

Ref: CS/SE/ASCR/445

16.05.2024

National Stock Exchange of India Ltd. Listing Compliance Department Exchange Plaza, Bandra - Kurla Complex, Bandra (East), MUMBAI - 400 051 Symbol: BEML	The BSE Limited Listing Compliance Department P.J. Towers, 26th Floor, Dalal Street, MUMBAI - 400 001 Scrip Code: 500048
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Dear Sir/ Madam,

Sub: Annual Secretarial Compliance Report for the year ended 31.03.2024

In accordance with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are hereby submitting the annual secretarial compliance report for the year ended 31st March, 2024.

This is for your information and records.

Yours faithfully,
for BEML LIMITED

Jai Gopal Mahajan
Executive Director (Finance) and
Company Secretary & Compliance Officer
ICSI Mem No.: 12578

ಪ್ರಧಾನ ಕಛೇರಿ Corporate Office:

'ಬೆಮಲ್ ಸೌಧ', ೨೩/೧, ೪ನೇ ಮುಖ್ಯರಸ್ತೆ, ಸಂಪಂಗಿರಾಮನಗರ, ಬೆಂಗಳೂರು - ೫೬೦೦೨೨. ದೂರವಾಣಿ ಸಂಖ್ಯೆ: +೯೧೮೦೨೨೯೬೩೧೪

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Manish Mishra & Associates

Company Secretaries in Practice

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SECRETARIAL COMPLIANCE REPORT OF BEML LIMITED FOR THE FINANCIAL YEAR 2023-24

I. We Manish Mishra & Associates, Practicing Company Secretaries, Lucknow have examined:

- (a) all the documents and records made available to us and explanation provided by BEML Land Assts Limited ("the listed entity" or BEML Limited),
- (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 2023-24 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");

II. 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) Standard Operating Procedure under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 for ensuring compliance with Structural Digital Database ("SDD")
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- (f) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, and circulars/ guidelines issued thereunder;



III. We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks
1.	<p>Secretarial Standards:</p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.</p>	Yes	Nil
2.	<p>Adoption and timely updation of the Policies:</p> <ul style="list-style-type: none"> ● All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities ● All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI 	Yes	Nil
3.	<p>Maintenance and disclosures on Website:</p> <ul style="list-style-type: none"> ● The Listed entity is maintaining a functional website ● Timely dissemination of the documents/ information under a separate section on the website ● 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 	Yes	Nil
4.	<p>Disqualification of Director:</p> <p>None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	Yes	Nil



5.	<p>Details related to Subsidiaries of listed entities have been examined with respect to.:</p> <p>(a) Identification of material subsidiary companies</p> <p>(b) Disclosure requirement of material as well as other subsidiaries</p>	<p>NA</p> <p>Yes</p>	<p>Nil</p> <p>Nil</p>
6.	<p>Preservation of Documents:</p> <p>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 SEBI LODR Regulations, 2015.</p>	<p>Yes</p>	<p>Nil</p>
7.	<p>Performance Evaluation:</p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.</p>		<p>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 the Government of India, being appointing authority. Further, as per notification dated 05.06.2015 issue by the Ministry of Corporate affairs, the Government of India, Government Companies are exempted from complying with the provisions with respect to performance evaluation of the Board and its committees, if performance evaluation of the directors is done by the ministry which is administratively in charge of the Company.</p>
8.	<p>Related Party Transactions:</p> <p>The listed entity has obtained prior approval of Audit Committee for all related party transactions; or</p> <p>The listed entity has provided detailed reasons along with confirmation whether the</p>	<p>Yes</p>	<p>Nil</p>



	transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.		
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	Nil
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	Nil
11.	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been 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 except as provided under separate paragraph herein (**).	Yes	Nil
12.	Additional Non-Compliances, if any:		



IV. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th

October, 2019- With regard to para 6(A) and 6(B) of the SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019, the Statutory Auditor for the Financial Year 2023-24 have been appointed in the listed entity by the C&AG office. Further, though for them the C&AG is the appointing authority, there is no case of resignation by any of the auditors appointed by the C&AG.

V. The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

I-A

1. Compliance Requirements (Regulations/circular/guidelines including specific clause): SEBI (LODR) Regulations, 2015
2. Regulation/Circular No: Regulation 17(1)(a)
3. Deviations: Regulation 17(1)(a) requires the Listed Entity to have at least One Women Independent Director on the Board of Directors of the Company. As on 31st March 2024, the Listed Entity did not have a Women Independent Director on its Board. Since, BEML Limited is a Government Company, the appointment of Directors including Independent Directors is made by Government of India through Administrative Ministry i.e., Ministry of Defence. The Company is following up with Ministry of Defence on regular intervals for the appointment of a Women Independent Director on its Board. Any order/communication in this regard from Ministry is awaited.
4. Action taken by: Stock Exchanges i.e NSE and BSE
5. Types of Action: Fines
6. Details of Violation: Details given at Item No.3 (Deviations).
7. Fine Amount: An amount of Rs 5,36,900 each has been levied by BSE and NSE for the quarter ended 30.06.2023 (This penalty cumulatively amount for non-appointment of Women Director and Independent Director)
8. Observations/Remarks of the Practicing Company Secretary: The Listed Entity is a Government Company under the Administrative control of Ministry of Defence. The appointment of Directors on the Board is made by Government of India through Administrative Ministry. The Listed Entity requested Government of India for issuing necessary orders for appointment of a Women Independent Director. Response from the Government of India is awaited. The delay in appointment of a Women Independent Director is for reasons beyond



the control of the Listed Entity. It is submitted that in the case of delay in appointment of Women Independent Director by a Government Company, NSE/BSE may consider adopting a practical/ flexible approach, exempt Government Companies and levy no penalty.

9. Management Response: Management is following up with the Ministry on regular intervals for filling the vacancy and also requesting to stock exchanges for non-levy of penalties.

I-B

1. Compliance Requirements (Regulations/circular/guidelines including specific clause): SEBI (LODR) Regulations, 2015
2. Regulation/Circular No: Regulation 17(1)(a)
3. Deviations: As per Sec 149(4) of the Companies Act 2013 read with Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, every Listed Public Company, whose Chairperson is an executive Chairperson, shall consist of 50% of the total strength of the Board as Independent Directors/Non-Executive Directors, the aforesaid requirement was not met from 01.04.2023 till 31.07.2023. Since, BEML Limited is a Government Company, the appointment of Directors including Independent Directors is made by Government of India through Administrative Ministry i.e., Ministry of Defence. After 01.08.2023 the compliance of Sec 149(4) of the Companies Act 2013 read with Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 was met by the Company.
4. Action taken by: Stock Exchanges i.e NSE and BSE
5. Types of Action: Fines
6. Details of Violation: Details given at Item No.3 (Deviations).
7. Fine Amount: An amount of Rs 5,36,900 each has been levied by BSE and NSE for the quarter ended 30.06.2023 (This penalty cumulatively amount for non-appointment of Women Director and Independent Director)
8. Observations/Remarks of the Practicing Company Secretary: The Listed Entity is a Government Company under the Administrative control of Ministry of Defence. The appointment of Directors on the Board is made by Government of India through Administrative Ministry. As per Sec 149(4) of the Companies Act 2013 read with Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, every Listed Public Company, whose Chairperson is an executive



Chairperson, shall consist of 50% of the total strength of the Board as Independent Directors/Non-Executive Directors the aforesaid requirement was not met from 01.04.2023 till 31.07.2023. After 01.08.2023 the compliance of Sec 149(4) of the Companies Act 2013 read with Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 was met by the Company. The stock exchanges have levied penalty for the period 01.04.2023 to 30.06.2023 for not meeting the requirement as per SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 and for the period 01.07.2023 to 31.07.2023 no penalty was levied.

9. Management Response: Management is following up with the Ministry on regular intervals for filling the vacancy and also requesting to stock exchanges for non-levy of penalties.

VI. The listed entity has taken the following actions to comply with the observations made in previous reports:

I-A

1. Compliance Requirements (Regulations/circular/guidelines including specific clause): SEBI (LODR) Regulations, 2015
2. Regulation/Circular No: Regulation 17(1)(a)
3. Deviations: Regulation 17(1)(a) requires the Listed Entity to have at least One Women Independent Director on the Board of Directors of the Company. Ms. Balmuri Vanitha, who was a Women Independent Director on the Board, ceased to be an Independent Director w.e.f. 21.01.2023 on the expiry of her term of office. As on 31st March 2023, the Listed Entity did not have a Women Independent Director on its Board. Since, BEML Limited is a Government Company, the appointment of Directors including Independent Directors is made by Government of India through Administrative Ministry i.e., Ministry of Defence. The Company is following up with Ministry of Defence on regular intervals for the appointment of a Women Independent Director on its Board. Any order/communication in this regard from Ministry is awaited.
4. Action taken by: Clarification sought by stock exchanges.
5. Types of Action: Clarification
6. Details of Violation: Details given at Item No.3 (Deviations).
7. Fine Amount: No Fine/Penalty levied for the period ended 31.03.2023.
8. Observations/Remarks of the Practicing Company Secretary: The Listed Entity is a Government Company under the Administrative control of Ministry of



Defence. The appointment of Directors on the Board is made by Government of India through Administrative Ministry. The Listed Entity requested Government of India for issuing necessary orders for appointment of a Women Independent Director. Response from the Government of India is awaited. The delay in appointment of a Women Independent Director is for reasons beyond the control of the Listed Entity. It is submitted that in the case of delay in appointment of Women Independent Director by a Government Company, NSE/BSE may consider adopting a practical/ flexible approach, exempt Government Companies and levy no penalty.

9. Management Response: Management is following up with the Ministry on regular intervals for filling the vacancy and also requesting to stock exchanges for non-levy of penalties.
10. Remarks- The Listed Entity is a Government Company under the Administrative control of Ministry of Defence. The appointment of Directors on the Board is made by Government of India through Administrative Ministry. The Listed Entity requested Government of India for issuing necessary orders for appointment of a Women Independent Director. Response from the Government of India is awaited. The delay in appointment of a Women Independent Director is for reasons beyond the control of the Listed Entity.

I-B

1. Compliance Requirement (Regulations/circular/guidelines including specific clause): SEBI (LODR) Regulations, 2015
2. Regulation/Circular No: Regulation 17(1) (b)
3. Deviations: Regulation 17(1) (b) stipulates that where the Listed Entity does not have a regular non-executive chairperson, at least half of the Board of Directors shall comprise of Independent Directors. As on 31st March 2023, the Board of Directors of the Listed Entity consisted of 10 Directors, out of whom: -
 - a) 5 were Executive Directors, including CMD
 - b) 5 were Non-Executive Directors (4 Independent Director and 1 Nominee Director)



S. No.	Name	Designation	Status	Effective Date
1.	Shri Arvind Kumar Arora	Independent Director	Cessation	10.07.2022
2.	Shri. M.V. Rajasekhar	Director (Mining & Construction)	Cessation	31.10.2022
3.	Shri. G Jawahar	Director (Human Resource)	Appointment	11.01.2023
4.	Smt. Balmuri Vanitha	Independent Director	Cessation	21.01.2023
5.	Shri. Bipin Kumar Gupta	Independent Director	Appointment	10.02.2023
6.	Shri. Shantanu Roy	Director (Mining & Construction)	Appointment	17.02.2023

According to the above details, the composition of the Board was not in compliance with the provisions of Regulation 17(1) (b) of SEBI (LODR) Regulations, 2015 for the period from 10.10.2023 to 31.10.2023 and 11.01.2023 to 31.03.2023.

Since the Listed Entity is a Government Company and appointment of Directors are made based on Government Orders, it has requested the Government of India for appointment of requisite Independent Directors including Woman Independent Director on its Board.

4. Action taken by: Stock Exchanges i.e., NSE and BSE

5. Types of Action: Fines

6. Details of Violation: Details given at Item No.3 (Deviations).

7. Fine Amount: Total fine levied is Rs. 12.03 Lakhs (including GST) i.e., fine of Rs.2.59 Lakhs (including GST) levied by stock exchanges for non-compliance during period 10.10.2022 to 31.10.2022 vide email dated 21.02.2023 and further fine of Rs. 9.44 lakhs (including GST) levied by stock exchanges for non-compliance



during period 11.01.2023 to 31.03.2023 vide email dated 22.05.2023.

8.Observations/Remarks of the Practicing Company Secretary: The Listed Entity is a Government Company under the Administrative control of Ministry of Defence. The appointment of Directors on the Board is made by Government of India through Administrative Ministry. The Listed Entity requested Government of India for issuing necessary orders for the appointment of requisite Independent Director on its Board. Response from the Government of India is awaited. The delay in appointment of Independent Directors is for reasons beyond the control of the Listed Entity. It is submitted that in the case of delay in appointment of Independent Directors by a Government Company, NSE/BSE may consider adopting a practical/ flexible approach, exempt Government Companies and levy no penalty or waive the penalty.

9.Management Response: Management is following up with the Ministry on regular intervals for filling the vacancy and also requesting to stock exchanges for non-levy of penalties.

10.Remarks- Out of the fine for Rs. 2.59 Lakhs, Rs. 1.30 Lakhs (including GST) levied by NSE for non- compliance during period 10.10.2022 to 31.10.2022 was waived vide their mail dated 14.09.2023 and for the balance fine of Rs. 1.29 lakhs, application has been made to BSE for waiver of penalty, wherein the reply is awaited. Further, in respect of fine for Rs. 9.44 lakhs (including GST), Company has made a request to Stock Exchanges for waiver of penalty. The reply for waiver is awaited.

**For Manish Mishra & Associates,
Company Secretaries
(F.R. N. P2015UP08T000)**

**CS Manish Kr Mishra
Managing Partner
Practicing Company Secretary
CP. No.: 15281
M. No: F 10316
UDIN: F010316F000332187
Peer Review Cert. No. 3163/2003
Date-08.05.2024
Place-Lucknow**

