

Bharat Heavy Electricals Limited

(CIN: L74899DL1964GOI004281)

Regd. Office: BHEL House, Siri Fort, New Delhi-110049

Phone: 011-66337000, Fax: 011-66337428

Website: www.bhel.com, E-mail: shareholderquery@bhel.in

Notice

Notice is hereby given that the 55th Annual General Meeting of the Members of BHARAT HEAVY ELECTRICALS LIMITED will be held on Thursday, the 19th September, 2019 at 10 A.M. at Manekshaw Centre, Parade Road, Khyber Lines, Delhi Cantt., New Delhi – 110010 (route map enclosed), to transact the following businesses: -

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019 together with the Directors' Report and Auditors' Report thereon.
2. To declare dividend for the financial year 2018-19.
3. To appoint a Director in place of Shri Subodh Gupta (DIN: 08113460), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri S. Balakrishnan (DIN: 07804784), who retires by rotation and being eligible, offers himself for re-appointment.
5. To authorize the Board of Directors to fix the remuneration of the Auditors for the year 2019-20.

SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year ended on 31st March, 2020 as set out in the Statement annexed to the Notice convening this Meeting, be and is hereby ratified by the shareholders of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution."

7. To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT Shri R. Swaminathan (DIN: 01811819), who was appointed as an Additional Director pursuant to Article 67(iv) of the Articles of Association of the Company read with Sections 149 and 161 (1) of the Companies Act, 2013 w.e.f. 01.12.2018 to hold Office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing, from the Director himself pursuant to the provisions of Section 160 (1) of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a second term."

8. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri Manoj Kumar Varma (DIN: 08308714), who was appointed as an Additional Director pursuant to Article 67(iv) of the Articles of Association of the Company read with Section 161 (1) of the Companies Act, 2013 w.e.f. 19.12.2018 to hold Office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing, from the Director himself pursuant to the provisions of Section 160 (1) of the Companies Act, 2013, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

9. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri Rajesh Sharma (DIN: 01586332), who was appointed as an Additional Director pursuant to Article 67(iv) of the Articles of Association of the Company

read with Sections 149 and 161(1) of the Companies Act, 2013 w.e.f. 20.02.2019 to hold Office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing, from the Director himself pursuant to the provisions of Section 160(1) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company."

10. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Shri Kamalesh Das (DIN: 08376769), who was appointed as an Additional Director pursuant to Article 67(iv) of the Articles of Association of the Company read with Section 161(1) of the Companies Act, 2013 w.e.f. 01.03.2019 to hold Office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing, from the Director himself pursuant to the provisions of Section 160(1) of the Companies Act, 2013, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

11. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Shri Amit Varadan (DIN: 08401348), who was appointed as an Additional Director pursuant to Article 67(iv) of the Articles of Association of the Company read with Section 161(1) of the Companies Act, 2013 w.e.f. 27.03.2019

to hold Office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing, from the Director himself pursuant to the provisions of Section 160(1) of the Companies Act, 2013, be and is hereby appointed as a Director of the Company."

12. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Dr. Nalin Shinghal (DIN: 01176857), who was appointed as an Additional Director pursuant to Article 67(iv) of the Articles of Association of the Company read with Section 161(1) of the Companies Act, 2013 w.e.f. 08.07.2019 to hold Office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing, from the Director himself pursuant to the provisions of Section 160(1) of the Companies Act, 2013, be and is hereby appointed as a Director of the Company."

By Order of the Board of Directors



(Rajeev Kalra)
Company Secretary

Place: New Delhi
Date: August 9, 2019

NOTES: -

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON APPOINTED AS PROXY SHALL ACT ON BEHALF OF SUCH MEMBER OR NUMBER OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, AS PER PROVISIO TO RULE 19(2) OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014, A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS (48 HOURS) BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING. BLANK PROXY FORM IS ENCLOSED.
 2. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
 3. Relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business, as set out above is annexed hereto.
 4. S/shri Subodh Gupta and S. Balakrishnan, Directors, retire by rotation and being eligible, offer themselves for re-appointment. However, as per the terms of their appointment, the tenure of S/shri Subodh Gupta and S. Balakrishnan as Directors of the Company will expire on 17.04.2023 (five years from the date of his appointment) and 30.11.2020 (on his superannuation). Brief resume of each of the Directors proposed for re-appointment is given at Annexure to the Notice.
 5. The Board of Directors has recommended a final dividend of 60% (₹1.20 per share) on the Paid-up Equity Share Capital of the Company in addition to an interim dividend of 40% (₹ 0.80 per share) on the Paid-up Equity Share Capital already paid during the year 2018-19.
 6. The Register of Members and Share Transfer books of the Company shall remain closed from Friday, 13th September, 2019 to Thursday, 19th September, 2019 (both days inclusive), for determining names of the shareholders eligible for final dividend, if declared at the meeting.
 7. The final dividend on the Equity Shares as recommended by the Board of Directors for the year ended 31.03.2019, if approved by the shareholders at the Annual General Meeting, will be payable within 30 days from the date of declaration of dividend i.e. on or before 18.10.2019, to those shareholders whose name appear: -
 - i. As Beneficial Owners of shares as at the closure of business hours on 12th September, 2019 as per the list to be furnished by NSDL/ CDSL in respect of the shares held in the Electronic mode; and
 - ii. As Members in the Register of Members of the Company after giving effect to all valid share transfer requests in physical form which are lodged with the Company/ RTA on or before the close of business hours on 12th September, 2019.
 8. Members are advised to submit their National Electronic Clearing Service/ Electronic Clearing Service (NECS/ECS) mandate in the form (given elsewhere in the Annual Report) duly filled in and signed, to enable the Company to make remittance by means of NECS/ ECS.
 9. Pursuant to Section 124 read with Section 125 of the Companies Act, 2013, the dividend amounts which remain unpaid /unclaimed for a period of 7 years, are required to be transferred to the "Investor Education and Protection Fund" constituted by the Central Government. Accordingly, the final dividend for the financial year 2011-12 and interim dividend for financial year 2012-13, which remains unclaimed, are proposed to be transferred to the said account on 24.10.2019 and 03.03.2020 respectively.
- Members who have not claimed/ encashed their Dividend so far for the financial year ended 31.03.2012 or any subsequent financial year(s) may approach the Company for obtaining payments thereof before expiry of the stipulated 7 years period.
10. Members may avail facility of nomination in terms of section 72 of the Companies Act, 2013, by nominating any person to whom their shares in the Company shall vest in the event of their death.
 11. Pursuant to Section 139(5) read with Section 142(1) of the Companies Act, 2013, the Auditors of a Government Company are appointed by the Comptroller and Auditor General (C&AG) of India and their remuneration is fixed by the Company in the Annual General Meeting.

The shareholders may authorize the Board to fix up an appropriate remuneration of Auditors for the year 2019-20 as may be deemed fit by the Board.

12. Members are requested to notify immediately any change of address and other relevant correspondence including NECS/ ECS details and submission of Permanent Account Number (PAN): -

- i. to their Depository Participants (DPs) in respect of their electronic share accounts; and
- ii. to the Company at its registered office or the Registrar & Share Transfer Agent, M/s Karvy Fintech Private Ltd. (Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032) in respect of their physical shares, if any, quoting their folio number, Banker's name and account number to ensure prompt and safe receipt of dividend warrants.

13. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting. However, entry to the Auditorium will be strictly on the basis of entry slip, available at the counters at the venue and to be exchanged with attendance slip.

14. In compliance with section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company has provided the facility to members to exercise their right to vote by electronic means through M/s Karvy Fintech Private Limited. The members, whose names appear in the Register of Members/ list of Beneficial Owners as on Thursday, September 12, 2019 (cut-off date) will be eligible to vote for the purpose of E-voting/ AGM and a person who is not a member as on the cut-off date should treat this notice for information purposes only. The e-voting period will commence from Sunday, September 15, 2019 at 9.00 a.m. and will end on Wednesday, September 18, 2019 at 5.00 p.m. The e-voting module will be blocked on September 18, 2019, at 5.00 p.m. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting sent separately with the Notice alongwith necessary user id & password. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting right of shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date being, September 12, 2019.

15. The facility for voting through ballot paper shall be made available at the AGM and members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

16. The members who have cast their vote by remote e-voting prior to the AGM may also attend the meeting but shall not be entitled to cast their vote again.

17. The Company has appointed Shri Sachin Agarwal of M/s Agarwal S. & Associates, Practising Company Secretary, to act as a Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company. The results along with the Scrutinizer's Report shall be available on the Company's website (www.bhel.com) and on the website of the agency immediately after the declaration of result by the Chairman/ person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

18. Members are requested to: -

- i. bring their Attendance Slip duly completed and signed at the venue of the meeting along with Photo-id proof.
- ii. quote their Folio/ DP & Client ID Nos. in all correspondence.
- iii. note that no briefcase or bag will be allowed to be taken inside the auditorium for security reasons.
- iv. note that no gifts will be distributed at the AGM.

By order of the Board of Directors



(Rajeev Kalra)
Company Secretary

Place: New Delhi

Date: August 9, 2019

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following explanatory statement sets out the material facts relating to the business mentioned in Item Nos. 6 to 12 of the accompanying Notice dated August 9, 2019.

ITEM NO. 6

Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 requires remuneration of the cost auditors as approved by the Board to be ratified by shareholders subsequently.

Based on the recommendation of the Audit Committee, the Board of Directors in its meeting held on 26th July, 2019 has approved the names of seven Cost Accountants/ Firms for appointment for a total remuneration of ₹15.01 Lakhs as detailed under:

(₹ in Lakhs)

Sl. No.	Name of the Cost Auditors	Unit	Remuneration for FY 2019-20
1	M/s Shome & Banerjee, Delhi (Lead Cost Auditor)	Consolidation Audit Report	0.96
		Bhopal	1.91
		Jhansi	0.77
		HERP Varanasi	0.38
2	M/s R.J. Goel & Co., Delhi	HEEP Haridwar	1.91
		CFFP Haridwar	0.38
3	M/s KRJ & Associates, Hyderabad	Hyderabad	1.91
4	M/s M. Krishnaswamy & Associates, Chennai	Trichy	2.54
		BAP Ranipet	1.27
5	M/s J.H. & Associates, Bengaluru	EPD Bengaluru	0.50
		EDN Bengaluru	0.64
6	M/s K.B Saxena & Associates, Lucknow	IVP Goindwal	0.38
		FSIP Jagdishpur	0.58
		CFP Rudrapur	0.38
7	M/s Uppalapati & Associates, Visakhapatnam	HPVP Visakhapatnam	0.50
Total			15.01

The above fee is exclusive of applicable taxes and out-of-pocket expenses which are payable extra.

Accordingly, members are requested to ratify the remuneration payable to the Cost Auditors for the Financial Year ending on 31st March, 2020.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 6.

The Board of Directors commends the resolution for approval of the Shareholders.

ITEM NO. 7

Shri R. Swaminathan (DIN: 01811819), aged 63 years, was re-inducted as an Independent Director on the Board of BHEL w.e.f. 1st December, 2018. He was earlier appointed as Independent Director from 18th December, 2015 to 30th November, 2018.

He is a retired Indian Foreign Officer (IFS) of the 1980 batch. He was Secretary to the Government of India in the Ministry of External Affairs (MEA) at the time of his retirement.

He holds a Bachelor degree (Honours) in Civil Engineering from the Madras University, Masters Diploma in Industrial Engineering from the National Productivity Council (NPC) and a Diploma in Arabic language from the American University in Cairo. As part of his Industrial Engineering Masters, he did a thesis on Turnkey Project Management Information Systems at the BHEL power project in Parli, Maharashtra in 1979.

Ambassador Swaminathan has extensive experience in international relations including economic and commercial diplomacy, project management, Development issues including international aid and LoCs, public diplomacy, administration, Atomic Energy, passport and consular services and Arab issues in a long career of 35 years.

As Secretary to the Government of India, he was responsible for all the Latin American countries and Canada as well as Consular, Passports and Visas Divisions in MEA. He was also the Director General of Inspections of MEA. Prior to this, he was Ambassador to Austria and Montenegro; Governor of India to the International Atomic Energy Agency (IAEA); Permanent Representative of India to UNIDO, UNODC, Outer Space Organization and other UN Offices in Vienna. He has also served as Indian Ambassador to Egypt and the Arab League, Joint Secretary and Chief Passport Officer of India and Joint Secretary for Projects in MEA. He served in the IAEA Secretariat in Vienna heading the Policy Planning and Coordination Division. He was Counsellor and Head of the Commercial Department in the Indian High Commission in Sri Lanka, Deputy Chief of Mission in the Indian Embassy in Bhutan, Secretary of the Atomic Energy Commission and Deputy Secretary in the Department of Atomic Energy,

Government of India, First Secretary in the Indian Embassy in France, Second Secretary in the Indian Embassy in Qatar and Third Secretary in the Indian Embassy in Egypt. Prior to joining IFS, he was Assistant Director/Consultant at NPC.

Important achievements in his career include launching of the Passport Seva Project, one of the largest e-governance initiatives of the Government of India, Outsourcing of passport and visa services in Indian Missions, evacuation of a large number of distressed Indian Nationals from Libya, Egypt and Iraq, part of the IAEA Secretariat which received Nobel Peace Prize in 2005 and the first ever Free Trade Agreement for India which was concluded with Sri Lanka.

Appointment of Shri Swaminathan is upto 30.11.2019 or until further orders whichever event occurs earlier. As an Independent Director, he is entitled to sitting fee for Board Meetings and Board Level Committee Meetings attended by him.

Shri R. Swaminathan does not hold any shares in BHEL and he does not have any relationship with other Directors/ Manager/ Key Managerial Personnel of the Company.

Shri R. Swaminathan has attended six (of eight) Board Meetings held in FY 2018-2019.

In terms of MCA notification dated 05.07.2017, the Department of Public Enterprises through the Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises, BHEL's Administrative Ministry has started the exercise of performance evaluation/ assessment of non-official (Independent) Directors on the Board of the Company and accordingly, the provision regarding report on performance evaluation in case of reappointment of Independent Director is not applicable.

By virtue of Section 161 of the Companies Act, 2013 read with Article 67(iv) of the Articles of Association of the Company, Shri R. Swaminathan holds office till the date of ensuing Annual General Meeting and is eligible for reappointment for a second term. As per requirement of Section 160 of the Companies Act, 2013, the Company has received a Notice in writing, proposing candidature of Shri Swaminathan for the Office of Independent Director of the Company for a second term.

The Company has received a declaration from Shri R. Swaminathan that he meets the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Listing Regulations. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Shri R. Swaminathan is reappointed as an Independent Director for a second term. In the opinion of the Board, Shri R. Swaminathan fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company and

is independent of the Management.

Except Shri R. Swaminathan, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 7.

The Board of Directors commends the resolution for approval of the Shareholders.

ITEM NO. 8

Shri Manoj Kumar Varma (DIN: 08308714), aged 58 years, was inducted as Director (Power) on the Board of BHEL w.e.f. 19th December, 2018.

He is a Mechanical Engineering Graduate from SGSITS, Indore and an MBA in Marketing from Bhopal University. Prior to becoming Director (Power), he was heading Power Sector- Southern Region Chennai, as Executive Director, which is executing major power projects & contributing substantially to BHEL's Power Sector segment.

Shri Manoj Kumar Varma has 35 years of holistic and hands on experience in the field of Energy, Industrial System and Infrastructure industries covering major value chain functions viz. Production, Commercial Management, Marketing & Business Development, Contract Management, Planning & Development, Information Technology and Strategic Management.

Shri Manoj Kumar Varma joined the organisation as Engineer Trainee at Transformer Plant, BHEL Jhansi and subsequently moved to Heavy Electrical Plant, Bhopal where he worked in various capacities and later on was transferred to Industry Sector, New Delhi as General Manager. During his career in BHEL, he also headed the erstwhile Ceramic Business Unit of BHEL, Bengaluru with erstwhile Electroporcelains Division (EPD, Bengaluru) and Insulator Plant (IP, Jagdishpur) under its ambit.

Shri Manoj Kumar Varma holds the position of Part-time Nominee Chairman on the Board of Raichur Power Corporation Limited.

Appointment of Shri Manoj Kumar Varma is upto 31.01.2021 or until further orders, whichever event occurs earlier, in the pay scale of ₹1,80,000 - ₹3,40,000 p.m. on terms and conditions approved by the Government of India.

Shri Manoj Kumar Varma does not hold any shares in BHEL and he does not have any relationship with other Directors/ Manager/ Key Managerial Personnel of the Company.

Shri Manoj Kumar Varma has attended one Board Meeting which was held during his tenure in FY 2018-2019.

By virtue of Section 161 of the Companies Act, 2013 read with Article 67(iv) of the Articles of Association of the Company, Shri Manoj Kumar Varma holds office till the date of ensuing Annual General Meeting and is eligible for appointment. As per requirement of Section 160 of the Companies Act, 2013, the Company has received a Notice in writing, proposing candidature of Shri Varma for the Office of Director of the Company.

Except Shri Manoj Kumar Varma, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 8.

The Board of Directors commends the resolution for approval of the Shareholders.

ITEM NO. 9

Shri Rajesh Sharma (DIN: 01586332), aged 47 years, was inducted as an Independent Director on the Board of BHEL w.e.f. 20th February, 2019.

Shri Rajesh Sharma is a Commerce Graduate, a Fellow member of the Institute of Chartered Accountants of India and a qualified Company Secretary. He is a practicing Chartered Accountant, having a rich experience of more than 17 years of audit in many PSU's, National Cooperatives, Corporation & Banks.

He is presently Central Council member of Institute of Chartered Accountants of India. He has held various positions such as Central Council Member of the Institute of Company Secretaries of India (Govt. Nominee) and member of Capital Market & Investor protection Council of ASSOCHAM etc.

Shri Sharma is involved in varied social activities such as inculcating skills in downtrodden to make them self-dependent and also running a Drug Rehabilitation Centre. He is a prominent speaker in many seminars, conferences organized in India and abroad. He has also been awarded by reputed organization for exemplary contribution to society.

Appointment of Shri Rajesh Sharma is upto 13.02.2022 or until further orders whichever event occurs earlier. As an Independent Director, he is entitled to sitting fee for Board Meetings and Board Level Committee Meetings attended by him.

Shri Rajesh Sharma does not hold any shares in BHEL and he does not have any relationship with other Directors/ Manager/ Key Managerial Personnel of the Company.

No Board Meetings was held during the tenure of Shri Rajesh Sharma in FY 2018-2019.

By virtue of Section 161 of the Companies Act, 2013 read with Article 67(iv) of the Articles of Association of the Company, Shri Rajesh Sharma holds office till the date of ensuing Annual General Meeting and is eligible for appointment. As per requirement of Section 160 of the Companies Act, 2013, the Company has received a Notice in writing, proposing candidature of Shri Sharma for the Office of Independent Director of the Company.

The Company has received a declaration from Shri Rajesh Sharma that he meets the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Listing Regulations. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Shri Rajesh Sharma is appointed as an Independent Director. In the opinion of the Board, Shri Rajesh Sharma fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Management.

Except Shri Rajesh Sharma, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 9.

The Board of Directors commends the resolution for approval of the Shareholders.

ITEM NO. 10

Shri Kamallesh Das (DIN: 08376769), aged 57 years, was inducted as Director (Engineering, Research & Development) on the Board of BHEL w.e.f. 1st March, 2019.

Shri Kamallesh Das is an Engineering Graduate from Calcutta University and also has a Post Graduate Diploma in Management.

Prior to becoming Director (E, R&D), Shri Kamallesh Das as Executive Director, was heading various business verticals at BHEL's Industry Sector, which is responsible for carrying out the company's diversification and growth initiatives. Major verticals in his portfolio included Renewable Energy, Industrial Systems, Electrical and Transmission Products.

He joined BHEL as an Engineer Trainee at the company's Insulator Plant in 1982. Shri Das has over 36 years of holistic and hands-on experience in energy, transmission and industrial systems. During his career in BHEL, he has developed and demonstrated a comprehensive set of competencies in various value chain activities like marketing, engineering, production, commercial, project management, human resource & industrial relations, legal management, project finance and

strategic management. Earlier he was also the head of various manufacturing units of BHEL like Insulator Plant, Jagdishpur, Electro-Porcelains Division, Bengaluru, and Component Fabrication Plant, Rudrapur.

Shri Kamalesh Das holds the position of Part-time Nominee Chairman on the Board of BHEL-GE Gas Turbine Services Private Limited.

Appointment of Shri Kamalesh Das is upto 31.07.2021 or until further orders, whichever event occurs earlier, in the pay scale of ₹1,80,000 - ₹3,40,000 p.m. on terms and conditions approved by the Government of India

Shri Kamalesh Das does not hold any shares in BHEL and he does not have any relationship with other Directors/ Manager/ Key Managerial Personnel of the Company.

No Board Meetings were held during the tenure of Shri Kamalesh Das in FY 2018-2019.

By virtue of Section 161 of the Companies Act, 2013 read with Article 67(iv) of the Articles of Association of the Company, Shri Kamalesh Das holds office till the date of ensuing Annual General Meeting and is eligible for appointment. As per requirement of Section 160 of the Companies Act, 2013, the Company has received a Notice in writing, proposing candidature of Shri Das for the Office of Director of the Company.

Except Shri Kamalesh Das, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 10.

The Board of Directors commends the resolution for approval of the Shareholders.

ITEM NO. 11

Shri Amit Varadan (DIN: 08401348) aged 53 years, was inducted as Part-time Official Director on the Board of BHEL w.e.f. 27th March, 2019.

He is presently posted as Joint Secretary in the Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises, Government of India. Shri Amit Varadan holds a Bachelor's Degree in Economics from St Stephen's College, Delhi University and a Master's Degree in Economics from Jawaharlal Nehru University. He is also an MBA from the Faculty of Management Studies, Delhi University. Prior to taking charge of Joint Secretary, he was Divisional Railway Manager, Secunderabad Division, South Central Railway.

He joined Indian Railway Traffic Service (IRTS) in August 1990.

During his tenure in Railway Service, he has worked in various wings of the Indian Railways viz., Operating, Commercial, Safety, Vigilance, Information Technology and Public Relations at various levels in the Divisional Units (cutting edge of Railway Operations), in Zonal Headquarters and Railway Board. He has also worked in the Centre for Railway Information Systems (CRIS). Prior to joining Indian Railway Traffic Service, he worked as Lecturer of Economics in Hindu College, Delhi University.

Shri Amit Varadan holds the position of Part-time Official Director on the Board of Andrew Yule & Co. Limited.

Being a Government of India nominee on the Board of BHEL, Shri Amit Varadan does not receive any remuneration from BHEL.

Shri Amit Varadan does not hold any shares in BHEL and he does not have any relationship with other Directors/Manager/ Key Managerial Personnel of the Company.

No Board Meetings were held during the tenure of Shri Amit Varadan in FY 2018-2019.

By virtue of Section 161 of the Companies Act, 2013 read with Article 67(iv) of the Articles of Association of the Company, Shri Amit Varadan holds office till the date of ensuing Annual General Meeting and is eligible for appointment. As per requirement of Section 160 of the Companies Act, 2013, the Company has received a Notice in writing, proposing candidature of Shri Varadan for the Office of Director of the Company.

Except Shri Amit Varadan, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 11.

The Board of Directors commends the resolution for approval of the Shareholders.

ITEM NO. 12

Dr. Nalin Shinghal (DIN: 01176857), aged 55 years, assumed charge of the post of Chairman & Managing Director of BHEL w.e.f. 8th July, 2019.

He holds a B. Tech degree in Electrical Engineering from IIT-Delhi and PGDM from IIM (Calcutta). He has been a Commonwealth Scholar and has a doctorate in Transport Economics from the University of Leeds/UK.

Prior to joining BHEL, he was the Chairman & Managing Director (CMD) of Central Electronics Limited (CEL). He joined CEL in 1983 as CMD, when the company was facing chronic sickness with almost 90% of its net worth eroded. Under his leadership, CEL was successfully turned around into a profit

making company with rapidly growing profits. The turnaround has also been taken up as a case study by IIM Ahmedabad.

In his long career span of more than 30 years, he has undertaken a range of assignments in Private Sector, Public Sector and Government. He has worked with the Indian Railways Traffic Service (IRTS) in various capacities in Operations, Commercial & Marketing as well as Planning functions and also in several diverse areas with PSUs like CONCOR, IRCTC, apart from CEL.

Prior to CEL he worked as Director (Tourism & Marketing) Indian Railways Catering & Tourism Corporation Ltd. (IRCTC) for six years and also held charge as MD-IRCTC for about 2 years, in which period, the company achieved rapid growth and attained Mini Ratna status. As Director (Tourism & Marketing) he headed the Internet Ticketing as well as Travel & Tourism businesses of IRCTC. In his tenure the e-ticketing business grew from 20,000 tickets per day to almost 5 lakh tickets per day. He was also responsible for setting up and perspective planning of the complete Tourism business of IRCTC.

Dr. Nalin Shinghal has published a number of articles in leading national & international journals in the areas of Transport Economics & Logistics. He has also held eminent positions in various professional bodies.

Appointment of Dr. Nalin Shinghal is upto 31.10.2023 or until further orders, whichever event occurs earlier, in the pay scale of ₹2,00,000 – ₹3,70,000 p.m. on terms and conditions approved by the Government of India.

Dr. Nalin Shinghal holds 100 shares in BHEL (jointly with his wife) and he does not have any relationship with other Directors/ Manager/ Key Managerial Personnel of the Company.

Since Dr. Nalin Shinghal was appointed as CMD on 08.07.2019, he did not attend any Board Meeting during FY 2018-19.

By virtue of Section 161 of the Companies Act, 2013 read with Article 67(iv) of the Articles of Association of the Company, Dr. Nalin Shinghal holds office till the date of ensuing Annual General Meeting and is eligible for appointment. As per requirement of Section 160 of the Companies Act, 2013, the Company has received a Notice in writing, proposing candidature of Dr. Shinghal for the Office of Director of the Company.

Except Dr. Nalin Shinghal, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 12.

The Board of Directors commends the resolution for approval of the Shareholders.

By Order of the Board of Directors



(Rajeev Kalra)
Company Secretary

Place: New Delhi

Date: August 9, 2019

DETAILS OF DIRECTORS PROPOSED FOR RE-APPOINTMENT

SHRI SUBODH GUPTA

Shri Subodh Gupta (DIN 08113460) aged 55 years, was appointed as Director (Finance) on the Board of BHEL w.e.f. 18.04.2018.

Shri Gupta is a Fellow member of the Institute of Cost Accountants of India (ICAI) and a Commerce (Honours) Graduate from University of Delhi. Prior to his appointment to the board of Directors, he was General Manager (Corporate Finance) handling financial planning and strategy, treasury management and taxation. In addition, he was also heading the Finance function of Strategic Business Units under the company's "Industry Sector" business segment.

An accomplished finance professional, Shri Gupta brings with him more than 34 years of diverse experience in the financial operations of BHEL. He started his career with BHEL as Trainee (Finance) in 1985 and during his career progression, equipped himself with all facets of Financial Management to take challenging responsibilities.

Under the dynamic / mettlesome leadership of Shri Gupta, BHEL has been bestowed with the Maiden ICWAI National Award for Excellence in Cost Management 2005 and Maiden prestigious CII-Exim Bank Award for Business Excellence 2006. As a certified TQM assessor from European Foundation for Quality Management, he has significantly contributed in improvement of business processes and conducted several internal and external TQM assessments. He was conferred with CMA Achiever's Award - Certificate of Merit 2016, for his significant contribution to Corporate Management practices, under the category "PSU Manufacturing –Large" by the Institute of Cost Accountants of India.

Shri Subodh Gupta has played a pivotal role in reorientation of planning & budgeting exercise, structural changes in financial reporting, tax planning & its management resulting into more robust financial position of the company and transparent reporting. He has led various initiatives in re-modelling, planning and execution of all financial processes which has led to stronger controls and improved accounting practices. To arrest the mounting debtors, introduced Trade Receivable Policy and through his continuous focus & thrust on receivable management, despite liquidity challenges, company registered growth in cash collection over previous years. Shri Subodh Gupta has led risk mitigation and management strategies in the company and ensured the highest Bank guarantee & PI Bonds vacations during the FY 2018-19. He is also the driving force behind system development and integration in the finance

function of the company. He has also reinforced budgetary discipline and pioneered various other cost control measures in the organization, resulting in significant improvement in financial performance and profitability parameters.

Shri Subodh Gupta is also a Part Time nominee Director on the Board of Raichur Power Corporation Limited.

Shri Subodh Gupta's appointment is upto 17.04.2023 or until further orders, whichever event occurs earlier, in the pay scale of ₹1,80,000 - ₹3,40,000 p.m. on terms and conditions approved by the Government of India.

Shri Subodh Gupta does not hold any shares of BHEL and he does not have any relationship with other Directors/ Manager/ KMP of company.

Shri Subodh Gupta has attended six (of the seven) Board Meetings held during his tenure in FY 2018-19.

SHRI S. BALAKRISHNAN

Shri S. Balakrishnan (DIN: 07804784) aged 58 years, was inducted as Director (Industrial Systems & Products) on the Board of BHEL w.e.f. 01.06.2018.

Prior to this, Shri Balakrishnan was heading the Heavy Power Equipment Plant (HPEP), Ramachandrapuram - one of the major units of BHEL at Hyderabad as Executive Director. Earlier he was heading the company's Industrial Products (Electrical & Mechanical) business at Industry Sector, Delhi, as General Manager In-charge.

Shri Balakrishnan is a Mechanical Engineering graduate from University of Indore, Madhya Pradesh and acquired his Masters Degree in Stress & Vibration Analysis from Bhopal University.

Shri Balakrishnan brings with him versatile and varied experience of over 37 years in core areas of economy viz. Power Generation & Transmission, Renewable Energy, Transportation, Electric Mobility, Energy Storage, Captive Power, Oil & Gas, Defence and Water Management. He has developed core competencies in the functions of Strategic Management, Marketing & Business Development, Project Development & Execution, Partner Management, Human Resource Management & Industrial Relations, Manufacturing and Technology Development.

Shri Balakrishnan started his career with BHEL as Engineer Trainee in 1982 in the company's Trichy unit and subsequently moved to BHEL, Bhopal, where he worked in various capacities in the areas of A.C. Machines, Nuclear Turbines and Transformers at BHEL's Bhopal Plant.

Shri Balakrishnan is also the Vice President of CIGRE-India and is a member of its Governing Council.

Appointment of Shri Balakrishnan is upto 30.11.2020 or until further orders, whichever event occurs earlier, in the pay scale of ₹1,80,000 - ₹3,40,000 p.m. on terms and conditions approved by the Government of India.

Shri Balakrishnan does not hold any shares in BHEL and he does not have any relationship with other Directors/ Manager/ Key Managerial Personnel of Company.

Shri Balakrishnan has attended all the Board Meetings (five) held during his tenure in FY 2018-2019.

By Order of the Board of Directors

A handwritten signature in black ink, appearing to read 'Rajeev Kalra', is positioned above the name of the Company Secretary.

(Rajeev Kalra)
Company Secretary

Place: New Delhi
Date: August 9, 2019