			<p>As on 31.03.2021, the Board of Company comprises of 6 Directors, which comprises 5 Whole Time Directors including CMD and 1 Part Time Government Nominee Director.</p> <p>As informed by the management, the power to appoint Directors including IDs vests with the President of India and the said matter is being regularly pursued with the administrative Ministry i.e. Ministry of Power.</p>
3.	Regulation 18, 19, 20 and 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015.	<p>The Company does not have the following Committees:</p> <p>(a) Audit Committee and Stakeholders Relationship Committee during the period from 08.09.2020 to 20.03.2021.</p> <p>(b) Nomination and Remuneration Committee during the period from 08.09.2020 to 31.03.2021.</p> <p>(c) Risk Management Committee during the period from 08.09.2020 till 12.01.2021</p>	<p><i>The Company did not have an Audit Committee and Stakeholders Relationship Committee during the period from 08.09.2020 to 20.03.2021 and Risk Management Committee from 08.09.2020 to 12.01.2021. The Company has no Nomination &amp; Remuneration Committee during the period from 08.09.2020 to 31.03.2021 due to non-appointment of IDs by President of India acting through Ministry of Power (MoP).</i></p> <p>As informed by the management, the matter regarding appointment of IDs is being regularly pursued with Ministry of Power but no IDs have been appointed on the Board of NHPC Limited. Pending appointment of IDs, the Board of Directors through Circular Resolution dated 13.01.2021 has reconstituted Risk Management Committee. The Board of Directors in its meeting held on 21.03.2021 has also reconstituted its other Mandatory Committees except Nomination and Remuneration Committee with existing Non-Independent Directors for substantial compliance of SEBI LODR and Companies Act, 2013.</p>



4.	Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	No meeting of ID was held during the financial Year 2020-21 due to completion of tenure of Independent Directors on 07.09.2020.	<p><i>The IDs shall, meet at least once during the Financial Year 2020-21.</i></p> <p>The management has informed that since 08.09.2020, the company has no ID on its board due to completion of tenure of remaining twoIDs on 07.09.2020. Therefore, no meeting of IDs could be held during the Financial Year 2020-21.</p>
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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 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	National Stock Exchange of India Limited	Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for quarter ended 30 <sup>th</sup> June, 2020.	NSE vide their letter dated August 20, 2020 has imposed a fine of Rs. 5,36,900/- inclusive of GST.	The Company has submitted a response vide their letter dated 25.08.2020 and has requested NSE to waive off the penalty on the ground that the power to appoint Directors including Independent Directors and woman Director on the Board of Company vests with the President of India.



2	National Stock Exchange of India Limited	Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations for quarter ended 30 <sup>th</sup> September, 2020.	NSE vide their letter dated November, 17, 2020 has imposed a fine of Rs. 5,42,800/- inclusive of GST.	The Company has submitted a response vide their letter dated 19.11.2020 and has requested NSE to waive off the penalty on the ground that the power to appoint Directors including Independent Directors and woman Director on the Board of Company vests with the President of India.
3	BSE Limited	Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations for quarter ended 30 <sup>th</sup> September, 2020.	BSE vide their email dated November, 17, 2020 has imposed a fine of Rs. 5,42,800/- inclusive of GST.	The Company has submitted a response vide their letter dated 18.11.2020 and has requested BSE to waive off the penalty on the ground that the power to appoint Directors including Independent Directors and woman Director on the Board of Company vests with the President of India. The BSE vide its email dated 19 <sup>th</sup> April 2021 waived off the fines of Regulation 17(1) of the SEBI (LODR), 2015 for quarter ended 30 <sup>th</sup> September 2020.
4.	National Stock Exchange of India Limited	Regulation 17 (1), 17 (2A), 18, 19, 20 and 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations for quarter ended 31 <sup>st</sup> December, 2020.	NSE vide their letter dated February, 15, 2021 has imposed a fine of Rs. 8,62,000/- inclusive of GST.	The Company has submitted a response vide their letter dated 18.02.2021 and has requested NSE to waive off the penalty on the ground that the power to appoint Directors including Independent Directors and woman director on the Board of Company vests with the President of India.
5.	BSE Limited	Regulation 17(1), 17(2A), 20(2)/(2A) and 21(2) of the Securities and Exchange Board of India (Listing	BSE vide their email dated February, 15, 2021 has imposed	The Company has submitted a response vide their letter dated 18.02.2021 and has



		Obligations and Disclosure Requirements) Regulations for quarter ended 31 <sup>st</sup> December, 2020.	a fine of Rs. 7,08,000/- inclusive of GST.	requested BSE to waive off the penalty on the ground that the power to appoint Directors including Independent Directors and woman Director on the Board of Company vests with the President of India. The BSE vide its email dated 19 <sup>th</sup> April 2021 waived off the fines of Regulation 17(1), 17(2A), 20 of the SEBI (LODR), 2015 for the quarter ended 31 <sup>st</sup> December, 2020.
6	National Stock Exchange of India Limited	Regulation 17 (1), 17 (2A), 18, 19, 20 and 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations for quarter ended 31 <sup>st</sup> March, 2021.	NSE vide their letter dated May, 17, 2021 has imposed a fine of Rs. 12,20,120/- inclusive of GST.	The Company has submitted a response vide their letter dated 19.05.2021 and has requested NSE to waive off the penalty on the ground that the power to appoint Directors including Independent Directors and woman director on the Board of Company vests with the President of India.
7	BSE Limited	Regulation 17(1), 17(2A), 18(1), 19(1)/19(2) 20(2)/(2A) and 21(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations for quarter ended 31 <sup>st</sup> March, 2021.	BSE vide their email dated May, 17, 2021 has imposed a fine of Rs. 12,20,120/- inclusive of GST.	The Company has submitted a response vide their letter dated 19.05.2021 and has requested BSE to waive off the penalty on the ground that the power to appoint Directors including Independent Directors and woman Director on the Board of Company vests with the President of India.

(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	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the
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		report for the year ended on		listed entity
1.	In term of Regulation 17(1) (a) of the SEBI (LODR), 2015, The Board of Directors does not consist of a Women Director and Independent Women Director from 18 <sup>th</sup> November, 2019 to 31 <sup>st</sup> March, 2020 and the number of Non-executive Directors on the Board is less than fifty percent during the period from 18 <sup>th</sup> November, 2019 to 31 <sup>st</sup> March, 2020.	31.03.2020	As per Article 34 of the Articles of Association of the Company read with MCA notification dated 5 <sup>th</sup> June 2015, the power to appoint Directors (including independent Director) on the Board of the Company vests with President of India. Hence, the matter regarding appointment of independent Directors including Woman Director on the Board is being regularly pursued with the Administrative Ministry i.e. Ministry of Power.	As informed by the Company, Company has communicated to the Government of India from time to time.
2.	In term of Regulation 17(1)(b) of the SEBI (LODR), 2015. The number of Independent Directors on the Board is less than fifty percent.	31.03.2020	As per Article 34 of the Articles of Association of the Company read with MCA notification dated 5 <sup>th</sup> June 2015, the power to appoint Directors (including independent Director) on the Board of the Company vests with President of India. Hence, the matter regarding appointment of independent Directors including Woman Director on the Board is being regularly pursued with the Administrative Ministry i.e. Ministry of Power.	As informed by the Company, Company has communicated to the Government of India from time to time.
3.	In term of Regulation 25(4) of SEBI (LODR), 2015. The Independent Directors in their separate meeting has not:	31.03.2020	The Company has informed that Independent Directors in their separate meeting held on 06.06.2019 noted the requirements of Regulation 25 (4) of SEBI	The Independent Directors shall, in their separate meeting review the performance of non-independent directors and the board of directors as a whole





	<p>(a) reviewed the performance of non-independent directors and the board of directors as a whole;</p> <p>(b) reviewed the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors.</p>		<p>LODR. The independent directors after discussion were of view that the performance of non-independent directors including chairman and Managing Director is being evaluated by Administrative Ministry i.e. Ministry of Power. Hence, it was decided by the Independent Directors in the said meeting that it need not to be carried out by them.</p>	<p>and also review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors</p>
4.	<p>The Nomination and Remuneration Committee has not formulated the criteria for determining qualifications, positive attributes and independence of a director.</p>	31.03.2020	<p>As per Articles of Association of the Company, the power to appoint Directors including independent Directors on the Board of the Company vests with the President of India. Accordingly, the criteria for determining qualifications, positive attributes and independence of a director are decided by the Govt. of India.</p>	<p>The Nomination Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director.</p>
5.	<p>Regulation 23 (2) of SEBI (LODR), 2015. An agreement between NHPC Limited and LTHPL was executed on 14.01.2020 for consultancy services and the transaction was got approved by the Audit Committee ex-post facto in its 125<sup>th</sup> meeting held on 07.02.2020.</p>	31.03.2020	<p>The management has informed that after taking over of LTHPL by NHPC through CIRP process, immediate works were to be taken up and the agreement for consultancy services was entered with LTHPL in the interest of the Project. Accordingly, ex-post facto approval was taken from the Audit Committee in its 125<sup>th</sup> meeting held on 07.02.2020.</p>	Noted



(e) As informed by the management, The Joint Statutory Auditors of the Company are being appointed by the Office of the C&AG, New Delhi. Accordingly, Company could not modify their terms of appointment as their terms of appointment are fixed by C&AG. Since, terms of appointment were fixed by the C&AG, compliance by listed entity with 6(A) and 6(B) of SEBI circular number CIR/CFD/CMD1/114/2019 dated August 07, 2020 is not applicable. Accordingly, we can't certify said compliance.

For Agarwal S. & Associates,  
Company Secretaries,  
ICSI Unique Code: P2003DE049100  
Peer Review Cert. No.: 626/2019



Signature: \_\_\_\_\_

Name of the Practicing Company Secretary: CS Sachin Agarwal  
FCS No.:5774  
C P No.: 5910

Place: New Delhi  
Date: 25.06.2021  
UDIN:F005774C000511807

This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for expression of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations/comments/ weaknesses already pointed out by the other Auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations, happening of events, etc. and relied upon.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.
6. The Secretarial Compliance Report is to be read along with Secretarial Audit Report of the corresponding period.
7. The Secretarial Compliance Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
8. The prevailing circumstances in the Country on account of Lockdown/ restrictions on movements and COVID-19 have impacted physical verification of the records/ documents of the Company.

For Agarwal S. & Associates,  
Company Secretaries,  
ICSI Unique Code: P2003DE049100  
Peer Review Cert. No.: 626/2019



A handwritten signature in black ink, appearing to read "Sachin Agarwal".

Signature: \_\_\_\_\_

Name of the Practicing Company Secretary: CS Sachin Agarwal  
FCS No.:5774, C P No.: 5910

Place: New Delhi  
Date: 25.06.2021