

एन एम डी सी



NMDC

# एन एम डी सी लिमिटेड NMDC Limited

(भारत सरकार का उद्यम) (A GOVT. OF INDIA ENTERPRISE)

पंजीकृत कार्यालय : 'खनिज भवन', 10-3-311/ए, कैसल हिल्स, मासाब टैंक, हैदराबाद - 500 028.  
Regd. Office : 'Khanij Bhavan' 10-3-311/A, Castle Hills, Masab Tank, Hyderabad - 500 028.

नैगम पहचान संख्या / Corporate Identity Number : L13100AP1958 GOI 001674

No. 18(1)/2019- Sectt

1<sup>st</sup> November 2019

1) The BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	2) National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
3) The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata - 700001	

Dear Sir/Madam,

**Sub: Postal Ballot Notice and Postal Ballot Form**

**Ref: Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; Security ID: NMDC**

In furtherance to our intimation dated 11<sup>th</sup> October 2019 and in terms of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of the Postal Ballot Notice and Postal Ballot Form.

The Postal Ballot Notice seeks approval of the Members by way of Special Resolutions through postal ballot for the following:

1. Amendment to 'Articles of Association' with regard to Borrowing Powers
2. Authorization to offer, issue and allot secured or unsecured Non Convertible Debentures (NCD's) or bonds on private placements aggregating Rs.5000 crores
3. Approval for creation of charge, mortgage or hypothecation on the assets of the Company in connection with borrowings

The Postal Ballot Notice is being sent to all the members, whose names appear on the Register of Members/list of beneficial owners, received from the Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) as on Friday the 25<sup>th</sup> October 2019.

The Company has engaged the services of NSDL to provide the facility of casting of votes by using electronic voting system ("e-voting"). The voting through physical postal ballot form and through e-voting shall commence from Monday, the 4<sup>th</sup> November 2019 at 10.00 a.m. IST and shall end on Tuesday, the 3<sup>rd</sup> December 2019 at 5.00 p.m. IST.

You are requested to please take a note of the same.

Thanking you

Yours faithfully,  
For NMDC Limited

  
A S Pardha Saradhi  
Company Secretary

Encl: A/a

## NMDC Limited

(A Govt. of India Enterprise)

(CIN:L13100TG1958GOI001674)

Regd. Office: Khanij Bhavan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad-500028, Telangana

Phone: (040) 23538757, Fax:(040) 23538759, E-mail: [cs@nmdc.co.in](mailto:cs@nmdc.co.in)

Website: [www.nmdc.co.in](http://www.nmdc.co.in)

### POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014

Dear Member,

Notice is hereby given, pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Management and Administration) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), that the resolutions appended below are proposed to be passed by the Members as Special Resolutions by way of postal ballot/electronic voting ("e-voting") by giving their assent/dissent.

Pursuant to Section 102 and 110 of the Companies Act, 2013, the Explanatory Statements setting out the material facts and reasons for the proposed resolutions are appended herewith and is being sent to you along with a Postal Ballot Form for your consideration.

The Board of Directors of the Company at its meeting held on 11th October, 2019 has appointed Shri D.Hanumantha Raju, Partner M/s.D.Hanumantha Raju & Co., Company Secretaries (Membership Number 4044/CP No. 1709) as the Scrutinizer ("Scrutinizer") for conducting the postal ballot and e-voting process in a fair and transparent manner.

Members have the option to vote either by Postal Ballot or through e-voting.

The results of the Postal Ballot will be declared at the Registered Office of the Company on 5th December, 2019. The date of declaration of Postal Ballot results will be taken as the date of the passing of the resolution contained in this notice, if approved by the requisite majority.

The result of the postal ballot along with Scrutinizer's report will be posted on the Company's website [www.nmdc.co.in](http://www.nmdc.co.in) and on website of NSDL - [www.evotingnsdl.com](http://www.evotingnsdl.com) and will be communicated to BSE Limited (BSE), the National Stock Exchange of India Limited (NSE) and the Calcutta Stock Exchange Limited where the equity shares of the company are listed.

By Order of the Board of Directors  
For NMDC Limited



**A.S.PARDHA SARADHI**  
GENERAL MANAGER &  
COMPANY SECRETARY

Place : Hyderabad

Dated : 11th October, 2019

## RESOLUTION FOR POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013)

### Special Business

- 1) To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

**Amendment to 'Articles of Association' with regard to Borrowing Powers:**

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013, the Articles of Association of the Company be and is hereby amended as follows:

- A. The existing Articles 39, 40 and 42 of the Articles of Association of the Company be amended as follows:

**39. Subject to the** provisions of the Act, these Articles and the extant guidelines/instructions, if any, of the Government of India in this regard, the directors shall have the power to pass a resolution at a meeting of the Board and not by circulation to raise or borrow or secure the payment of any sum or sums of monies for the purposes of the Company provided that the total amount borrowed at any time together with monies already borrowed by the Company (apart from temporary loans obtained from the company's bankers in the ordinary course of business) shall not, without the consent of the Company in General Meeting, exceed the aggregate of the paid up capital of the company and its free reserves, that is to say, reserves not set apart for any specific purpose.

40. The Directors may secure the repayment of such moneys in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual, or redeemable debentures or debenture stock or any mortgage, charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

42. **Subject to** the provisions of the Act and the extant guidelines/ instructions, if any, of the Government of India in this regard, any bonds, debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings and allotment of shares, Bonds, debentures, debenture stock or other securities with the right to allotment of or conversion into shares shall be issued only with the consent of the company in general meeting.

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the company be and are hereby severally authorized to take all necessary steps and do all necessary things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things as it may in its absolute discretion deem fit."

- 2) To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

**Authorization to offer, issue and allot secured or unsecured Non Convertible Debentures (NCD's) or bonds on private placements aggregating Rs.5000 crores.**

"RESOLVED THAT pursuant to the provisions of Section 42 and 71 of the Companies Act, 2013 ('the Act'), Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modifications or re-enactments thereof for the time being in force) and in accordance with the provisions of Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008, the Foreign Exchange Management Act, 1999, as amended, the Rules, Regulations, Guidelines, notifications, clarifications and Circulars, as amended from time to time, if any, prescribed by the Government of India, Reserve Bank of India, the Securities Contracts (Regulation) Act, 1956, or any other regulatory authority, whether in India or abroad, the Memorandum and Articles of Association of the Company and subject to such other approvals as may be required from regulatory authorities from time to time, consent of the shareholders be and is hereby accorded to the Board of Directors of the Company/ any Committee(s) constituted/ to be constituted by the Board to exercise its powers, including the powers conferred by this resolution to make offer, issue and allot, in one or more tranches Secured or Unsecured Non-convertible Debentures/Bonds, and / or other debt securities, etc., (NCD's) denominated in Indian Rupees or in any foreign currency on private placement basis upto an amount of Rs.5000 crore (Rupees Five Thousand Crore only), on such terms and conditions and at such times at par or at such premium, as may be decided by the Board / Committee and, to such person or persons as the Board / Committee may decide, however that the aggregate amount of funds to be raised by issue of NCD's shall not exceed Rs.5000 crore (Rupees Five Thousand Crore only) during the period of one year from the date of passing of special resolution".

## NMDC Limited

"RESOLVED FURTHER THAT in connection with the above, the Board / Committee, be and is hereby authorized to determine and consider terms that are proper and most beneficial to the Company including, without limitation, the terms of issue including the class of investors to whom the NCDs are to be issued, time, securities to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium/discount, listing, utilization of the issue proceeds and to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."


**3) To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:**

**Approval for creation of charge, mortgage or hypothecation on the assets of the Company in connection with borrowings (Special Resolution)**

"RESOLVED THAT, the consent of the Company be and is hereby accorded, in terms of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, to the Board of Directors of the Company, to create charge / provide security, mortgage, hypothecate, transfer, sell and/ or otherwise dispose of all or any part of the immovable and moveable properties of the Company wherever situated, present and future, for the sum borrowed on such terms and conditions and in such form and manner and with such ranking as to priority, as the Board, in its absolute discretion thinks fit, on the assets of the Company, movable and / or immovable, present and/or future, as may be agreed to between the Company and the Lenders so as to secure the borrowings by the Company from time to time, together with interest costs, charges, expenses and all other monies payable by the Company to the concerned Lenders / Institutions, under the respective arrangements entered into / to be entered by the Company and/or Board."

"RESOLVED FURTHER THAT in connection with the above, the Board is hereby authorized to finalize / approve necessary security documents as may be required and to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

By order of the Board

  
**A S Pardha Saradhi**  
GENERAL MANAGER &  
COMPANY SECRETARY

Place : Hyderabad  
Dated : 11th October, 2019

### NOTES:

- 1) Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 (the Act) read with secretarial standards issued by the Institute of Company Secretaries of India in respect of the Special Business is annexed hereto along with postal ballot form for your consideration.
- 2) The business set out in the Notice also be transacted through electronic voting system and the Company is providing facility for voting by electronic means (instructions for remote e-voting are annexed).
- 3) Documents referred in the accompanying Notice and Explanatory Statement thereto, are open for inspection by members, at the Registered Office of the Company during office hours i.e. between 11.00 a.m. and 1.00 p.m. on all working days, except Saturday(s)/Sunday(s)/Holiday(s).
- 4) Pursuant to the regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015) and Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and amendments made thereto, the Company is providing to its members facility to exercise their right to vote on all resolutions set forth in the Notice by electronic means. The members may cast their votes using an electronic voting system (remote e-voting). The Company has engaged the services of National Securities Depository Limited (NSDL) to provide remote e-voting facility.
- 5) The postal ballot notice is being sent to all the members, whose names appear as Beneficial Owner(s) holding shares in electronic mode details as furnished by the depositories Viz> National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and as members holding shares in physical mode, in the Register of Members of the Company as on the close of the business hours on 25th October, 2019.
- 6) The voting shall be reckoned in proportion to a member's share of the paid-up equity share capital of the Company as on the cut-off date i.e. 25th October, 2019 for remote e-voting and postal ballot.
- 7) The remote e-voting period commences on 4th November, 2019 and ends on 3rd December, 2019. The remote e-voting shall be disabled thereafter.
- 8) A Postal Ballot Form and a postage prepaid self-addressed envelope are attached to this Notice. The self-addressed envelope bear the address to which duly completed Postal Ballot Form is to be sent. Shareholders who opt to vote by Postal ballot form shall ensure that the duly completed form should reach the Scrutinizer on or before 3rd December, 2019.



- 9) Any Shareholder who has not received the postal ballot form may write to the Company or its Registrar and Share Transfer Agent (RTA) - M/s. Aarthi Consultants Private Limited for obtaining a duplicate/ additional form.
- 10) Members can opt only one mode for voting i.e., either by remote e-voting or postal ballot. However, in case member(s) cast their vote both via remote e-voting and through postal ballot, then voting done through remote e-voting shall prevail and the votes cast through Postal Ballot shall be considered invalid. Once the vote on a resolution is cast by the member electronically, the member shall not be allowed to change it subsequently.
- 11) Based on the consent received Shri D.Hanumantha Raju, Partner M/s.D.Hanumantha Raju & Co., Company Secretaries (Membership Number 4044/CP No. 1709) Board has appointed him as the Scrutinizer to scrutinize the voting process in a fair and transparent manner. The Board of Directors has appointed the Director (Finance) and company secretary as the persons responsible for the remote voting and postal ballot process.
- 12) The Scrutinizer shall not later than two days from the last date of receipt of postal ballot forms, will prepare a consolidated scrutinizer's report of the total votes cast in favour or against, if any. The Scrutinizer will submit his final report to the Chairman cum Managing Director or person authorized by him in writing and declare the result of the voting forthwith.
- 13) Resolution(s) passed by the members through Postal Ballot / remote e-voting are deemed to have been passed effectively at a general meeting.
- 14) The results declared along with the Scrutinizer's Report will be hosted on the Company's website [www.nmdc.co.in](http://www.nmdc.co.in) and on the website of NSDL. The results shall simultaneously be communicated to the Stock Exchanges. The results will also be displayed on the Notice Board of the Company at the Registered Office.
- 15) The Resolution shall be deemed to be passed on the date of declaration of the results of the postal ballot.
- 16) The Postal Ballot Notice is also being uploaded on the Company's website viz. [www.nmdc.co.in](http://www.nmdc.co.in) and of NSDL viz. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- 17) **Voting through electronic means:**
- As per Section 108 of the Act and Rules notified there under and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing its members the facility to exercise their right to vote on resolutions using electronic voting system (remote e-voting) provided by National Securities Depository Limited (NSDL). Shri. Datla Hanumanta Raju, Practicing Company Secretary (Membership No. FCS 4044),, has been appointed as the Scrutinizer for conducting remote e-voting and voting at the in a fair and transparent manner.
- II. The remote e-voting period commences on 4th November, 2019 (10:00 am) and ends on 3rd December, 2019 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form as on the cut-off date of 25th October, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- III. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date of 25th October, 2019 only shall be entitled to avail the facility of remote e-voting or voting at the Postal Ballot. A person who is not a member as on cut-off date should treat this Notice for information purposes only. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 25th October, 2019.
- IV. The process and manner for remote e-voting are as under:
- How do I vote electronically using NSDL e-Voting system?**
- The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:
- Step 1 :** Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>
- Step 2 :** Cast your vote electronically on NSDL e-Voting system.
- Details on Step 1 is mentioned below:**
- How to Log-in to NSDL e-Voting website?**
- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
  - Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

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3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
- b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to dhr300@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the

download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

**ANNEXURE TO NOTICE**

**Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013:**

**Item No.1**

**Sub: Amendment to 'Articles of Association' with regard to Borrowing Powers:**

**A. Background:**

The existing Articles of Association Articles 39, 40 & 42 dealing with "borrowing powers" require the presidential approval for going in for raising Debt finance, securing the assets of the company and issue of debentures, debenture-stock bonds or other securities.

Board in its meeting held on 16th July 2019, has approved a borrowing limit of Rs 5000 Crore for the balance capex needs of Nagarnar Steel Plant. As required by the Articles of Association, presidential approval is sought vide company's letter dated 26th July 2019.

Meanwhile, it is seen that NMDC being a Navaratna company, has full power to incur capex and also to borrow funds from the capital market which have been conferred on all Navaratna PSEs vide DPE circular dated 22nd July 2017 which also suggested to amend the Memorandum and Articles of Association accordingly.

Hence this proposal is being moved proposing for amendment to Articles of Association wherein the requirement of Presidential approval shall be deleted.

**B: Existing clauses of Articles of Association:**

The existing Article 39 and Article 40 pertaining to "Borrowing Powers" reads as below: (enclosed as Annexure-1 (a).

39. **Subject to the approval of the President** and the provisions of Section 292 of the Act, the Board may by means of a resolution passed at meeting off Board from time to time, borrow and/or secure the payment of any sum or sums of money for the purposes of the Company provided that:

"No approval of the President would be necessary for borrowing from the banks for the purposes of meeting the working capital requirements on the hypothecation of the Company's assets".

40. The Directors may, **subject to the approval of the President** secure the repayment of such moneys in such manner and upon such terms and conditions in all

## NMDC Limited

respects as they think fit and in particular by the issue of bonds, perpetual, or redeemable debentures or debenture stock or any mortgage, charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

42. **Subject to the approval of the President** and the provisions of Section 117 of the Act any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise, and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending general meetings of the Company, appointment of Directors and otherwise. Debentures, Debenture stock, Bonds or other securities with the right of allotment of or conversion into shares shall be issued only with the consent of the Company of the Company in General Meeting.

As seen from the above, Presidential approval is required for raising Debt finance for Capex needs and securing the assets of the company for the same.

### C: Enhanced powers to PSE's (DPE guidelines):

It is to submit that Government has granted enhanced autonomy and delegation of powers to Navratna, Mini Ratna and Other CPSE's. The DPE O&M No DPE/11(2)/97-Fin dated 22nd July 1997 has conferred the powers of a "Navratna" PSE's which inter-alia include:

To incur capital expenditure on purchase of new items or replacement without any monetary ceiling

To raise debt from the domestic capital market....."

Para 4 of the said circular also states that " The existing decision making powers vested in various agencies would stand altered to give effect to the proposed delegation to the PSEs and the necessary changes in the rules, notification, instructions, articles/memoranda or association, etc shall be carried out by the concerned Department where required.

The DPE circular NO.DPE/11(2)/97-Fin dated 26th September, 1997 clarifies that the delegation of powers conferred apply to setting up of new projects also and no Govt/PIB approvals are required for the same.

Further vide DPE O.M. No. DPE/16/22/90-Fin-G-1 dated 8th October, 1998 dealing with 'Delegation of Powers to the Boards of the public enterprises to incur capital expenditure without prior approval of the Govt clarifies that " The guidelines provided inter-alia that the public sector enterprises can exercise the enhanced financial powers subject to the provision that the required funds are found from the internal resources of the company. References have been received from different quarters,

seeking clarification on whether the "internal resources" of the company would include borrowings from the markets, like debts, bonds, ECB or through any other instrument without any assistance from Govt. On this point it is now clarified that the enhanced delegation may be applicable in respect of projects for which no budgetary support is envisaged i.e. projects funded 100% from IEBR. The term IEBR (Internal and extra budgetary resources) for this purpose would include extra budgetary resources such as bonds, ECB and other similar mobilization made on their own internal strength by the PSUs but excluding Govt guaranteed borrowings.

Further DPE O.M.No.DPE/13(26)/98-Fin.G.II dated 27th November 1998 dealing with "Amendment in the Articles of Association of Mini-Ratna companies-Approval of DPE states that " such amendments need not be sent to DPE and amendments are to be carried out by the PSUs in consultation with the administrative Ministry, without referring it to the Department of Public Enterprises, and after complying with the provisions of the companies Act.

### D. PROPOSAL:

Considering the above, it is now proposed to amend the Articles of Association clauses pertaining to Borrowing powers under clauses 39, 40 and 42 by deleting the words "subject to presidential approval".

The Board of Directors at the 521st Meeting held on 13th August, 2019 have consented for alteration/amendment to Articles 39, 40 and 42 of the Articles of Association of the Company, subject to the approval of the shareholders of the Company.

All the documents mentioned above are available for inspection at the Registered Office of the Company upto the date of closure of the Postal Ballot.

The Board recommends this special resolution for approval of the members.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested in the said Resolution.

### Item No.2

Board of Directors in their 520th Meeting held on 16th July 2019 has accorded approval to avail borrowings up to a limit of Rs 5000 crore for capex requirement of the Company by raising term loans from banks / financial institution or bonds perpetual, or redeemable debentures or debenture stock or external commercial borrowings from banks / financial institution or any mortgage, charge or other security on the undertaking of the whole or any part of the property of the company (both present and future).

Board has further authorized CMD and Director (Finance) of the company to decide on the mode of debt finance like





Rupee term loans, Non-Convertible Debentures, ECB's & Other modes for financing capex, the quantum and timing of raising Debt, to take all steps considered necessary in the matter in order to give effect to this resolution like appointing Debt advisor, Arranger, Trustee & Other Agencies as required for raising Debt finance, Sign and execute necessary documents for availing debt, to sub delegate the said authority to any executive(s) jointly or severally on behalf of the company, creation of charge / additional charge on the whole or any part of the property of the company (both present and future) including its uncalled capital in respect of term loans from banks / financial institution or bonds perpetual, or redeemable debentures or debenture stock or external commercial borrowings from banks / financial institution.

As per Sec 180(1) (c), shareholders' approval will be required to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid up share capital, free reserves and securities premium apart from the temporary loans obtained from the company's bankers in the ordinary course of business. The net worth of the Company as on 31.03.2019 is Rs 25952 crore. The total borrowing limit of Rs 10000 Cr (Rs 5000 Cr for capex and Rs 5000 Cr working capital limits) is lower than the net worth and with no loans outstanding as on date, the Board is empowered to exercise the powers to borrow under section 179(3)(d). However, for raising debt finance by issue of Non-convertible Debentures (NCD's) special resolution need to be passed by the Company. Hence this resolution.

Further, as per Section 42 and 71 of the Companies Act, 2013 read with Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions of the Act and in accordance with the provisions of Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008, the Rules, Regulations, Guidelines and Circulars, as amended from time to time, a company shall not make a Private Placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the Shareholders of the Company by a Special Resolution for each of the offers or invitations. However, in case of offer or invitation for "non-convertible debentures", it shall be sufficient if the company passes a previous Special Resolution only once in a year for all the offers or invitations for such debentures during the year.

In view of the above and to meet the requirements of Section 42 of the Companies Act, 2013 read with applicable Rules, for making Private Placement of Unsecured/Secured Non-Convertible Bonds/Debentures upto Rs. 5000 crore in one or more tranches, to such person or persons, who may or may not be the bond / debenture holders of the Company, within the overall borrowings of the Company of Rs.5000 crore, as approved by the Board of Directors in its meeting held on 16.07.2019, approval of the shareholders of the Company by way of Special Resolution is required.

Further, CMD and Director (Finance) of the Company as approved by the Board, shall be authorized to borrow money from time to time, in one or more tranches, from India or foreign, across various products including on private placement basis, as deemed to be requisite and proper for the business of the Company, on such terms and conditions, with or without creation of charges on the moveable and immoveable assets of the Company.

The Board recommends this special resolution for approval of the members.

None of the Directors and other Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise in the resolution.

### Item No. 3

According to the provisions of Section 180(1)(a) of the Companies Act, 2013, creation of charge, mortgage or hypothecation on the assets of the Company shall require the approval of the shareholders by way of special resolution. As the Company is seeking shareholder approval by special resolution for borrowings by issue of NCDs for overall limit of Rs 5000 Cr and as the Board had authorized CMD and Director (Finance) to take necessary steps in this direction in the Board Meeting held on 16.07.2019, the above resolution proposed.

Further, CMD and Director(Finance) of the Company as approved by the Board, shall be jointly, authorized to finalize / approve necessary security documents as may be required and to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.

In addition, as approved by the Board, the CMD and the Director (Finance) of the Company are also authorized, to sub delegate the power of executing/ signing of facility/ security documents so approved, as may be required in favour of the lenders/other banks, Indian or foreign, for availing such facility.

The Board recommends this special resolution for approval of the members.

None of the Directors and other Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise in the resolution.

By Order of the Board of Directors  
For NMDC Limited

  
**A.S.PARDHA SARADHI**  
GENERAL MANAGER &  
COMPANY SECRETARY

Place :Hyderabad  
Dated : 11th October, 2019

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**NMDC  
NMDC Limited**

(A Government of India Enterprise)

CIN: L13100TG1958GOI001674

Registered Office : Khanij Bhavan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad - 500 028

Tel.: 040-23538757, Fax: 040-23538759

E-mail: cs@nmdc.co.in. Website: www.nmdc.co.in

**POSTAL BALLOT FORM**

(to be returned to the Scrutinizer appointed by the Company)

Serial No: \_\_\_\_\_

1. **Name of Shareholder(s)** :  
(Including joint holders, if any)  
(In block letters)
  
2. **Registered Address of the Sole/  
First named shareholder** :
  
3. **Registered Folio No./DP ID No.\*  
& Client No.** :  
(\*Applicable to shareholders holding  
Shares in Dematerialized form)
  
4. **Number of Share(s) held** :
  
5. I/We hereby exercise my/our vote in respect of the following Resolution as mentioned in the Notice, to be passed through postal ballot for the business stated in Postal Ballot Notice dated 11th October, 2019 of the Company by sending my/our assent/dissent to the said Resolution by placing the tick (✓) mark against the appropriate box below:

Resolution	No. of shares held	For / assent to the resolution	Against/ dissent to the resolution
<b>Item No.1 - Special Resolution</b> Amendment to 'Articles of Association' with regard to Borrowing Powers			
<b>Item No.2 - Special Resolution</b> Authorization to offer, issue and allot secured or unsecured Non Convertible Debentures (NCD's) or bonds on private placements aggregating Rs.5000 crores.			
<b>Item No.3 - Special Resolution</b> Approval for creation of charge, mortgage or hypothecation on the assets of the Company in connection with borrowings.			

Place : .....

Date : .....

\_\_\_\_\_  
(Signature of the Shareholder)

**ELECTRONIC VOTING PARTICULARS**

EVEN (e-Voting Event Number)	USER ID	PASSWORD/PIN

## **General Instructions**

- a) The voting rights for the equity shares of the Company are one vote per equity share, registered in the name of the Shareholders.
- b) Voting rights shall be reckoned on the paid up value of the shares registered in the name(s) of the shareholder(s) as on 25th October, 2019.
- c) Voting by Postal Ballot, in the physical form or e-voting can be exercised only by the shareholder or his/her duly constituted attorney or in case of bodies corporate, the duly authorized person. Voting rights in Postal Ballot cannot be exercised by a Proxy.
- d) Voting period commences on and from 4th November, 2019 at 10.00 A.M. and ends on 3rd December, 2019 at 5.00 pm.
- e) Kindly note that the shareholder(s) can opt for only one mode of voting, i.e. either Physical Ballot or e-voting. However, in case shareholders cast their vote by Physical Ballot and e-voting, then voting done through valid e-voting shall prevail and the voting done by physical Postal Ballot Form will be treated as invalid.
- f) The Scrutinizer's decision on the validity of the Postal Ballot Form shall be final.
- g) The Company shall announce the results of the Postal Ballot at its Registered Office at Khanij Bhavan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad - 500 028 on 5th December, 2019. The date of declaration of Postal Ballot results will be taken as the date of passing of the Resolution contained in this Notice.
- h) Any query in relation to the Resolution proposed to be passed by Postal Ballot may be sent to the Company at The Company Secretary, NMDC Limited, Khanij Bhavan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad-500 028; Email ID : [cs@nmdc.co.in](mailto:cs@nmdc.co.in)