

**DATE: 29.05.2025**

**National Stock Exchange of India Limited,  
The Listing Compliance Department,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400051.  
STOCK CODE: MURUDCERA**

**BSE Limited,  
The Listing Compliance Department,  
Floor 25, P J Towers, Dalal Street,  
Mumbai - 400 001.  
STOCK CODE: 515037**

Dear Sir/ Madam,

**Sub: Comments of the Board of Directors on Non-Compliance of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

This is in continuation of our intimation under Regulation 30 of the SEBI (LODR) Regulations, 2015 dated 18<sup>th</sup> day of March, 2025 upon receipt of the notice from BSE and NSE for non-compliance of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of directors in their Meeting held today i.e., May 29, 2025, discussed the fine levied by the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited where shares of the Company are listed.

The Board of directors after due deliberation and analysis of the provisions of the SEBI Listing Regulations and Companies Act, 2013 and rules framed thereunder, noted and commented that the fine levied by the Stock Exchanges was totally improper since the relevant provision of the Companies Act and rules made thereunder along with the relevant listing regulations i.e. Regulations 17(1A) and 17(1C) have been complied with in respect to appointment of the director.

Further, the Board of director noted that the word unless used under Regulation 17 (1A) does not clearly signifies a meaning for whether the shareholders' approval for appointment of such director requires prior approval or not and the Board also noted that it has also been held by the Securities Appellate Tribunal in the matter of Nectar Life Sciences Ltd & 20 Microns Limited that the word "unless" as depicted in Regulation 17(1A) does not mean "prior approval" nor the requirement of passing a special resolution was a qualificatory condition for appointment as a director.

Further, the Board noted that the order of the Securities Appellate Tribunal (SAT) in the matter of Nectar Life Sciences Ltd & 20 Microns Limited has been stayed by the Hon 'able Supreme Court of India.

Further, the Board of director has taken on record that the proviso recently inserted under Regulation 17 (1A) of the SEBI (LODR) which is applicable w.e.f. 13.12.2024 and the Company has appointed the director w.e.f. 01.08.2024 which was not applicable to the Company on the date of appointment of the director.

Hence, the Board of directors believes that the Company has not violated any provisions of the Regulations 17(1A) and 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements)

An ISO 9001-2008 Certified Company



## **Continuation Sheet**

Regulations, 2015 or the Companies Act, 2013 and rules made thereunder in the appointment of the director.

The Board also took note of the submission made to both the exchanges vide letter dated March 18, 2025 and resubmission dated April 04, 2025 for waiver of penalty and the same is under the process with the Stock Exchanges. The letter received from the Stock Exchanges are enclosed herewith.

This is for your information and record.

Thanking You,

Yours' faithfully,

**For Murudeshwar Ceramics Limited**

  
Ashok Kumar  
Company Secretary and  
Compliance Officer



Bengaluru, 29.05.2025

## Company Secretary

**From:** bse.soplodr <bse.soplodr@bseindia.com>  
**Sent:** 17 March 2025 19:26  
**To:** Investors MCL; Company Secretary; Head Office Hubli; Company Secretary;  
**Cc:** bse.soplodr  
**Subject:** 515037-Fines as per SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 (Chapter-VII(A)-Penal Actions for Non-Compliance).

Ref.: SOP-CReview/Dec 24-Q

To  
The Company Secretary/Compliance Officer  
**Company Name: MurudeshwarCeramicsLtd**  
**Scrip Code: 515037**

Dear Sir/Madam,

**Sub: Fines as per SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 (Chapter-VII(A)-Penal Actions for Non-Compliance).**

The company is advised to refer to the SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 issued by Securities and Exchange Board of India (SEBI) with respect to penal actions prescribed for non-compliance of certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Standard Operating Procedure for suspension and revocation of trading of specified securities of listed entities.

The Exchange had also issued a guidance note regarding the provisions of the said SEBI circular which is disseminated on the Exchange website at the following link:

<https://www.bseindia.com/downloads1/Guidance Note for SEBI SOP Circular.pdf>

In this regard it is observed that the company is non-compliant/late compliant with the following Regulations for the period mentioned below:

Applicable Regulation of SEBI (LODR) Regulations, 2015	Fine prescribed	Fines levied till the	Fine payable by the company (inclusive of GST @ 18 %)		
			Basic Fine	GST @ 18 %	Total Fine payable
<b>Regulation 17(1)</b> Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director	Rs. 5,000/- per day	quarter ended <b>December 2024</b>	0	0	0
<b>Regulation 17(1A)</b> Non-compliance with the requirements pertaining to	Rs. 2,000/- per day	quarter ended <b>December 2024</b>	102000	18360	120360

appointment or continuation of Non-executive director who has attained the age of seventy-five years					
<b>Regulation 17(2)</b> Non-compliance with the requirements pertaining to the number of Board meetings	Rs. 10,000/- per instance	quarter ended <b>December 2024</b>	0	0	0
<b>Regulation 17(2A)</b> Non-compliance with the requirements pertaining to quorum of Board meetings.	Rs. 10,000/- per instance	quarter ended <b>December 2024</b>	0	0	0
<b>Regulation 18(1)</b> Non-compliance with the constitution of audit committee	Rs. 2,000/- per day	quarter ended <b>December 2024</b>	0	0	0
<b>Regulation 19(1)/ 19(2)</b> Non-compliance with the constitution of nomination and remuneration committee	Rs. 2,000/- per day	quarter ended <b>December 2024</b>	0	0	0
<b>Regulation 20(2)/(2A)</b> Non-compliance with the constitution of stakeholder relationship committee	Rs. 2,000/- per day	quarter ended <b>December 2024</b>	0	0	0
<b>Regulation 21(2)</b> Non-compliance with the constitution of risk management committee	Rs. 2,000/- per day	quarter ended <b>December 2024</b>	0	0	0
<b>Regulation 27(2)</b> Non-submission of the Corporate governance compliance report within the period provided under this regulation	Rs. 2,000/- per day	quarter ended <b>December 2024</b>	0	0	0
	<b>Total</b>		<b>102000</b>	<b>18360</b>	<b>120360</b>

The Company is therefore advised to note that as per the provisions of this circular:

- The company is required to ensure compliance with above regulation and ensure to pay the aforesaid fines including GST within 15 days from the date of this letter/email, failing which Exchange shall, pursuant to the provisions of the aforesaid circular, initiate action related to freezing of the entire shareholding of the promoter in this entity as well as all other securities held in the demat account of the promoter.

- Further in the event of this being the second consecutive quarter of non-compliance for the Regulation 17(1), 18(1), 27(2) would result in the company being transferred to Z group and liable for suspension of trading of its equity shares.
- The company is also advised to ensure that the subject matter of non-compliance which has been identified and indicated by the Exchange and any subsequent action taken by the Exchange in this regard shall be placed before the Board of Directors of the company in its next meeting. Comments made by the board shall be duly informed to the Exchange for dissemination.

*For the Companies to whom Regulation 15 (2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is applicable, a certificate from the Company Secretary/Compliance Officer of the company, certifying that Paid up equity capital was not exceeding Rs.10 Crores and Net worth was not exceeding Rs.25 Crores as on the last day of the previous financial year is required to be submitted to the Exchange. Companies are required to mention the exact paid up equity capital and net worth figures as on the last day of the previous financial year in this certificate.*

*Provided that where the provisions of the regulations specified in the regulation becomes applicable to a listed entity at a later date, such listed entity shall comply with the requirements of those regulations within six months from the date on which the provisions became applicable to the listed entity.*

*Provided further that once the above regulations become applicable to a listed entity, they shall continue to remain applicable till such time the equity share capital or the net-worth of such entity reduces and remains below the specified threshold for a period of three consecutive financial years.*

(For XBRL related queries company may contact on helpline no: 9316749660 or send emails to [query.lodr@bseindia.com](mailto:query.lodr@bseindia.com)). The Excel utility of Corporate Governance Report can be downloaded from the Listing Centre portal.

Yours faithfully

Sambhaji Solat  
Senior Manager  
Listing Compliance

Reena Raphel  
Associate Manager  
Listing Compliance

Company is requested to remit the fine amount through electronic transfer to the designated bank - details given below:

<b>Company Name</b>	MurudeshwarCeramicsLtd		
<b>Account Name</b>	<b>Branch Name &amp; Branch</b>	<b>Account No.</b>	<b>IFSC Code</b>
BSE Limited	ICICI Bank Ltd.- CMS Branch	BSER02054	ICIC0000104

or through cheque favoring **BSE Ltd.** The company is required to submit the cheque alongwith the covering letter (format given at Annexure I below):

**Annexure-I (On letterhead of the company)**

Listing Compliance, BSE Limited, Ground Floor,  
P. J. Towers, Fort, Mumbai-400001.

Sub: Details of Payment of fines for Non-Compliance with Regulations of SEBI (LODR) Regulations, 2015.

**Remittance details:**

Scrip Code	Regulation & Quarter	Amount paid	TDS deducted, if any	Net Amount paid	GST No. (Mandatory to upload on BSE Listing Centre) (*)

*\*(In case GSTin No of company is not uploaded on the Listing Centre or Declaration for Unregistered Dealer is not received by us, company can not claim any GST input credit for the invoices raised by us.)*

**Remitted by:**

Cheque/DD No.	Date	UTR No. for RTGS /NEFT

**Compliance Officer / Company Secretary.**

- Please mention the Regulation No., Quarter, and amount of TDS deducted on the reverse side of the Cheque/Demand Draft.
- In case of payment through RTGS/NEFT, you are requested to send a soft copy of this annexure to [bse.soplodr@bseindia.com](mailto:bse.soplodr@bseindia.com)
- **Contact detail for any queries regarding compliance of specific regulation /clarifications as under:**

Regulation	Officer Name	Email Id	Landline nos
Reg. 17 to 21, 27	Ms. Shraddha Bagwe Mr. Sagar Darra	<a href="mailto:Shraddha.Bagwe@bseindia.com">Shraddha.Bagwe@bseindia.com</a> <a href="mailto:Sagar.Darra@bseindia.com">Sagar.Darra@bseindia.com</a> <a href="mailto:bse.soplodr@bseindia.com">bse.soplodr@bseindia.com</a> <a href="mailto:cgcompliances@bseindia.com">cgcompliances@bseindia.com</a>	022- 22728148/5833

This mail is classified as 'PUBLIC' by reena. raphel on March 17, 2025 at 19:26:01.

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**National Stock Exchange Of India Limited**

NSE/LIST-SOP/COMB/FINES/0307

March 17, 2025

The Company Secretary  
**Murudeshwar Ceramics Limited**  
Murudeshwar Bhavan, Gokul Road,  
Hubli, Karnataka-580030

Dear Sir/Madam,

**Subject: Notice for non-compliance with SEBI (LODR) Regulations, 2015 (“Listing Regulations”)**

Your attention is drawn towards SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 (hereinafter referred to as “Master Circular”), specifying Standard Operating Procedure for imposing fines and suspension of trading in case of non-compliance with the Listing Regulations. On verification of the Exchange records, it has been observed that your Company has not complied/delayed compliance with certain Listing Regulation(s). The details of non-compliance(s)/delayed compliance(s), total fine payable by your Company and the particulars about manner in which fine should be remitted to the Exchange is enclosed as **Annexure**.

You are requested to inform the Promoters about identified non-compliance/delayed compliance and to ensure compliance with respective regulation(s) and/or make the payment of fines **within 15 days** from the date of this notice, failing which the Exchange may initiate following actions as per Master Circular:

1. Initiate freezing of entire shareholding of the Promoters in the Company as well as in other securities held in the Demat account of the Promoters.
2. Trading in securities of your Company shall take place on 'Trade for Trade' basis, in case of consecutive defaults with Regulations 17(1), 18(1) and 27(2) of Listing Regulations i.e., Shifting of trading in securities to Z Category as per Master Circular.

You may also file request for waiver of fines with detailed submission indicating reasons for waiver, considering the extant Policy for Exemption of Fines, and shall indicate whether it intends to seek personal hearing before the concerned Committee.

However, before filing an application for waiver of fines, you are requested to refer to the below policies available on the Exchange’s website. For ready reference you may refer below links:

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Signer: RACHNA JHA  
Date: Mon, Mar 17, 2025 22:22:13 IST  
Location: NSE

**National Stock Exchange Of India Limited**

- i. **Policy on exemption of fine:**  
[https://archives.nseindia.com/content/equities/Policy\\_for\\_exemption\\_SOP\\_Equity.pdf](https://archives.nseindia.com/content/equities/Policy_for_exemption_SOP_Equity.pdf)
- ii. **Policy on processing of waiver application:**  
[https://nsearchives.nseindia.com/web/sites/default/files/inline-files/Policy\\_on\\_processing\\_of\\_waiver\\_application\\_segregation\\_of\\_commonly\\_listed\\_entities.pdf](https://nsearchives.nseindia.com/web/sites/default/files/inline-files/Policy_on_processing_of_waiver_application_segregation_of_commonly_listed_entities.pdf)

*The request for waiver of fine can be submitted to Exchange through NEAPS portal along with documentary evidence on the below link (Please note that waiver applications sent via mail will not be considered):*

**NEAPS>>Compliance>>Fine Waiver>>Waiver Request.**

Further, as per Master Circular, your Company is also required to ensure that the said non-compliance which has been identified by the Exchange and subsequent action taken by the Exchange in this regard shall be placed before the Board in the next Board Meeting and comments made by the Board shall be duly informed to the Exchange at the below mentioned path in NEAPS portal along with this letter for dissemination having the announcement text as 'Board comments on fine levied by the Exchange'.

**Path: NEAPS > COMPLIANCE > Announcements > Announcements/ CA (Subject: Updates)**

In case of any clarification, you may contact any of the below-mentioned Exchange Officers from Listing Compliance Department: -

- Ms. Harshita Chaubal
- Ms. Suman Lahoti
- Ms. Chanchal Daga (Waiver request)
- Ms. Sweety Mamodia (Waiver request)

Yours faithfully  
For **National Stock Exchange of India Limited**

**Rachna Jha**  
Manager

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Signer: RACHNA JHA  
Date: Mon, Mar 17, 2025 22:22:13 IST  
Location: NSE

**National Stock Exchange Of India Limited**

Annexure

Regulation	Quarter	Fine amount per day (Rs.)/Fine amount per instance	Days of non-compliance / No. of instance(s)	Fine amount (Rs.)
Reg. 17(1A)	30-Sep-2024	2000	51	102000
<b>Total Fine</b>				<b>102000</b>
<b>GST (@18%)</b>				<b>18360</b>
<b>Total Fine payable (Inclusive of 18% GST)</b>				<b>120360*</b>

\* In case the Company is non-compliant as on the date of this letter then fine amount will keep on increasing every day till the date compliance is achieved.

**Notes:**

- **If the fine amount is paid before receipt of this letter, then inform the Exchange accordingly.**
- Please update the payment details on below mentioned path:  
NEAPS > Payment > SOP Fine Payment.
- The above payment may be made vide RTGS / NEFT / Net Banking favouring 'National Stock Exchange of India Limited'. The bank details towards the payment of fine are as follows:

BENEFICIARY NAME	NATIONAL STOCK EXCHANGE OF INDIA LIMITED
BANK NAME	IDBI BANK LTD
A/C NO	Please refer Unique Account Code used for making Annual Listing fees to the Exchange
BRANCH	BANDRA KURLA COMPLEX, MUMBAI
RTGS/IFSC CODE	IBKL0001000

- The fine paid as above will be credited to IPFT as envisaged in the circular.

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Signer: RACHNA JHA  
Date: Mon, Mar 17, 2025 22:22:13 IST  
Location: NSE