



भारत हेवी इलेक्ट्रिकल्स लिमिटेड  
**Bharat Heavy Electricals Limited**  
(भारत सरकार का उपक्रम / A Government of India Undertaking)  
CIN: L74899DL1964GOI004281

No. AA/SCY/SE/25

Date: May 17, 2025

**BSE Limited**

P.J. Towers, Dalal Street Fort,  
MUMBAI – 400001

**National Stock Exchange of India Limited**

Exchange Plaza, C-1, Block G,  
Bandra-Kurla Complex, Bandra (East)  
MUMBAI – 400051

Dear Sirs,

**Sub: Secretarial Compliance Report for FY 2024-25**

Pursuant to Regulation 24A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with SEBI Master Circular dated 11.11.2024, please find enclosed the Annual Secretarial Compliance Report dated 17.05.2025 in respect of BHEL for the financial year ended 31.03.2025 received from M/s Akhil Rohatgi & Co., Practicing Company Secretaries.

This is for your information and record.

Thanking you,  
Yours faithfully,

(Dr. Yogesh R Chhabra)  
Company Secretary  
shareholderquery@bhel.in

Encl: As above



**AKHIL ROHATGI & COMPANY**

Company Secretaries

21, Sharnath Marg, Civil Lines, Delhi – 110054.

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csdelhi84@gmail.com

GST No: 07ABTFA2714K1Z7

**SECRETARIAL COMPLIANCE REPORT  
OF  
BHARAT HEAVY ELECTRICALS LIMITED  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2025**

We, **Akhil Rohatgi & Co.**, Practicing Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by **Bharat Heavy Electricals Limited** (CIN: L74899DL1964GOI004281) ("the listed entity/ Company" or "BHEL"),
- (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, 2025** ("Review Period") 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 thereunder; 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;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; [Not applicable on the Company during review period]
- (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; [Not applicable on the Company during review period]
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; [Not applicable on the Company during review period]
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018 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:-

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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 Company shall have an optimum combination of executive and non-executive directors and not less than 50% comprising of non-executive directors. Where the listed entity does not have regular non-executive chairperson, at least half of the Board shall comprise of independent directors.  Top 1000 listed entities shall have at least one independent woman director.	Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements), 2015	The Company did not have requisite number of Independent Directors during the period under review including at least one independent woman director from 13.04.2024 to 31.03.2025.	National Stock Exchange of India Limited ("NSE") & BSE Limited ("BSE")	Fine	The Company did not have requisite number of Independent Directors during the period under review including at least one Independent Woman Director from 13.04.2024 to 31.03.2025.	NSE & BSE each levied a fine of Rs. 5,36,900 for the quarter ended 30.06.2024, Rs. 5,42,800 for quarter ended 30.09.2024 and Rs. 8,26,000 for quarter ended 31.12.2024.  *No fine has yet been levied for the quarter ended 31.03.2025.	Non-compliance with Regulation 17 (1) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 as the Company did not have requisite number of independent directors on its Board during the period under review including at least one Independent Woman Director from 13.04.2024 to 31.03.2025.	BHEL being a Government Company, the power to appoint directors, including independent directors, lies with the Government of India. Accordingly, BHEL has been in constant communication with the Government requesting for appointment of requisite number of independent directors so as to ensure compliance with Corporate Governance norms.  Two Independent Directors were appointed to the Board on 29.03.2025 and the Audit Committee and	The Company has already ensured compliance with non-compliance mentioned at Sl. No. 2 & 3 w.e.f. 29.03.2025.  As regards the non-compliance pertaining to requisite number of independent directors including atleast one independent woman director, the Management, has informed that BHEL being a Government Company, the appointment/ nomination of all directors including independent directors is done by the Government of India. Further, the Company has communicated to the Government of India for
2	Composition of Audit Committee including Quorum of Audit Committee was not in compliance as per SEBI (Listing Obligations & Disclosure Requirements), 2015 due to non-availability of requisite number of Independent Directors during the time period 02.11.2024 to	Regulation 18(1) & 18(2) of the SEBI (Listing Obligations & Disclosure Requirements), 2015	The Company did not have requisite number of Independent Directors during the time period 02.11.2024 to 28.03.2025 to compose the Audit Committee.			The Company did not have requisite number of Independent Directors during the time period 02.11.2024 to 28.03.2025 to compose the Audit Committee.		Non-compliance with Regulations 18 (1) & (2) and 19 (1) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 due to only one Independent Director remaining on the Board of the		

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	28.03.2025.							Company from 02.11.2024 to 28.03.2025.	Nomination & Remuneration Committee were also	appointment of requisite number of independent directors on its Board in order to comply with the provisions of the SEBI Listing Regulations.
3	Composition of Nomination and Remuneration Committee was not in the compliance as per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 due to non-availability of requisite numbers of Independent Directors during the time period 02.11.2024 to 28.03.2025.	Regulation 19(1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015	The Company did not have requisite number of Independent Directors during the time period 02.11.2024 to 28.03.2025 to compose the Nomination and Remuneration Committee.				The Company did not have requisite number of Independent Directors during the time period 02.11.2024 to 28.03.2025 to compose the Nomination and Remuneration Committee	The Company has filed its replies to BSE & NSE dated 28.08.2024, 23.11.2024 and 25.03.2025 seeking waiver of fine under their carve-out policies.	reconstituted in compliance with the requirements of the SEBI Listing Regulations w.e.f. 29.03.2025.  The matter of filling up of the remaining vacancies is under process at the end of Government of India. In view of the above, the Company has requested the Exchanges for the waiver of the fines imposed under their carve-out policies.	In our opinion also, the non-compliance with regard to the composition of the Board by BHEL due to non-appointment of sufficient number of independent directors is not due to any negligence/default by the Company as the same is not under the control of the Company.

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(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 in the previous reports	Observations made in the secretarial compliance report for the year ended	Compliance Requirement (Regulations/ circulars/ guidelines including specific clauses)	Details of violation/ deviations and action 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	<p>Non-compliance with Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as the Company did not have requisite number of independent directors on its Board during the period under review.</p> <p>The Company has filed its replies to BSE &amp; NSE dated 31.08.2023, 30.11.2023 and 27.02.2024 for the quarters ended 30.06.2023, 30.09.2023 and 31.12.2023 respectively seeking waiver of fine under their carve-out policies.</p>	31.03.2024	<p>Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015: The Listed Company shall have an optimum combination of executive and non-executive directors and not less than 50% comprising of non-executive directors. Where the listed entity does not have regular non-executive chairperson, at least half of the Board shall comprise of independent directors.</p>	<p>The Company did not have requisite number of independent directors on its Board during the period under review.</p> <p>BSE Limited (BSE) and National Stock Exchange of India (NSE) each levied a fine of Rs. 5,36,900 for the quarter ended 30.06.2023 and Rs. 5,42,800 for each quarter ended 30.09.2023 &amp; 31.12.2023.</p> <p>*Fine amount for quarter ended 31.03.2024 is 5,36,900 by NSE and BSE. (BHEL filed its reply to NSE &amp; BSE on 30.05.2024)</p>	<p>BHEL being a Government Company, the power to appoint directors, including independent directors, lies with the Government of India by following the laid down guidelines inter alia including obtaining approval of the Appointments Committee of Cabinet. Accordingly, BHEL is in constant communication with the Government of India requesting for appointment of requisite number of independent directors. The matter of filling up of these vacancies is under process at the end of Government of India. Further, the Company has requested the Exchanges for the waiver of the fines imposed under their carve-out policies.</p>	<p>As informed by the Management, BHEL being a Government Company, the appointment/ nomination of all directors including independent directors is done by the Government of India.</p> <p>Nevertheless, BHEL has been regularly submitting letters requesting Government of India for appointment of requisite number of independent directors on its Board in order to comply with the provisions of the SEBI Listing Regulations. In our opinion also, the non-compliance with regard to the composition of the Board by BHEL due to non-appointment of sufficient number of independent directors is not due to any negligence/ default by the Company as the same is not under the control of the Company.</p>

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(c) We hereby report that, during the review period the compliance status of the listed entity with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS
1.	<u>Secretarial Standards:</u> 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)	Yes	None
2.	<u>Adoption and timely updation of the Policies:</u> <ul style="list-style-type: none"> <li>All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities</li> <li>All the policies are in conformity with SEBI Regulations and has been reviewed &amp; timely updated as per the regulations/ circulars/ guidelines issued by SEBI</li> </ul>	Yes Yes	None None
3.	<u>Maintenance and disclosures on Website:</u> <ul style="list-style-type: none"> <li>The Listed Entity is maintaining a functional website</li> <li>Timely dissemination of the documents/ information under a separate section on the website</li> <li>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</li> </ul>	Yes Yes Yes	None None None
4.	<u>Disqualification of Director:</u> None of the Director of the Company are disqualified under Section 164 of Companies Act 2013	Yes	None
5.	<u>Details related to Subsidiaries of listed entities:</u> (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries	NA NA	The Company did not have any subsidiary during FY 2024-25.

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6.	<u>Preservation of Documents:</u> 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 the LODR Regulations	Yes	None
7.	<u>Performance of Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	Yes	The Company has stated that the Directors of the Company are appointed/ nominated by the Government of India and the performance evaluation is also done by Government of India, being appointing authority. In this regard, as per Ministry of Corporate Affairs' (MCA) notification dated 05.06.2015, Government Companies are exempted from complying with the provisions with respect to performance evaluation of the Board and its Committees, in case performance evaluation of Directors is done by the Ministry or Department of the Central Government, which is administratively in charge of the Company, as per its own evaluation methodology. Further, MCA notification dated 05.07.2017 also prescribes that the provisions relating to review of performance of Independent Directors and evaluation mechanism prescribed in Schedule IV of the Companies Act, 2013, is not applicable to Government Companies.

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8.	<u>Related Party Transactions:</u> (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  NA	None  Not applicable in view of 8 (a) above
9.	<u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of the LODR Regulations within the time limits prescribed thereunder	Yes	None
10.	<u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	None
11.	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	Yes	Mentioned in table (a) above.
12.	<u>Resignation of statutory auditors from the listed entity or its material subsidiaries</u> 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	NA	None
13.	<u>No additional non-compliances observed:</u> No additional non-compliance observed for any of the SEBI regulation/ circular/ guidance note etc. except as reported above	Yes	None

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**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.
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.

**For Akhil Rohatgi & Co.  
Company Secretaries**

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**CS Deepak Kumar**  
**FCS: 10189, COP:11372**  
**ICSI Unique Regn Code No: P1995DE072900**  
**Peer Review No. 1152/2021**  
**UDIN No: F010189G000367051**

**Place: New Delhi**  
**Date: 17/05/2025**