



एक कदम स्वच्छता की ओर



एनएचपीसी लिमिटेड

(भारत सरकार का उद्यम)

**NHPC Limited**

(A Government of India Enterprise)

फोन/Phone : \_\_\_\_\_

दिनांक/Date : \_\_\_\_\_

संदर्भ सं./Ref. No. \_\_\_\_\_

**NH/CS/199**

**Dated: 26.06.2020**

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

**Sub: Annual Secretarial Compliance Report for the year ended March 31, 2020**

**विषय: 31 मार्च, 2020 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 read with SEBI circular no. CIR/CFD/CMD1/27/2019 dated February 8, 2019, please find enclosed herewith Annual Secretarial Compliance Report for the year ended March 31, 2020 issued by Secretarial Auditor of the Company i.e. M/s Agarwal S. & Associates, Company Secretaries.

धन्यवाद,

संलग्न: उपरोक्त अनुसार

भवदीय,  
  
(विजय गुप्ता)  
कंपनी सचिव  
26/06/2020

पंजीकृत कार्यालय : एन एच पी सी ऑफिस कॉम्प्लैक्स, सेक्टर-33, फरीदाबाद - 121003, हरियाणा

Regd. Office : NHPC Office Complex, Sector-33, Faridabad - 121 003, Haryana

CIN : L40101HR1975GOI032564; Website : www.nhpcindia.com; E-mail :

webmaster@nhpc.nic.in; Fax : 0129-2277941; EPABX No. : 0129-2588110/2588500



**SECRETARIAL COMPLIANCE REPORT**  
**OF**  
**NHPC LIMITED**  
**For the year ended 31<sup>st</sup> March, 2020**

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, 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) 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;

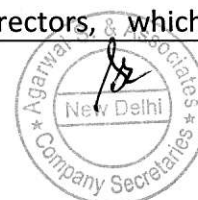


- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) 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 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.	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 period from 18 <sup>th</sup> November, 2019 to 31 <sup>st</sup> March, 2020.  As informed by the management, the power to appoint Directors including Independent Directors 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 Independent Directors on the Board is less than fifty percent.	The Board of Directors of the Company is headed by an Executive Chairman. Accordingly, the number of Independent Directors should have been at least 50% of the Board Members.  As on 31.03.2020, the Board of Company comprises of 8 Directors, which includes 5



			<p>Whole Time Directors including CMD, 1 Part Time Government Nominee Director and 2 Non-Official Part Time Independent Directors.</p> <p>As informed by the management, the power to appoint Directors including Independent Directors 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 25(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	<p>The Independent Directors in their separate meeting has not:</p> <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>The Independent Directors shall, in their separate meeting review the performance of non-independent directors and the board of directors as a whole 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> <p>Further, the management has informed that Independent Directors in their separate meeting held in June, 2019 noted the requirements of Regulation 25(4) of SEBI (LODR). The Independent Directors after discussions were of the 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>
4.	Regulation 19 (4) read with Schedule II Part D (A) of the	The Nomination and Remuneration Committee	The Nomination Committee shall formulate the criteria for



	Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015.	has not formulated the criteria for determining qualifications, positive attributes and independence of a director.	determining qualifications, positive attributes and independence of a director.  The management has informed that as per Articles of Association of the Company, the power to appoint Directors including Independent Directors vests with the President of India.
5.	Regulation 23 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 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.	The Company shall obtain the prior approval of the Audit Committee for execution of agreement between NHPC Limited and Lanco Teesta Hydro Power Limited (LTHPL) for providing consultancy services to LTHPL.  The management has informed that after taking over of LTHPL by NHPC through CIRP process, the immediate works are to be taken over and the agreement for consultancy services was entered into 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.

(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	Regulation 17 (1) of the	NSE vide their	The Company has



	Exchange Limited	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for quarter ended 30 <sup>th</sup> June, 2019.	letter dated August 19, 2019 has imposed a fine of Rs. 5,36,900/- inclusive of GST.	submitted a response vide their letter dated 23.08.2019 and has requested the Stock Exchanges to waive off the penalty on the grounds that the power to appoint Directors including Independent Directors on the Board of Company vests with the President of India.
2	BSE 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, 2019.	BSE vide their letter dated August 19, 2019 has imposed a fine of Rs. 5,36,900/- inclusive of GST.	
3	National Stock Exchange 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, 2019.	NSE vide their letter dated November, 01, 2019 has imposed a fine of Rs. 5,42,800/- inclusive of GST.	The Company has submitted a response vide their letter dated 05.11.2019 and has requested the Stock Exchanges to waive off the penalty on the grounds that the power to appoint Directors including Independent Directors on the Board of Company vests with the President of India.
4	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, 2019.	BSE vide their letter dated October, 31, 2019 has imposed a fine of Rs. 5,42,800/- inclusive of GST.	
5.	National Stock Exchange Limited	Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations for quarter ended 31 <sup>st</sup> December, 2019.	NSE vide their letter dated February, 03, 2020 has imposed a fine of Rs. 5,42,800/- inclusive of GST.	The Company has submitted a response vide their letter dated 04.02.2020 and has requested the NSE to waive off the penalty on the grounds that the power to appoint Directors including Independent Directors on the Board of Company vests with the President of India.
6.	BSE Limited	Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations for quarter ended 31 <sup>st</sup>	BSE vide their letter dated February, 03, 2020 has imposed a fine of Rs. 5,42,800/-	The Company has submitted a response vide their letter dated 05.02.2020 and has requested the BSE to waive off the penalty on

		December, 2019.	inclusive of GST.	the grounds that the power to appoint Directors including Independent Directors on the Board of Company vests with the President of India.
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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 on	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	In term of Regulation 17(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the number of Independent Directors on the Board was less than fifty percent during the period 05.07.2018 to 17.07.2018 and 05.11.2018 to 31.03.2019.	31.03.2019	The Independent Directors on the Board of the Company, are appointed by the President of India. 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(10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance	31.03.2019	The agenda regarding performance evaluation of Independent Directors for FY 2017-18 was placed before the Board in March, 2019 which was deferred due to paucity of time. However, the Board in its subsequent meeting held in May, 2019 has carried	Complied during the year.



	evaluation of independent directors has not been done by the entire Board of Directors.		out performance evaluation of Independent Directors of the Company. The performance evaluation of Independent Directors for FY 2018- 19 was also reviewed by the Board in its meeting held in March, 2020.	
3.	The Independent Directors in their separate meeting held on 27.09.2018 has not: (a) reviewed the performance of non-independent directors and the board of directors as a whole; (b) reviewed the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors.	31.03.2019	Independent Directors in their separate meeting held in June, 2019 noted the requirements of Regulation 25(4) of SEBI (LODR). The Independent Directors after discussions were of the 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.	The Independent Directors shall, in their separate meeting review the performance of non-independent directors and the board of directors as a whole and also review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors.
4.	The Nomination and Remuneration Committee has not formulated the criteria for determining qualifications, positive attributes and independence of a director.	31.03.2019	The management has informed that as per Articles of Association of the Company, the power to appoint Directors including Independent Directors vests with the President of India.	The Nomination Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director.
5.	Delay in furnishing	31.03.2019	Request for waiver of fine	Nil





<p>the prior intimation about the meeting of Board of Directors held on March 15, 2019 to consider the proposal of raising the funds.</p>		<p>was forwarded to both Stock Exchanges i.e. NSE and BSE. NSE vide letter dated 07.01.2020 has waived off the fine levied on the Company. However, reply from BSE on above waiver request is still awaited.</p>	
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(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 October 18, 2019 is not applicable. Accordingly, we can't certify said compliance.

For Agarwal S. & Associates,  
 Company Secretaries,  
 ICSI Unique Code: P2003DE049100



*(Handwritten Signature)*

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

Name of the Practicing Company Secretary: CS Sachin Agarwal

FCS No.: 5774

C P No.: 5910

Place: New Delhi

Date: 24.06.2020

UDIN: F005774B000374771