

## COMPLIANCE REPORT ON CORPORATE GOVERNANCE

Regulation 27(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of the Company : **Bharat Electronics Limited**  
 Quarter and Year ending on : **31<sup>st</sup> March 2017**

<b>I. Composition of Board of Directors</b>								
Title (Mr. / Ms)	Name of the Director	PAN & DIN	Category (Chairperson/ Executive/Non - Executive/independent/Nominee) &	Date of Appointment in the current term /cessation	Tenure	No of Directorship in listed entities including this listed entity (Refer Regulation 25(1) of Listing Regulations)	Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations)	No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations)
Mr.	M V Gowtama	AFYPM9121M & 07628039	Chairman & Managing Director	Appt date: 08/11/2016 Ces. Date: NA	NA	1	Nil	Nil
Mr.	Ajit Tavanappa Kalghatgi	AARPK1227E & 05300252	Executive	Appt date:01/09/2012 Ces. Date: NA	NA	1	2	1
Mr.	Girish Kumar	ABKPK7101P & 07506008	Executive	Appt date:01/05/2016 Ces. Date: NA	NA	1	1	Nil
Mr.	Nataraj Krishnappa	ACUPK0802C & 07506012	Executive	Appt date:01/05/2016 Ces. Date: NA	NA	1	1	Nil
Mrs	Anandi Ramalingam	ACYPR4590E & 07616518	Executive	Appt date:16/09/2016 Ces. Date: NA	NA	1	Nil	Nil
Mr.	Ramchander N Bagdalkar	ABPPB1084K & 07715648	Executive	Appt date:23/01/2017 Ces. Date: NA	NA	1	2	1
Mrs.	Kusum Singh	AGZPS3392L & 06489228	Nominee	Appt date:26/08/2015 Ces. Date: NA	NA	1	1	Nil
Mr.	Bhaskar Ramamurthi	AAAPB4527F & 01914155	Independent	Appt date:02/12/2015 Ces. Date: 01/12/2018	3 years	1	1	Nil
Mr.	Raghunath Kashinath Shevgaonkar	AAEPS6432J & 01500448	Independent	Appt date:02/12/2015 Ces. Date: 01/12/2018	3 years	1	1	Nil



Mrs.	Usha Mathur	AAAPM5366K & 07382132	Independent	Appt date:23/12/2015 Ces. Date: 22/12/2018	3 years	1	1	1
Mr.	Sharad Sanghi	AKLPS1485N & 00265977	Independent	Appt date:07/01/2016 Ces. Date: 06/01/2019	3 years	1	1	1

## II. Composition of Committees

Name of the Committees	Name of Committee members	Category (Chairperson/Executive/Non-Executive/independent/Nominee)
1. Audit Committee	Mrs. Usha Mathur, Chairman	Independent
	Mrs. Kusum Singh	Nominee Director, Non executive
	Mr. R K Shevgaonkar	Independent
	Mr. Bhaskar Ramamurthi	Independent
2. Nomination & Remuneration Committee	Mrs. Usha Mathur, Chairman	Independent
	Mr. M V Gowtama	Executive
	Mr. Sharad Sanghi	Independent
	Mrs. Kusum Singh	Nominee Director, Non executive
3. Risk Management Committee	Mr. Girish Kumar, Chairman	Executive
	Mrs. Anandi Ramalingam	Executive
	Mr. Nataraj Krishnappa	Executive
	Mr. Koshy Alexander	General Manager (Finance)/CO & CFO
	Mrs. Shikha Gupta	General Manager (Strategic Planning)
4. Stakeholders Relationship Committee'	Mr. Sharad Sanghi, Chairman	Independent
	Mr. Ramchander N Bagdalkar	Executive
	Mr. Nataraj Krishnappa	Executive

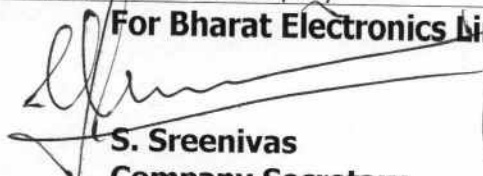
## III. Meeting of Board of Directors

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Maximum gap between any two consecutive (in number of days)
27.10.2016	27.01.2017	92 Days



<b>IV. Meeting of Audit Committee</b>			
Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days
27.01.2017	yes	08.11.2016	80 days
<b>V. Related Party Transactions</b>			
<b>Subject</b>		<b>Compliance status</b>	
Whether prior approval of audit committee obtained		Yes	
Whether shareholder approval obtained for material RPT		Not Applicable	
Whether details of RPT entered into pursuant to omnibus approval have been reviewed by Audit Committee		Yes	
<b>VI. Affirmations</b>			
<p>1. The composition of Board of Directors is in terms of SEBI (Listing obligations and disclosure requirements) Regulations, 2015*.</p> <p>2. The composition of the following committees is in terms of SEBI(Listing obligations and disclosure requirements) Regulations, 2015</p> <ol style="list-style-type: none"> <li>Audit Committee</li> <li>Nomination &amp; remuneration committee</li> <li>Stakeholders relationship committee</li> <li>Risk management committee (applicable to the top 100 listed entities)</li> </ol> <p>3. The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015.</p> <p>4. The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015.</p> <p>5. This report and/or the report submitted in the previous quarter has been placed before Board of Directors.</p> <p>* The composition of Board of Directors of BEL has an appropriate mix of Executive Directors represented by Functional Directors including CMD and Non- Executive Directors represented by Government Nominees &amp; Independent Directors. As the Chairman is an Executive Director, Independent Directors comprise half of the strength of the Board. There are temporary vacancies of Independent Directors as on 31<sup>st</sup> March 2017. All the vacancies were notified to Govt. for filling up. Being a Govt. Company, all Directors on BEL Board are appointed by the Govt. and the selection process &amp; appointment, which involves various Ministries and approval by the ACC, takes time and is beyond the control of the Company.</p>			

Place: Bengaluru  
Date: 10<sup>th</sup> April 2017

**For Bharat Electronics Limited**  
  
**S. Sreenivas**  
**Company Secretary**



**Format to be submitted by listed entity at the end of the financial year (for the whole of financial year)**

<b>I. Disclosure on website in terms of Listed Regulations</b>		
<b>Item</b>		<b>Compliance Status (Yes/No/NA)</b>
Details of business		Yes
Terms and conditions of appointment of independent directors		Yes
Composition of various committee of board of directors		Yes
Code of conduct of board of directors and senior management personnel		Yes
Details of establishment of vigil mechanism/Whistle Blower Policy		Yes
Criteria of making payments to non-executive directors		NA
Policy on dealing with related party transactions		Yes
Policy on determining "material" subsidiaries		Yes
Details of familiarization programmes imparted to independent directors		Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances		Yes
email address for grievance redressal and other relevant details		Yes
Financial results		Yes
Shareholding pattern		Yes
Details of agreement entered into with the media companies and/or their associates		NA
New name and the old name of the listed entity		NA
<b>II Annual Affirmation</b>		
<b>Particulars</b>	<b>Regulation Number</b>	<b>Compliance Status (Yes/No/NA)</b>
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	No*
Meeting of Board of directors	17(2)	Yes
Revive of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	NA
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & 19(2)	Yes
Composition of Stakeholders Relationship committee	20(1) & (2)	Yes



Composition and role of risk management committee	21(1),(2),(3),(4)	Yes
Vigil Mechanism	22	Yes
Policy for related party transactions	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2)(3)	Yes
Approval for material related party transactions	23(4)	NA
Composition of Board of Directors of unlisted material Subsidiary	24(1)	NA
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes

**Note**

1. In the column "Compliance Status", compliance or non-compliance may be indicated by YES/No/NA. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, "Yes" may be indicated. Similarly, in case the Listed Entity has no related party transactions, the words "N.A" may be indicated.
2. If status is "No" details of non-compliance may be given here.
3. If the listed entity would like to provide any other information the same may be indicated here.

\* The composition of Board of Directors of BEL has an appropriate mix of Executive Directors represented by Functional Directors including CMD and Non- Executive Directors represented by Government Nominees & Independent Directors. As the Chairman is an Executive Director, Independent Directors comprise half of the strength of the Board. There are temporary vacancies of Independent Directors as on 31<sup>st</sup> March 2017. All the vacancies were notified to Govt. for filling up. Being a Govt. Company, all Directors on BEL Board are appointed by the Govt. and the selection process & appointment, which involves various Ministries and approval by the ACC, takes time and is beyond the control of the Company.

**III Affirmations:**

The Listed Entity has approved Material Subsidiary Policy and the Corporate Governance requirements with respect to subsidiary of Listed Entity have been complied.

Place: Bengaluru  
Date: 10<sup>th</sup> April 2017

**For Bharat Electronics Limited**

**S. Sreenivas  
Company Secretary**

