महानगर टेलीफोन निगम लि.
(भारत सरकार का उद्यम)
Mahanagar Telephone Nigam Ltd.
(A Government of India Enterprise)
CIN : L32101DL1986GOI023501

E-MAIL

MTNL/SECTT/SE/2015
January 7, 2015

To
The Secretary,
Stock Exchanges,
Delhi/Calcutta/ Madras,
BSE/NSE/OTCQX

Sub: Compliance of Clause 49 of Listing Agreement- Corporate Governance Report for the Quarter ending 31st December, 2014.

Dear Sir,

Pursuant to Clause 49 of the Listing Agreement, we are forwarding herewith report on Corporate Governance for the Quarter ended on 31st December, 2014 in the prescribed Performa, for your information and record.
Kindly acknowledge the receipt of the same and take on record.

Thanking you

Yours Faithfully

(S.R. Sayal)
Company Secretary

Encl: As above

Format of Quarterly Compliance Report on Corporate Governance

Name of the company:- MAHANAGAR TELEPHONE NIGAM LTD. (MTNL)

Quarter ending on: 31st December, 2014

Particulars	Clause of Listing Agreement	Compliance Status Yes/No	Remarks
II. Board of Directors	49 (II)		.
(A) Composition of Board	49 (IIA)	No	The composition of the Board of MTNL is Functional Directors- 4, Government. Nominee Directors - 2 and Independent Directors – 6 (TOTAL-12). Presently MTNL has 2 Functional Directors, 1 Independent Director and 2 Govt. Nominee Directors. (We have been sending requests to the Govt. of India, our Administrative Ministry to expedite the filling of vacancies of Directors in place of those who have retired).
(B) Independent Directors	49 (IIB)	Yes	
(C) Non-executive Directors' compensation & disclosures	49 (IIC)	Yes	
(D) Other provisions as to Board and Committe	49 (IID)	Yes	
(E) Code of Conduct	49 (IIE)	Yes	MTNL has already adopted the Code of Conduct for Director and Senior Management Personnel as per the earlier Listing Agreement. However the Duties of Independent Directors as required by

			amended provisions of the Clause 49, is yet to be provided in the said Code of Conduct.
(F) Whistle Blower Policy	49 (IIF)	No	Whistle Blower Policy of MTNL is under consideration/preparation as per the revised guidelines.
III. Audit Committee	49 (III)		
(A) Qualified & Independent Audit Committee	49 (IIIA)	No	In the absence of sufficient number of Independent Directors on the Board of MTNL, presently Audit Committee comprises of One Independent Director (as its Chairman) two Government Nominee Directors and one Functional Director as its Members.
(B) Meeting of Audit Committee	49 (IIIB)	Yes	Audit Committee meetings are held regularly as per the Listing Agreement.
(C) Powers of Audit Committee	49 (IIIC)	Yes	
(D) Role of Audit Committee	49 (IIID)	Yes	
(E) Review of Information by Audit Committee	49 (IIIE)	Yes	
IV. Nomination and Remuneration Committee	49 (IV)	No	Due to non availability of sufficient Independent Directors, the composition of Nomination and Remuneration Committee is not in accordance with the guidelines.
V. Subsidiary Companies	49 (V)	N.A.	MTNL is not having any material non-listed Indian Subsidiary Company. However, Policy for determining 'Material' subsidiaries of MTNL is being framed as per revised guidelines.
VI. Risk Management	49 (VI)	Yes	

VII. Related Party Transactions	49 (VII)	No	Policy on Related Party Transactions is being put up to the Board for approval.
VIII. Disclosures	49(VIII)		
(A) Related party transactions	49(VIIIA)	No	Policy on Related Party Transactions is being put up to the Board for approval.
(B) Disclosure of Accounting Treatment	49(VIII B)	Yes	
(C) Remuneration of Directors	49 (VIIIC)	No	Information will be included in the Annual Report for the Financial Year 2014-15.
(D) Management	49(VIIID)	Yes	
(E) Shareholders	49 (VIIIE)	Yes	
(F) Disclosure of Resignation of Directors	49(VIIIF)	Yes	Disclosure shall be made on occurrence of such event.
(G) Disclosure of Formal Letter of Appointment	49(VIIIG)	Yes	Disclosure shall be made on occurrence of such event.
(H) Disclosures in the Annual Report	49(VIIIH)	Yes	Information will be included in the Annual Report for the Financial Year 2014-15.
(I) Proceeds from public issues, rights issues, preferential issues etc.	49 (VIII I)	N.A.	
IX. CEO/CFO Certification	49 (IX)	Yes	Information will be included in the Annual Report for the Financial Year 2014-15.
X. Report on Corporate Governance	49 X)	Yes	(i) Information will be included in the Annual Report for the Financial Year 2014-15.

			(ii) Quarterly compliance reports are being submitted to the Stock Exchanges regularly within 15 days from the end of each quarter.
XI. Compliance	49 (XI)	Yes	Will be complied in the next Annual Report.

Place: New Delhi

Date : 8/1/2015

(S.R.SAYAL)

COMPANY SECRETARY