



MDN/CS/COMPLIANCE/2024-25

May 23, 2024

BSE Limited,
P.J. Towers, Dalal Street
Mumbai- 400001

National Stock Exchange of India Limited,
Exchange Plaza, C-1, G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai - 400051

Scrip Code: 541195

Trading Symbol: MIDHANI

Sub: Annual Secretarial Compliance Report for the year ended on March 31, 2024 - Regulation 24 (A)(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("SEBI LODR")

Dear Sir/Madam,

In terms of Regulation 24A(2) of the SEBI LODR, please find enclosed Annual Secretarial Compliance Report of Mishra Dhatu Nigam Limited for the financial year ended on March 31, 2024.

This is for your information and records.

Thanking you

Yours faithfully,



For Mishra Dhatu Nigam Limited

Paul Antony

Company Secretary & Compliance officer

e-mail: company.secretary@midhani-india.in

Encl: As above

मिश्र धातु निगम लिमिटेड MISHRA DHATU NIGAM LIMITED

(भारत सरकार का उद्यम) (A Govt. of India Enterprise)

पंजीकृत कार्यालय: पी.ओ. कंचनबाग, हैदराबाद, तेलंगाना -500058 Registered Office: P.O. Kanchanbagh, Hyderabad, Telangana-500058

फोन Telephone: 040-24184000, फैक्स Fax: 040-24340039

निगमित पहचान सं. CIN: L14292TG1973GOI001660

वेबसाइट Website: www.midhani-india.in

**SECRETARIAL COMPLIANCE REPORT OF
MISHRA DHATU NIGAM 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, Vijaynagar Colony, Hyderabad-500057, Telangana have examined:

- All the documents and records made available to us and explanations provided by **MISHRA DHATU NIGAM 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 report.

for the financial year ended on March 31, 2024 ("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 thereunder, have been examined, include:-

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the listed entity during the review period);**
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- Securities and Exchange Board of India (Buy back 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; **(Not Applicable to the listed entity during the review period);**
- (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 of 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 31.12.2023	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 6 (Six) Directors on its Board as on 31.03.2024 including 3 (Three) Executive and 2 (Two) Independent Directors and 1 (One) Nominee Director. The Listed Entity is yet to appoint 2 (Two) Independent Directors.	The listed entity being a Govt. Company under Administrative Control of Ministry of Defence has no role in appointment of Directors on the Board of listed entity. As per Articles of Association of the listed entity, the Authority of appointment of Directors on the Board vests with The President of India acting through the Administrative Ministry i.e. Ministry of Defence. MIDHANI has not paid any penalty to BSE or NSE for non-compliances and have submitted fine waiver request to BSE & NSE in line with SEBI's Policy for exemption of fines levied as per the provisions of SEBI SOP Circular.	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.	The listed entity being a Govt. Company under Administrative Control of Ministry of Defence has no role in appointment of Directors on the Board of listed entity. As per Articles of Association of the listed entity, the Authority of appointment of Directors on the Board vests with The President of India acting through the Administrative Ministry. The listed	The listed entity being a Govt. Company under Administrative Control of Ministry of Defence has no role in appointment of Directors on the Board of listed entity. As per Articles of Association of the listed entity, the Authority of appointment of Directors on the Board vests with The President of India acting through the Administrative Ministry. The listed	17(1)(a) & 17(1)(b)	The Company has been non-compliant with Regulation 17(1)(b) of SEBI LODR throughout FY 2022- 23. Stock Exchanges i.e., BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) have levied penalties for FY 2022-23 a Cumulative fine of Rs. 35,11,680/- (all inclusive) has been levied.	MIDHANI, being a Govt. Company under Administrative Control of Ministry, the Company had submitted a fine waiver request to Stock Exchange(s) stating that the Company is a Defence Public Sector Unit (DPSU) under the administrative control of Ministry of Defence, Department of Defence Production, Government of India. Since, MIDHANI is a DPSU the appointments of Directors on the Board are taken care by Ministry of Defence (MoD) Department of Defence Production, it has no role in recommendation/appointment of Director on the Board.	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 administrative control of Ministry of Defence, Department of Defence Production, Government of India.



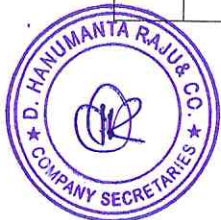
Sr. No	Observations/ Remarks of the Practicing Company Secretary	Observations made in the secretarial compliance report for the year ended March 31, 2023	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Details of Violation/Deviations and actions taken/penalty imposed, 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
	<p>entity has submitted fine waiver request as per SEBI's Policy for exemption of fines levied as per the provisions of SEBI SOP Circular. The listed entity has also submitted a waiver request to BSE and NSE as per NSE's Circular NSE/CML/51846 dated March 31, 2022. The waiver request is still pending with NSE & BSE and Company has not paid any fine(s) to either of the Stock Exchange(s).</p>	<p>entity has submitted fine waiver request as per SEBI's Policy for exemption of fines levied as per the provisions of SEBI SOP Circular. The listed entity has also submitted a waiver request to BSE and NSE as per NSE's Circular NSE/CML/51846 dated March 31, 2022. The waiver request is still pending with NSE & BSE and Company has not paid any fine(s) to either of the Stock Exchange(s).</p>			<p>The listed entity also informed this matter to the Administrative Ministry i.e., Ministry of Defence, well in advance for the appointment of requisite Independent Director on the Board of the Company through various correspondences. The process of appointment of Directors by MoD is followed by multi-level approvals and the listed entity has no role apart from timely intimation to MoD regarding vacancies. As the listed entity is not responsible for appointment of directors, it has requested for the waiver of the penalty imposed by both the Stock Exchange(s). Accordingly, the said matter was placed before the respective</p>	



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
					<p>committees of the Stock Exchange(s). BSE Limited has waived off penalties levied for quarter ended on September 2020 and December 2020.</p> <p>Furthermore, MIDHANI submitted a fine waiver request to BSE & NSE in line with NSE's Circular bearing Ref No. NSE/CML/51846 dated 31.03.2022. NSE vide its letter Ref. NSE/LIST/SOP/1054 dated October 16, 2023 favorably considered fine waiver request for delay in compliance under Regulation 17(2)/(2A), 18(1), 19(1)/(2), 20(2)/(2A) and 21(2).</p> <p>However, MIDHANI is yet to receive response on fine waiver for Regulation 17(1)(a) and 17(1)(b) from NSE and BSE.MIDHANI will</p>	



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
					continue to be non-compliant with Regulation 17(1)(b) till such time vacancies of two (2) Independent Directors on the Board are duly filled in by Administrative Ministry.	
2.	The Nomination & Remuneration Committee (NRC) was suspended by the Board w.e.f. November 11, 2020. The Committee was suspended due to absence/vacant positions of Independent Directors. Administrative Ministry i.e., Ministry of Defence have appointed two (2) Independent	The Nomination & Remuneration Committee (NRC) was suspended by the Board w.e.f. November 11, 2020. The Committee was suspended due to absence/vacant positions of Independent Directors. Administrative Ministry i.e., Ministry of Defence have appointed two (2) Independent Directors	19	Administrative Ministry, appointed Smt. V.T. Rema as Woman Independent Director on the Board of MIDHANI w.e.f. April 5, 2022 Consequent to her appointment, listed entity had appropriate no. Of Independent Director and non-executive	The Nomination & Remuneration Committee (NRC) was suspended by the Board w.e.f. November 11, 2020. The Committee was suspended due to absence/vacant positions of Independent Directors. The Committee continued to remain suspended as only two (2) Independent Directors i.e., Shri Valluri Chakrapani (DIN: 00867270) and Smt. V.T. Rema (DIN: 09561611) were appointed by Administrative Ministry on December 24, 2021 and April 5, 2022 respectively, and two (2) more posts continued to remain vacant.	The non-compliance has been made good by the listed entity w.e.f 27.07.2022 subsequent to the appointment of two Independent Directors.



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
	<p>Directors i.e., Shri Valluri Chakrapani (DIN: 00867270) and Smt. V.T. Rema (DIN: 09561611) on December 24, 2021 and April 5, 2022 respectively on the Board. Consequent, upon appointment of Smt. V.T. Rema, Board of listed entity comprised of two (2) Executive Directors; two (2) Independent Directors; and one (1) Govt. Nominee Director which was appropriate to constitute a Nomination and Remuneration Committee in line with Regulation 19 of</p>	<p>i.e., Shri Valluri Chakrapani (DIN: 00867270) and Smt. V.T. Rema (DIN: 09561611) on December 24, 2021 and April 5, 2022 respectively on the Board. Consequent, upon appointment of Smt. V.T. Rema, Board of listed entity comprised of two (2) Executive Directors; two (2) Independent Directors; and one (1) Govt. Nominee Director which was appropriate to constitute a Nomination and Remuneration</p>		<p>Directors to constitute NRC. However, listed entity did not constitute NRC till July 26, 2022.</p>	<p>However, in view of penalties imposed by the exchanges, and based on request by the Board Members, the Government Nominee Director being a Non-Executive Director agreed to be part of only NRC Committee till such time as one more Independent Director is appointed on Board. He was accordingly inducted as member of NRC at the Board Meeting held on July 27, 2022. MIDHANI has thus w.e.f. July 27, 2022 complied with the provisions of pertaining to constitution of NRC. Furthermore, NSE vide its letter Ref. NSE/LIST/SOP/1054 dated October 16, 2023 favorably considered fine waiver request for delay in compliance under</p>	



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
	SEBI Listing Regulations. However, listed entity constituted NRC w.e.f. July 27, 2022 in line with Regulation 19 of SEBI Listing Regulations.	Committee in line with Regulation 19 of SEBI Listing Regulations. However, listed entity constituted NRC w.e.f. July 27, 2022 in line with Regulation 19 of SEBI Listing Regulations.			Regulation 19(1)/(2). Response from BSE is awaited.	



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 byPCS
1.	<p>SecretarialStandards:</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>Adoption and timely updation of the Policies:</p> <ul style="list-style-type: none"> 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 have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI. 	Yes	NIL
3.	<p>Maintenance and disclosures on Website:</p> <ul style="list-style-type: none"> 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	NIL
4.	<p>Disqualification of Director(s):</p> <p>None of the Director(s) of the listed entity is/are disqualified under Section 164 of Companies Act, 2013 as confirmed bythe listed entity.</p>	Yes	NIL



5.	<p>Details related to Subsidiaries of listed entities have been examined w.r.t.:</p> <p>(a) Identification of material subsidiary companies.</p> <p>(b) Disclosure requirement of material as well as other subsidiaries.</p>	Not Applicable	Provisions with regard to material subsidiaries are not applicable to the company.
6.	<p>Preservation of Documents:</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>	Yes	NIL
7.	<p>Performance Evaluation:</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>	Not Applicable	<p>The Directors of the Listed Entity are appointed by Ministry of Defence, Government of India. Further Ministry of Corporate Affairs vide its notification dated 5th June, 2015 stated that Government Company are exempted from the compliance of provisions of Section 134(3)(p) of the Companies Act, 2013.</p>



8.	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; (b) 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 Not Applicable	NIL There are no such transactions.
9.	Disclosure of events or information: 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	NIL
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	NIL
11.	Actions taken by SEBI or Stock Exchange(s), if any: The actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges are specified in the last column.	Yes	Mentioned in table (a) above
12.	Resignation of Statutory Auditors from the listed entity or its material subsidiaries: 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
13.	Additional Non-compliances, if any: 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: 22.05.2024**



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

D. Hanumanta Raju

**CS DATLA HANUMANTA RAJU
PARTNER**

**FCS: 4044, CP NO: 1709
UDIN: F004044F000425003
PR NO: 699/2020**