

**ITI LIMITED**  
(A Govt. of India Undertaking)



**आईटीआई लिमिटेड**  
(भारत सरकार का उपक्रम)

Ref: K/953/NSE&BSE/2022

Date: 27.05.2022

The Secretary  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400 001  
Scrip Code: 523610

The Manager  
National Stock Exchange of India Limited  
Exchange Plaza,  
Bandra Kurla Complex, Bandra (E)  
Mumbai- 400 051  
Scrip Code: ITI

Dear Sir/Madam,

Sub: **Annual Secretarial Compliance Report for the Year Ended 31<sup>st</sup> March 2022**

Ref: **Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

With reference to the captioned subject, please find enclosed Annual Secretarial Compliance Report for the Year Ended 31<sup>st</sup> March 2022 issued by Shri D Venkateswarlu, Practicing Company Secretary.

This is for your kind information and records please.

Thanking you

Yours faithfully  
For ITI Limited

S Shanmuga Priya  
Company Secretary

Encl: as above



D VENKATESWARLU  
Practicing Company Secretary

**Secretarial Compliance Report of ITI Limited (CIN: L32202KA1950GOI000640) for the  
Year ended 31<sup>st</sup> March 2022**

**I have examined:**

- (a) all the documents and records made available to us and explanation provided by M/s **ITI Limited- CIN: L32202KA1950GOI000640** (“the listed entity”),
- (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 2022 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 there under; 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) Regulations, 2015 (“LODR”);
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR”);
- (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; **No transaction observed during the period under review and hence not applicable**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **No transaction observed during the period under review and hence not applicable**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **No transaction observed during the period under review and hence not applicable**



# 170, 2nd Floor, 2nd Cross  
1st Block, Koramangala  
Bengaluru - 560 034  
dvenkacats@gmail.com

Tel: +91-80-40929247 Mobile: 98800 06825




D VENKATESWARLU  
Practicing Company Secretary

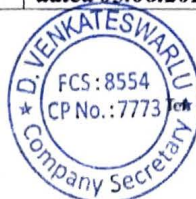
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **No transaction observed during the period under review and hence not applicable**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and
- (k) circulars/ guidelines issued thereunder;

and based on the above examination, I 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:-

SI No	Compliance Requirement (Regulations / Circulars/guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	Regulation 17 of LODR: Composition of Board of Directors read with Regulation 27(2)	Composition of Board of Directors	<i>The Company has not complied with the provisions of Regulation 17 (1) of LODR with respect to Composition of Board of Directors of the Company {for not having woman director from 1<sup>st</sup> April 2021 to 09<sup>th</sup> November 2021 and proper balance of independent directors</i>
2.	Regulation 38 of LODR: Maintenance of Minimum Public Shareholding	Minimum Public Shareholding	<i>Pursuant to Regulation 38 of the SEBI (Listing Obligations &amp; Disclosure Requirements) Regulations, 2015 read with Securities Contract (Regulations) Rules, 1957 as amended vide notification dated 03<sup>rd</sup> August 2018, the Company has to comply with SEBI's Minimum Public shareholding ("MPS") of 25% on or before 02.08.2021.</i>  <i>However, in response to Company's request to grant exemption from Compliance with MPS requirement as per the latest amendment in Securities Contracts (Regulation) Rules, 1957, Ministry of Communications has furnished a letter from Ministry of Finance dated 03.08.2021 addressed to SEBI stating</i>

 2



# 170, 2nd Floor, 2nd Cross  
1st Block, Koramangala  
Bengaluru - 560 034  
dvenkatas@gmail.com  
Tel: 91-80-40929247 Mobile: 98800 06825



D VENKATESWARLU  
Practicing Company Secretary

			<i>Central Government has decided that every listed PSU, which has MPS of below 25% shall get exemption upto 01.08.2022 to increase its MPS to 25%.</i>
--	--	--	---

- (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 my/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:

SI No.	Action taken by	Details of violation	Details of action taken e.g. fines, warning letter, debarment etc.	Observations/remarks of the practicing Company secretary, if any
1	National Stock Exchange (NSE)	Violation of Regulation 17 of LODR: Composition of Board of Directors read with Regulation 27(2) for Composition of Board of Directors	NSE has imposed penalty of Rs 5,36,900/- for the quarter ended 30.06.2021; Rs. 5,52,240/- for the quarter ended 30.09.2021; Rs. 8,42,520/- for the quarter ended 31.12.2021 and Rs.5,31,000 for the quarter ended 31.03.2022.	As per the information provided and records produced before me by the Company:  The Company has submitted representation to National Stock Exchange of India Limited for waiver of penalty (with copy marked to DOT).  However, NSE vide its email dated September 23, 2020 and 8 <sup>th</sup> December 2021 has informed that the request for waiver of fine shall be considered by the Exchange only after the compliance is achieved by the Company.
2	Bombay Stock Exchange (BSE)	Violation of Regulation 17 of LODR: Composition of Board of Directors read with Regulation 27(2) for Composition of Board of Directors	BSE has imposed penalty of Rs 5,36,900/- for the quarter ended 30.06.2021; Rs. 5,52,240/- for the quarter ended 30.09.2021; Rs. 8,42,520/- for the quarter ended 31.12.2021 and	As per the information provided and records produced before me by the Company:  The Company has submitted representation to BSE Limited for waiver of penalty (with copy marked to DOT). The Company is pursuing the subject with Administrative Ministry.

*D Venkateswarlu*

3



# 170, 2nd Floor, 2nd Cross  
1st Block, Koramangala  
Bengaluru - 560 034  
dvenkatas@gmail.com  
Tel: +91-80-40929247 Mobile: 98800 06825

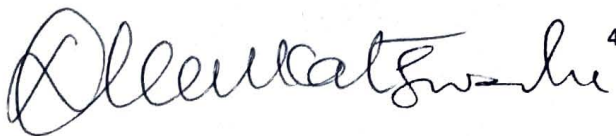


D VENKATESWARLU  
Practicing Company Secretary

			Rs.5,31,000/- for the quarter ended 31.03.2022	
--	--	--	--	--

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

Sl No.	Observations of the Practicing Company Secretary in the previous reports	Observations in the secretarial compliance report for the year ended 31 <sup>st</sup> March 2021	Actions taken by the listed entity, if any	Comments of the practicing Company secretary on the actions taken by the listed entity
1	Regulation 17 of LODR: Composition of Board of Directors read with Regulation 27(2)	During the year under review, the composition of Board of Directors of the Company is not in accordance with the provisions of Regulation 17 (1) of LODR.	The Company is regularly pursuing with its administrative ministry to expedite the process for appointment of requisite number of Independent Directors on the Board of the Company.	As per the information provided and records produced before me by the Company:  The Company is regularly pursuing with Ministry of Communications for appointment of requisite number of Independent Directors so as to ensure compliance with Corporate Governance norms.  The subject is being discussed in every Board meeting and Government Nominee Director is requested to expedite the appointment of requisite number of independent directors.
2	Regulation 38 of LODR: Maintenance of Minimum Public Shareholding	Regulation 38 of LODR: Maintenance of Minimum Public Shareholding	The Ministry of Finance vide notification dated 30.07.2021 has amended the Rule 19A of Securities Contract (Regulation) Rules, 1957 authorising Central Government to	Pursuant to the provisions of Securities Contracts (Regulation) (Second Amendment) Rules, 2020, the Company had time till 02 <sup>nd</sup>





# 170, 2nd Floor, 2nd Cross  
1st Block, Koramangala  
Bengaluru - 560 034  
dvenkacats@gmail.com  
+91-80-40929247 Mobile: 98800 06825



**D VENKATESWARLU**  
Practicing Company Secretary

		<p>exempt any listed Public Sector Company from any or all of the Provisions of the rule relating to minimum public shareholding requirement.</p> <p>The Company had requested to DoT vide letter dated 21<sup>st</sup> September 2021 to take up with Ministry of Finance, regarding exemption to the Company from Compliance with Minimum 25% Public shareholding requirement as per the latest amendment in Securities Contracts (Regulation) Rules, 1957.</p> <p>In response to above, the Ministry of Finance has furnished a copy of the letter dated 03<sup>rd</sup> August, 2021 addressed to SEBI, wherein it has been mentioned that Central Government decides in public interest that every listed public sector company, which has public shareholding below 25% &amp; which could not increase its public shareholding to at least 25% within the timeline stipulated in Rule 19A of SCRR 1957 shall get exemption upto 01.08.2022 to increase its public shareholding to at least 25%</p>	<p>August 2021 to comply with SEBI's Minimum 25% Public Shareholding requirement,</p> <p>As per the information provided and records produced before me by the Company:</p> <p>The Company is regularly pursuing with Ministry of Communications.</p>
--	--	--	---

**Place:** Bengaluru  
**Date:** 24<sup>th</sup> May 2022

**D VENKATESWARLU**  
Company Secretary  
FCS No: 8554 CP No: 7773  
UDIN: F008554D000379375  
PR No: 1617 / 2021



# 170, 2nd Floor, 2nd Cross  
1st Block, Koramangala  
Bengaluru - 560 034  
dvenkates@gmail.com