



ANNUAL SECRETARIAL COMPLIANCE REPORT
HBL Power Systems Limited for the financial year ended March 31, 2024

I, Vinay Babu Gade, Company Secretary in Practice have examined:

- a. all the documents and records made available to us and explanation provided by HBL Power Systems Limited ("the listed entity"),
- 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 March 31, 2024 ("Review Period") in respect of compliance with the provisions of :
 - i. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - ii. 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;
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i) other regulations as applicable

and circulars/ guidelines issued thereunder;

(Note: The aforesaid list of Regulations is only illustrative. The list of such SEBI Regulations, as may be relevant and applicable to the listed entity for the review period, shall be added.)

I 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 by PCS* |
|---------|--|-----------------------------------|----------------------------------|
| 1. | Secretarial Standards: 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. | Yes | NIL |
| 2. | Adoption and timely updation of the Policies: 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. | Maintenance and disclosures on Website: 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. | Disqualification of Director: None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity. | Yes | NIL |



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| 5. | Details related to Subsidiaries of listed entities have been examined w.r.t.: Identification of material subsidiary companies Disclosure requirement of material as well as other subsidiaries | Yes | NIL |
| 6. | Preservation of Documents: 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. | Yes | NIL |
| 7. | Performance Evaluation: 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. | Yes | NIL |
| 8. | Related Party Transactions: The listed entity has obtained prior approval of Audit Committee for all related party transactions; or The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained. | Yes | NIL |
| 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) 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: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc. | Yes | NIL |

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 | 1 |
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| Compliance Requirement (Regulations/ circulars/ guidelines including specific clause) | Contraventions under paragraph 9(1)(A) and 9(1)(B) of Schedule 1 to Notification No. FEMA-20/2000-RB dated May 03, 2000 |
| Regulation/ Circular No. | FEMA-FDI regulations |
| Deviations | Delayed reporting of receipt of FDI by the erstwhile holding Company namely Beaver Engineering and Holdings Private Limited |
| Action Taken by | The Reserve Bank of India |
| Type of Action | RBI Directed for compounding of the delayed reporting |
| Details of Violation | Delayed reporting of receipt of FDI by the erstwhile holding Company namely Beaver Engineering and Holdings Private Limited |
| Fine Amount | Compounding fee of Rs.10,70,000/- was levied. |
| Observations/ Remarks of the Practicing Company Secretary | The Company has submitted the compounding application to RBI, Hyderabad and the RBI has passed compounding orders on August 02, 2023. |
| Management Response | The Company has made necessary compounding application and the same was compounded. |
| Remarks | NIL |



VINAY BABU GADE ACS, LLB
Company Secretary in Practice

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| Sr. No | 2 |
| Compliance Requirement (Regulations/ circulars/ guidelines including specific clause) | Contravention of Wastes (Management and Transboundary Movement) Rules |
| Regulation/ Circular No. | Wastes (Management and Transboundary Movement) Rules |
| Deviations | Unauthorized disposal of hazardous waste |
| Action Taken by | Andhra Pradesh Pollution Control Board |
| Type of Action | APPCB vide its order no. 615/APPCB/HO/ECS/VZN/2023 dated January 09, 2024 levied a environmental compensation fee. |
| Details of Violation | Disposed off the hazardous waste of 31.79 MT of HW by the contractor of the Company outside the premises |
| Fine Amount | Environmental compensation fee of Rs.14,30,550/- |
| Observations/ Remarks of the Practicing Company Secretary | The Company has paid the fee as directed by the Andhra Pradesh Pollution Control Board. |
| Management Response | The waste disposal was outsourced to contractor who violated the waste management rules. |
| Remarks | NIL |

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

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| Sr. No | |
| Compliance Requirement (Regulations/ circulars/ guidelines including specific clause) | |
| Regulation/ Circular No. | |
| Deviations | |
| Action Taken by | |
| Type of Action | NIL |
| Details of Violation | |
| Fine Amount | |
| Observations/ Remarks of the Practicing Company Secretary | |
| Management Response | |
| Remarks | |




Vinay Babu Gade
Practicing Company Secretary
M.No.A20592
CoP No. 20707
UDIN:A20592F000413116
PR No: 3047/2023

Date: May 21, 2024
Place: Hyderabad

