



**Secretarial Compliance Report of  
MMTC Limited (CIN: L51909DL1963GOI004033)  
for the year ended 31<sup>st</sup> March 2023**

(Pursuant to the Regulation 24A of the SEBI LODR) Regulation, 2015 read with  
(Second Amendment) Regulations, 2021 w.e.f. 05/05/2021 and  
Circular No. CIR/CFD/CMD1/27/2019 Dated 8<sup>th</sup> February; 2019 issued by SEBI)

To,  
**MMTC Limited**  
**Core-1 Scope Complex, 7 Institutional Area,**  
**Lodhi Road, New Delhi-110003.**

We, VAP & Associates have examined:

- all the documents and records made available to us and explanation provided by **MMTC Limited** ("the listed entity"),
- the filings/ submissions made by the listed entity to the stock exchanges,
- 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 31<sup>st</sup> March, 2023 ("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 there under, have been examined, include:

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Amendments thereof;
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations 2018, to the extent applicable;
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendment thereof;
- Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 and amendment thereof (**No such event during Audit Period**);
- Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**No such event during Audit Period**);
- Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and amendment thereof (**No such event during Audit Period**);
- Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities ) Regulations, 2021 (**No such event during Audit Period**);
- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendment thereof;
- Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**No such event during Audit Period**);
- The Depositories Act, 1996 and the Regulations and Bye Laws framed there under to the extent of Regulation 76 of the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;
- Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulation, 1993 regarding the Companies Act, 2013 and dealing with the client to the extent of securities issued.

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 (Advisory/Clarification/Fine/ Show Cause Notice/ Warning, etc)	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1	SEBI (LODR) Regulations, 2015	Regulation 17(1)(a) and 17(1)(b)	(i) Fifty percent of the Board did not comprise of Non Executive Directors from 10.01.2023 to 31.03.2023. (ii) there was no Independent Woman Director on the Board from 21.01.2023 till 31.03.2023. (iii) Half of the Board did not comprise of Independent Directors from 01.04.2022 till 31.03.2023.	BSE and NSE	NSE and BSE have Levied monetary fine(s)	Non-compliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the Quarter ended 31.03.2022 and 30.06.2022.	Rs.. 531,000/- each by BSE and NSE for Quarter ended 31.03.20222 and Rs. 5,36,900/- each by BSE and NSE for Quarter ended 30.06.2022.	The composition of the Board was not in compliance with the provisions under Regulation 17(1)(a) and 17(1)(b) of the SEBI (LODR) Regulations, 2015.	In accordance with the provisions of Articles of Association of MMTC Ltd. and the Company being a Central PSU, all the Directors on the Board of the company are appointed by the President of India through the administrative Ministry i.e. Ministry of Commerce & Industry, Govt of India. The matter regarding filling up the vacant positions of Independent Directors has been taken up with Department of Commerce, MOC&I. It is being pursued with the administrative Ministry regularly.	As per the information and explanation provided by the management, the Company has made waiver request to NSE and BSE.
2	SEBI (LODR) Regulations, 2015	Regulation 17 (10)	The Company has not carried out the performance evaluation of the independent directors.	-	-	-	-	The Company has not carried out the performance evaluation of the independent directors.	MMTC is a Public Sector Undertaking and the appointment of Directors, both Executive and Non-Executive are made by the Government of India. Therefore, the Company has not laid down any criteria for performance evaluation of the Independent Directors and the Board	

3	SEBI (LODR) Regulations, 2015	Regulation 18(1)(a), 18(1)(b), 18(2)(a) and 18(2)(b)	<p>(i) The Audit Committee (AC) did not comprise of Three Members from 10.01.2023 to 21.03.2023.</p> <p>(ii) Two-thirds of the members of AC did not comprise of independent directors from 21.01.2023 till 31.03.2023.</p> <p>(iii) Time gap between AC Meetings dated 14.11.2022 and 28.03.2023 is exceeding one hundred and twenty days.</p> <p>(iv) Due to absence of Independent Directors on the Board, quorum was not proper in 131st AC Meeting.</p>	-	-	-	-	The composition of the AC was not in compliance with the provisions under Regulation 18(1)(a) and 18(1)(b). Time gap and quorum of AC meetings was not in compliance with 18(2)(a) and 18(2)(b) of the SEBI (LODR) Regulations, 2015.	The Company is under administrative control of Ministry of Commerce & Industry, Government of India ('Administrative Ministry') and Directors are appointed by the Government of India. The Company has referred the matter to the Administrative Ministry for appointment of requisite number of Independent Directors.	-
4	SEBI (LODR) Regulations, 2015	Regulation 19(1)(a), 19(1)(b) and 19(1)(c)	<p>(i) The Nomination and Remuneration Committee (NRC) did not comprise of Three Members from 10.01.2023 to 21.03.2023.</p> <p>(ii) The Committee did not comprise of all Non Executive Directors from 22.03.2023 to 31.03.2023.</p> <p>(i) Two-thirds of the members of NRC did not comprise of independent directors from 21.01.2023 till 31.03.2023.</p>	-	-	-	-	The composition of the NRC was not in compliance with the provisions under Regulation 19(1)(a), 19(1)(b) and 19(1)(c) of the SEBI (LODR) Regulations, 2015.	The Company is under administrative control of Ministry of Commerce & Industry, Government of India ('Administrative Ministry') and Directors are appointed by the Government of India. The Company has referred the matter to the Administrative Ministry for appointment of requisite number of Independent Directors.	-

5	SEBI (LODR) Regulations, 2015	Regulation 21(2) and 21(3C)	(i) Two third Members of the Risk Management Committee (RMC) did not comprise independent directors (ii) Time gap between RMC Meetings dated 20.09.2022 and 28.03.2023 is exceeding one hundred and eighty days.	-	-	-	-	The composition of the RMC was not in compliance with the provisions under Regulation 21(2) and Time gap between RMC Meetings RMC was not in compliance with the provisions under Regulation 21(3C) of the SEBI (LODR) Regulations, 2015.	The Company is under administrative control of Ministry of Commerce & Industry, Government of India ('Administrative Ministry') and Directors are appointed by the Government of India. The Company has referred the matter to the Administrative Ministry for appointment of requisite number of Independent Directors. Further, As CMD as holding additional charge from Administrative Ministry, so meeting could not be held within the stipulate time due to his preoccupation in other job assignments.	-
6	SEBI (LODR) Regulations, 2015	Regulation 33(3)(a)	Financial Results for the quarter ended 31.03.2022 and 30.06.2022 were submitted on 08.07.2022 and 30.08.2022 respectively.	NSE and BSE	Levied monetary fine(s) for noncompliance of Regulation 33 of SEBI (LODR) Regulations, 2015 for the Quarter ended 30.06.2022.	Regulation 33	Levied monetary fine(s) of Rs. 82,600/- each by BSE and NSE for non compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 for the Quarter ended 30.06.2022.	There was delay in submission of financial Results as per Regulation 33(3)(a) of the Regulations.	The delay in submission of unaudited results for the quarter specified and also the annual audited results for 2021-22 was caused due to various issues like strategic divestment of equity investment held by MMTC in Neelachal Ispat Nigam Limited (NINL), long pending Anglo Coal legal dispute, etc which had major impact on the financials of the company. The company had made waiver requests to Stock Exchanges in this regard.	As per the information and explanation provided by the management, the Company has made waiver request to NSE and BSE with regard to Regn 33 of SEBI(LODR) Regulations, 2015.
7	SEBI (LODR) Regulations, 2015	Regulation 33(3)(d))	Financial Results for the financial year 2021-22 were submitted on 08.07.2022.	NSE and BSE			There was delay in submission of financial Results as per Regulation 33(3)(d) of the Regulations			

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action (Advisory/Clarification/Fine/ Show Cause Notice/ Warning, etc)	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	SEBI (LODR) Regulations, 2015	Regulation 17(1)(b)	Half of the Board of Directors does not comprise of Independent Directors.	BSE and NSE	NSE & BSE have Levied monetary fine(s) for noncompliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the Quarter ended 31.03.2021, 30.06.2021, and 30.09.2021 and 31.12.2021.	Regulation 17(1)	Levied monetary fine(s) for noncompliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the Quarter ended 31.03.2021, 30.06.2021, and 30.09.2021 and 31.12.2021.	The composition of the Board is not in compliance with the provisions under Regulation 17(1)(b) of the SEBI (LODR) Regulations, 2015.  The Company is under administrative control of Ministry of Commerce & Industry, Government of India ('Administrative Ministry') and Directors are appointed by the Government of India. The Company has referred the matter to the Administrative Ministry for appointment of requisite number of Independent Directors.	The Company is under administrative control of Ministry of Commerce & Industry, Government of India ('Administrative Ministry') and Directors are appointed by the Government of India. The Company has referred the matter to the Administrative Ministry for appointment of requisite number of Independent Directors.	The Company has made waiver requests to NSE and BSE mentioning that MMTC being the Central PSU, the Board members of the company are appointed by the President of India, i.e. Ministry of Commerce & Industry.  The company has also made waiver request to NSE and BSE with regard to Regn 33 of SEBI(LODR) Regulations, 2015.
3.	SEBI (LODR) Regulations, 2015	Regulation 21(3C)	Time gap between Risk Management Committee Meetings dated 31.03.2021 and 24.03.2022 is exceeding one hundred and eighty days.	-	-	-	-	Time gap between Risk Management Committee Meetings dated 31.03.2021 and 24.03.2022 is exceeding one hundred and eighty days as per Regulation 21(3C) of the Regulations.	The Company is under administrative control of Ministry of Commerce & Industry, Government of India ('Administrative Ministry') and Directors are appointed by the Government of India. The Company has referred the matter to the Administrative Ministry for appointment of	-

									requisite number of Independent Directors.	
4.	SEBI (LODR) Regulations, 2015	Regulation 33(3)(a)	Financial Results for the quarter ended 31.03.2021, 30.06.2021, 30.09.2021 and 31.12.2021 were submitted on 27.10.2021, 23.03.2022, 22.04.2022 and 05.05.2022 respectively.	NSE and BSE	Levied monetary fine(s) for noncompliance of Regulation 33 of SEBI (LODR) Regulations, 2015 for the Quarter ended 31.03.2021, 30.06.2021, and 30.09.2021 and 31.12.2021.	Regulation 33	Levied monetary fine(s) for noncompliance of Regulation 33 of SEBI (LODR) Regulations, 2015 for the Quarter ended 31.03.2021, 30.06.2021, and 30.09.2021 and 31.12.2021.	There was delay in submission of financial Results as per Regulation 33(3)(a) of the Regulations. As informed by the management, the company had made waiver request to SEBI/Stock Exchanges.	The Company is under administrative control of Ministry of Commerce & Industry, Government of India ('Administrative Ministry') and Directors are appointed by the Government of India. The Company has referred the matter to the Administrative Ministry for appointment of requisite number of Independent Directors.	NSE vide its letter no. NSE/LIST/SOP/0697 dated 21.09.2022 has waived of fine imposed under Regulation 18(1) and 19 (1)/19(2) for the quarter ended December 31, 2020 to March 31, 2022. However, waiver of fine from BSE is awaited.
5	SEBI (LODR) Regulations, 2015	Regulation 33(3)(d))	Financial Results for the financial year 2020-21 were submitted on 27.10.2021.	-	-	-	-	There was delay in submission of financial Results as per Regulation 33(3)(d) of the Regulations. As informed by the management, the company had made waiver request to SEBI/Stock Exchanges.	The Company being a Public Sector Undertaking, the criteria of appointment, qualification and terms and conditions of remuneration of Functional Directors is determined as per DPE Guidelines.	.

In Addition to the abovementioned circular the following affirmations are being provided hereunder:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations/ Remarks by PCS*
1.	<u>Secretarial Standards:</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)	Yes	--
2.	<u>Adoption and timely updation of the Policies:</u> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/guidelines issued by SEBI	Yes Yes	--
3.	<u>Maintenance and disclosures on Website:</u> • The Listed entity is maintaining a functional website Timely dissemination of the documents/ information under a separate section on the website • 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	Yes Yes Yes	--
4.	<u>Disqualification of Director:</u> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	As per MCA, Sub-section (2) of Section 164 shall not apply in case of Government company .
5.	<u>To examine details related to Subsidiaries of listed entities:</u> (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries	NA Yes	As per the information provided by the Company, there was no material subsidiary of the Company during the F. Y. 2022-23
6.	<u>Preservation of Documents:</u> 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.	Yes	--
7.	<u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	No	As per the information and explanation provided by the Company, MMTC is a Public Sector Undertaking (Government Company) and the appointment of Directors, both Executive and Non-Executive are made by the Government of India. Therefore, the Company has not laid down any criteria for performance evaluation of the Independent Directors and the Board.

8.	<u>Related Party Transactions:</u> The listed entity has obtained prior approval of Audit Committee for all Related party transactions In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee	Yes NA	Since, all Related party transactions were entered after obtaining prior approval of audit committee point (b) is not applicable
9.	<u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	--
10.	<u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	--
11.	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	NSE and BSE have Levied monetary fine(s) for Non-compliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the Quarter ended 31.03.2022 and 30.06.2022.	The Stock Exchanges has sent notices regarding imposition of Fine and the Company has sent letter to Stock Exchanges for waiver of Fine.
12.	<u>Additional Non-compliances, if any:</u> No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	None	--

For **VAP & Associates**  
**Company Secretaries**  
**FRN: S2014UP280200**

**Parul Jain**  
**Proprietor**  
**M. No. F8323**  
**CP No. 13901**  
**UDIN: F008323E000416071**

**Place: Ghaziabad**  
**Date: 29.05.2023**