



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

From: Dr. Yogesh R Chhabra, Company Secretary,  
BHEL, BHEL House, Siri Fort, New Delhi – 110049

To: 1. BSE Limited, Mumbai

2. National Stock Exchange of India Ltd., Mumbai

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**Sub: Secretarial Compliance Report for FY 2025-26**

Pursuant to Regulation 24A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with SEBI Master Circular updated on 30.01.2026, please find enclosed the Annual Secretarial Compliance Report dated 20.05.2026 in respect of BHEL for the financial year ended 31.03.2026 received from M/s Akhil Rohatgi & Co., Practicing Company Secretaries.

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No. AA/SCY/SEs  
Date: 20.05.2026

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



**AKHIL ROHATGI & COMPANY**

**Company Secretaries**

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**ANNUAL SECRETARIAL COMPLIANCE REPORT  
OF  
BHARAT HEAVY ELECTRICALS LIMITED  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2026**

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”, “the 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, 2026** (“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;
- (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:

Sr. No	Compliance Requirement (Regulation/s/ 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 entity 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 & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015	The Company did not have requisite number of Independent Directors during the period under review including at least one independent woman director	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.	NSE & BSE each levied a fine of Rs. 5,36,900 for the quarter ended 30.06.2025 and Rs. 5,42,800 for each of the quarters ended 30.09.2025 & 31.12.2025. *No fine has yet been levied for the quarter ended 31.03.2026	Non-compliance with Regulation 17 (1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 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.	BHEL being a Government Company, the power to appoint independent 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. 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 waiver of the fines imposed under their carve-out policies.	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 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.
2	The listed entity shall constitute a qualified and independent audit committee, having minimum	Regulation 18 (1) of the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations,	Composition of the audit committee was not in compliance with the SEBI (Listing Obligations & Disclosure	National Stock Exchange of India Limited ("NSE") & BSE Limited ("BSE")	Clarification	Composition of the audit committee was not in compliance with the SEBI (Listing Obligations & Disclosure	No fine has yet been levied for the quarter ended 31.03.2026	Non-compliance with Regulation 18 (1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations,	During the period from 28.03.2026 to 31.03.2026, composition of the Board Level Audit Committee could not be made in compliance with Regulation 18 (1) of the SEBI Listing	The Management has informed that the Company was unable to comply with the statutory provisions pertaining to composition of its Audit Committee from 28.03.2026 to



	three directors as members and at-least two-thirds of the members of audit committee shall be independent directors.	2015	Requirements) Regulations, 2015 during the period from 28.03.2026 to 31.03.2026 as there was only one independent director remaining on the Board of the Company w.e.f. 28.03.2026.			Requirements) Regulations, 2015 during the period from 28.03.2026 to 31.03.2026 as there was only one independent director remaining on the Board of the Company w.e.f. 28.03.2026.		2015 pertaining to composition of the audit committee during the period from 28.03.2026 to 31.03.2026 as there was only one independent director remaining on the Board of the Company w.e.f. 28.03.2026.	Regulations, due to only one independent director remaining on the Board of the Company during the said period.  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.  The matter of filling up of the remaining vacancies is under process at the end of Government of India.	31.03.2026 due to only one independent director remaining on the Board of the Company during the said period.  In our opinion also, the non-compliance with regard to the composition of the Audit Committee was due to non-appointment of sufficient number of independent directors, which is not due to any negligence/ default by the Company, as the same is not under the control of the Company.
3	The listed entity shall constitute the nomination and remuneration committee comprising of at least three directors who shall be non-executive directors and at least two-thirds of the directors shall be	Regulation 19 (1) of the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015	Composition of the nomination & remuneration committee was not in compliance with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the period from 28.03.2026 to 31.03.2026 as there was only one independent director	National Stock Exchange of India Limited ("NSE") & BSE Limited ("BSE")	Clarification	Composition of the nomination & remuneration committee was not in compliance with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the period from 28.03.2026 to 31.03.2026 as there was only one independent director	No fine has yet been levied for the quarter ended 31.03.2026	Non-compliance with Regulation 19 (1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 pertaining to composition of the nomination & remuneration committee during the period from 28.03.2026 to 31.03.2026 as there was only one independent director remaining on	During the period from 28.03.2026 to 31.03.2026, composition of the Nomination & Remuneration Committee could not be made in compliance with Regulation 19 (1) of the SEBI Listing Regulations, due to only one independent director remaining on the Board of the Company during the said period.  BHEL being a Government Company, the power to appoint directors, including independent directors, lies with	The Management has informed that the Company was unable to comply with the statutory provisions pertaining to composition of its Nomination & Remuneration Committee from 28.03.2026 to 31.03.2026 due to only one independent director remaining on the Board of the Company during the said period.  In our opinion also, the non-compliance with regard to the composition of the Nomination & Remuneration



independent directors.		remaining on the Board of the Company w.e.f. 28.03.2026.			remaining on the Board of the Company w.e.f. 28.03.2026.		the Board of the Company w.e.f. 28.03.2026.	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. The matter of filling up of the remaining vacancies is under process at the end of Government of India.	Committee was due to non-appointment of sufficient number of independent directors, which 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 clause)	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	Non-compliance with Regulation 17 (1) of the SEBI (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 including at least one Independent Woman Director from 13.04.2024 to 31.03.2025.	31.03.2025	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	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 levied a total fine of Rs. 32,45,000 (Rs. 16,22,500 each) for the quarters ended 30.06.2024, 30.09.2024 and 31.12.2024 pertaining to non-compliance	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	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. 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



			1000 listed entities shall have at least one independent woman director.	of Regulation 17 (1).  *Fine of Rs. 10,62,000 for the quarter ended 31.03.2025 was levied by NSE & BSE (Rs. 5,31,000 each) subsequently on 29.05.2025. BHEL filed its reply to NSE & BSE on 07.06.2025.	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 waiver of the fines imposed under their carveout policies.	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.
2	Non-compliance with Regulation 18 (1) & (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to only one Independent Director remaining on the Board of the Company from 02.11.2024 to 28.03.2025.	31.03.2025	Composition of Audit Committee including Quorum of Audit Committee was not in compliance as per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 due to non-availability of requisite number of Independent Directors during the time period 02.11.2024 to 28.03.2025.	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.  NSE & BSE levied a total fine of Rs. 2,83,200 (Rs. 1,41,600 each) for the quarter ended 31.12.2024 pertaining to non-compliance of Regulation 18 (1) & 18 (2).  *Fine of Rs. 4,10,640 for the quarter ended 31.03.2025 was levied by NSE & BSE (Rs. 2,05,320 each) subsequently on 29.05.2025. BHEL filed its reply to NSE & BSE on 07.06.2025.	Pursuant to the appointment of two independent directors on the Board of BHEL w.e.f. 29.03.2025, the Audit Committee was reconstituted in compliance with Regulation 18 of the SEBI Listing Regulations w.e.f. 29.03.2025.	The Company had ensured compliance with the provisions of Regulation 18 (1) & (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.e.f. 29.03.2025.  Further, the fine imposed in respect of the aforesaid non-compliance was also waived by BSE & NSE.
3	Non-compliance with Regulation 19 (1) of the SEBI (Listing	31.03.2025	Composition of Nomination and Remuneration Committee was	The Company did not have requisite number of	Pursuant to the appointment of two independent directors on the	The Company had ensured compliance with the provisions of Regulation 19 (1) of



<p>Obligations and Disclosure Requirements] Regulations, 2015 due to only one Independent Director remaining on the Board of the Company from 02.11.2024 to 28.03.2025.</p>		<p>not in the compliance as per SEBI (Listing Obligations &amp; 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.</p>	<p>Independent Directors during the time period 02.11.2024 to 28.03.2025 to compose the Nomination and Remuneration Committee.</p> <p>NSE &amp; BSE levied a total fine of Rs. 2,83,200 (Rs. 1,41,600 each) for the quarter ended 31.12.2024 pertaining to non-compliance of Regulation 19 (1).</p> <p>*Fine of Rs. 4,10,640 for the quarter ended 31.03.2025 was levied by NSE &amp; BSE (Rs. 2,05,320 each) subsequently on 29.05.2025. BHEL filed its reply to NSE &amp; BSE on 07.06.2025.</p>	<p>Board of BHEL w.e.f. 29.03.2025, the Nomination &amp; Remuneration Committee was reconstituted in compliance with Regulation 19 of the SEBI Listing Regulations w.e.f. 29.03.2025.</p>	<p>the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.e.f. 29.03.2025.</p> <p>Further, the fine imposed in respect of the aforesaid non-compliance was also waived by BSE &amp; NSE.</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.	<p><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 India (ICSI)</p>	Yes	None
2.	<p><u>Adoption and timely updation of the Policies:</u></p> <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</li> </ul>	Yes  Yes	None  None



	updated as per the regulations/ circulars/ guidelines issued by SEBI		
3.	<u>Maintenance and disclosures on Websites:</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 2025-2026.
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.
8.	<p><b>Related Party Transactions:</b></p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions</p> <p>(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</p>	<p>Yes</p> <p>None</p> <p>NA</p> <p>Not applicable in view of 8 (a) above</p>	
9.	<p><b>Disclosure of events or information:</b></p> <p>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</p>	<p>Yes</p> <p>None</p>	
10.	<p><b>Prohibition of Insider Trading:</b></p> <p>The listed entity is in compliance with Regulation 3(5) &amp; 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015</p>	<p>Yes</p> <p>None</p>	
11.	<p><b>Actions taken by SEBI or Stock Exchange(s), if any:</b></p> <p>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 (or) except as specified in the last column</p>	<p>Yes</p>	<p>Mentioned in table (a) above.</p>
12.	<p><b>Resignation of statutory auditors from the listed entity or its material subsidiaries:</b></p> <p>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</p>	<p>NA</p>	<p>None</p>



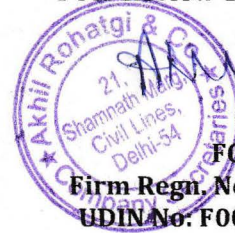
	Regulations by listed entities		
13.	<u>No additional non-compliances observed:</u> No additional non-compliance observed for any of the SEBI regulation/ circular/ guidance note etc. except as reported above	Yes	None

**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 & 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**

**Peer Review Cert. No. 7777/2026**



**CS Akhil Rohatgi**

**FCS: 1600, COP: 2317**

**Firm Regn. No: P1995DE072900**

**UDIN No: F001600H000414001**

**Place: New Delhi**

**Date: 20/05/2026**