



BHARAT DYNAMICS LIMITED

(A Govt. of India Enterprise, Ministry of Defence)

CIN :- L24292TG1970GOI001353

Corporate Office: - Plot No. 38-39, TSFC Building, Near ICICI Towers, Financial District, Nanakramguda, Hyderabad-500032

Registered Office: - Kanchanbagh, Hyderabad-500058

Tel: 040-23456145; Fax: 040-23456110

E-mail: investors@bdl-india.in; Website: www.bdl-india.in

Ref: BDL/CS/2020/SE-24

Date: 09/06/2020

To, The Manager Compliance Department The National Stock Exchange of India Ltd Exchange Plaza, Bandra-Kurla Complex, Bandra (East) Mumbai- 400051	To, The Manager Compliance Department BSE Limited Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai- 400001
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Scrip Code / Symbol:541143 /BDL

Dear Sir/Madam,

Sub: Annual Secretarial Compliance Report for the year ended 31st March 2020 under Regulation 24A of SEBI (LODR) Regulations, 2015.

We wish to inform that pursuant to SEBI circular no. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 we are enclosing the Annual Secretarial Compliance report for the year ended 31st March 2020.

This is for your information and record.

For Bharat Dynamics Limited

N. Nagaraja
N. NAGARAJA
COMPANY SECRETARY

Encl: As stated above



NARENDER & ASSOCIATES

Company Secretaries

403, Naina Residency, Srinivasa Nagar (East), Ameerpet, Hyderabad - 500 038

Off: 040-40159831, 23730801, E-mail: narenderg99@gmail.com

**SECRETARIAL COMPLIANCE REPORT OF
BHARAT DYNAMICS LIMITED
FOR THE YEAR ENDED 31ST MARCH, 2020
[Under Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015]**

We, NARENDER & ASSOCIATES, Practicing Company Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by BHARAT DYNAMICS LIMITED ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) other related documents/ filings, as may be relevant, which has been relied upon to make this certification,

for the year ended 31st March, 2020 ("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; [*The Listed Entity didn't take any action which attracts the provisions of these Regulations during the period under review*]
- (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; [*The Listed Entity didn't take any action which attracts the provisions of these Regulations during the period under review*]



- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations,2014; [The Listed Entity didn't take any action which attracts the provisions of these Regulations during the period under review]
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008; [The Listed Entity didn't take any action which attracts the provisions of these Regulations during the period under review]
- (g) Securities and Exchange Board of India(Issue and Listing of Non-Convertible and Redeemable Preference Shares)Regulations,2013; [The Listed Entity didn't take any action which attracts the provisions of these Regulations during the period under review]
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations,2018;(to the extent applicable)

and based on the above examination, Wehereby report that, during the review period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, exceptin respect of matters specified below

Sr. No.	Compliance Requirement (Regulations/circulars/ guidelines including specific clause)	Deviations	Observations/ remarks of the Practicing Company Secretary, if any
1	Reg.17(1) of SEBI (LODR) Regulations: Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint Woman Director.	The Company did not comply with the requirement of 50% of Independent Directors on the Board .	It is hereby observed that the Company is rigorously following up the matter with Administrative Ministry i.e. Ministry of Defence for filling up the vacancy of Independent Directors as the Company is Government Company under the Administrative control of Ministry of Defence.The power to appoint Directors (including Independent Directors) and the terms and conditions of such appointments including remuneration, evaluation vests with the Government of India (Gol)



(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records,

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/guidelines issued thereunder:

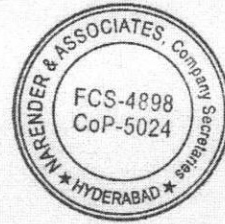
Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1	Stock Exchanges (i.e BSE & NSE)	Reg.17(1) of SEBI (LODR) Regulations: Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint Woman Director for the quarters ended June 2019, September 2019, and December 2019.	Fine of Rs.21,59,400 for said quarters payable by the Company for non compliance with SEBI (LODR) Regulations	It is hereby observed that the Company has submitted a reply stating that they should not be held liable to pay the fine and the same be waived-off since non-compliance is not due to any negligence/default by the Company. The Company being a Government of India Enterprise, the power to appoint Directors (including Independent Directors) vests with the Government of India (GoI). Further it is submitted that the appointment of Independent Directors on the Board of the Company is in the process at Department of Public Enterprise.



(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous report	Observations made in the previous secretarial compliance report	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint Woman Director for the quarter ended September 2018, December 2018 and March 2019	The Company did not comply with the requirement of 50% of Independent Directors on the Board with effect from 01 st May 2018	The Company has submitted a letter stating that being a Government Company under the Administrative control of Ministry of Defence, the power to appoint Directors (including Independent Directors) and the terms and conditions of such appointments including remuneration, evaluation vests with the Government of India.	It is hereby opined that the Company has taken appropriate action by submitting a letter that it should not be held liable for payment of penalty since the non-compliance is not due to any negligence/default by the Company. Further, the Company being a Government Company, the power to appoint Director vests with the Gol

for Narender & Associates
Company Secretaries



G. Narender

G. NARENDER
Proprietor
FCS 4898, CP 5024

Place: Hyderabad
Date: 03.06.2020
UDIN: F004898B00031460