



HIMACHAL PRADESH STATE ELECTRICITYBOARD LIMITED

(A State Govt. undertaking)

Registered office Vidyut Bhawan, HPSEBL, Shimla-171004(H.P)
C I N **U40109HP2009SGC031255**
GST No. **HPSEBL02AACCH4894EHZB**
Telephone Number 0177-2803600,2801675(Office), 2813563(Fax)
Website address www.hpseb.com
Email cmd@hpseb.in, cshpsel@gmail.com

NO.HPSEBL (SECTT)/BOD/CS /2023-17362-63

Dated:30.05.2023

To

Manager (Listing Compliance)
The Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001, India

Subject: **Annual Secretarial Compliance Report for the Financial Year 2022-23**

Sir/ Madam,

In compliance with Regulation 24A of the SEBI(Listing Obligations & Disclosure Requirements) Regulations, 2015, please find the enclosed herewith the Annual Secretarial Compliance Report for the FY 2022-23 provided by Shri Subash Kumar, Practicing Company Secretary (MNo. F9723) for your kind consideration and record, please.

Thanking You,

Yours faithfully,

Encl: As Above

Arvind Sharma
Company Secretary,
HPSEBL, Shimla-04

Copy to:-

1. M/s Axis Trustee Services Limited, 2nd Floor, E-Wing, Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai, Mumbai-400025 for information and necessary action.



SUBHASH K AND CO

Practicing Company Secretary
Branch Office: H. No 965,
Ground Floor, Sector 4,
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UCN: S2023HP913900

SECRETARIAL COMPLIANCE REPORT OF HIMACHAL PRADESH STATE ELECTRICITY BOARD LIMITED FOR YEAR ENDED 31ST MARCH 2023

I SUBHASH KUMAR, Practicing Company Secretary have examined:

- (a) all the documents and records made available to us and explanation provided by **M/s Himachal Pradesh State Electricity Board Limited (CIN:U40109HP2009SGC031255)** (“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 31ST March 2023 (“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;
- (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;

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I/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 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	
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none">All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entitiesAll 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	
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none">The Listed entity is maintaining a functional websiteTimely dissemination of the documents/ information under a separate section on the websiteWeb-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 Yes Yes	
4.	Disqualification of Directors: 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	
5.	Details related to Subsidiaries of listed entities have been examined w.r.t.: (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	Yes	

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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	The HPSEBL is being a State Govt. Debt Listed Company. It maintains the records as per provisions of RTI Act, Companies Act and as per State Govt. Policy
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.	No	Being a state Govt. undertaking all the directors/officers are Sr. officers of State.
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) 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.	No	Being a Wholly owned State Govt. undertaking, All the transactions are made by the Company in transparent manner/ through open tender.
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	The Company is a debt listed company and regulation 30 of SEBI LODR is not applicable to the Company. However,
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	All the Directors/officers are appointed by the State Govt. And there is no material / pecuniary interest in the company except remuneration.



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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	
12.	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	Yes	

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:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS*
1.	Compliances with the following conditions while appointing/re-appointing an auditor		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA	The Company is a State Govt. undertaking. The Auditors of the Company is appointed by the Auditor & General of India. There is no incidence for resignation/re-appointment took place during the period under review.
2.	Other conditions relating to resignation of statutory auditor		

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	<p>i. Reporting of concerns by Auditor with respect to the listed entity /its material subsidiary to the AuditCommittee:</p> <p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p>	No	
	<p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information / explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information:</p> <p>The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p>	NIL	There is no incidence took place during the year under review.
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/ CFD/CMD1/114/2019 dated 18 th October, 2019.	NA	There is no incidence took place during the year under review.

*Observations /Remarks by PCS are mandatory if the Compliance status is provided as 'No' or 'NA'



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(a) (**) 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.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
1	Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (a) not less than fifty percent. of the board of directors shall comprise of non-executive directors; (b) where the chairperson of the board of directors is a non-executive director, at least one-third of the board of directors shall comprise of independent directors and where the listed	17 (1)	The Chairman of Company is non-executive Director, therefore, at least 1/3rd of Directors are required to be Independent.	Company	Advisory	Non appointment of Independent Directors in the Board as per Rules.		The HPSEBL is a listed Company and the regulations of SEBI LODR 2015 are applicable to HPSEBL. Further the company is in compliance or explain progress to basis' upto 31.03.2023. Thereafter, these provisions become applicable to the Company. As on 31.03.2022, the Board of Company comprises of 12 Directors, which includes 5 wholtime directors of the Board, 2 Part Time Govt. Nominee Director and 2 Non-Official Part Time independent Directors. In terms of Clause 55 of Article	The Company is conscious of the appointment of Independent Directors on the Board. Further the company is in compliance or explain progress to meet the minimum requirement and is taking necessary steps for appointment of independent directors as per the Companies Act, 2013. The Company has requested Govt. of HP to expedite appointment of independent Directors on the Board of Company to enable	



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	entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors:							of Association of the Company, the members of the Board are appointed by the Govt. of Himachal Pradesh. Terms and conditions of such appointment including remuneration and evaluation vests with the Government of Himachal Pradesh.	it to comply with the requisite clauses of SEBI(LODR) and Company Act, 2013.	
2	The company is advised to refer to Circular no. SEBI circular no. SEBI/HO/DHS/DDH S/CIR/P/20 20/231 dated November 13,2020 and SEBI/HO/DHS_Div2/P/CIR/2021 /699 dated December 29, 2021	Regulation 60	Non-Compliant with Regulation 60	BSE	Fine	Non-Compliant with Regulation 60	94400/-	It is observed that Company complied with said Regulation in time bound manner and present notice for imposition of fine is not valid.	The Company send intimation of fixation of record date and payment of interest with in prescribed time limit and present notice for imposition of penalties is not valid	
3	Financial Results	Regulation 52(1) & 54(2)	penalty imposed for non-compliances of SEBI (LODR) Regulation, 2015 for quarter ending on 30th March, 2022,	BSE	FINE	It has been observed from Exchange records that, so far the Company has not submitted/late submitted compliances under Regulations stated.	325680/-	It is observed that Company complied with said regulation but beyond the time limit.	Penalty imposed for non-compliance of Regulation 52 (1) & 54(2) of SEBI (LODR) Regulation, 2015 it is to bring to your kind notice that the NCDs	



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									issued by the Company are unsecured and guaranteed by the State Govt. of Himachal Pradesh. The information of the same has already been sent to the Exchange.
4	Fines as per SEBI circular no. SEBI/HO/DHS_Div2/P/CIR/2021/699 dated December 29, 2021,	Regulation 50 (2), 53 (2)	The Company is advised to refer to Circular no. SEBI circular no. SEBI/HO/DDHS_Div2/P/CIR/2021/699 dated December 29, 2021 wherein actions are prescribed for non-compliance with Certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	BSE	Fine	It has been observed from Exchange records that, so far the Company has not submitted/late submitted compliances under Regulations stated	74340/-	It is observed that Company complied with said regulation but beyond the time limit.	The provisions of Regulation 50 & 53 of the SEBI(LODR) Regulation, 2015 only provides the submission of notice of AGM alongwith the Annual Report to the Exchange, as and when, the AGM of shareholders is convened & held. There is no time limit for holding of AGM under the SEBI(LODR), Regulation, 2015 and the AGM is convened



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										and held under the provisions of the Companies Act, 2013. As and when, the AGM is convened & held, the notice of same alongwith the annual report is sent to the Exchange.
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(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practising Company Secretary	Management Response	Remarks
1	Financial Result: regulation 52(1) of LODR, 2015. within 45 days from the end of quarter year, other than last quarter/Half yearly	52(1)		Bombay Stock Exchange Limited	Fine	The fine imposed by BSE on 31.07.2021 for regulation 52(1) of LODR, 2015 by BSE in pursuance to SEBI circular no. DDHS/CIR/P/2020/231 dated November 13, 2020 for delay in filing of filing of half yearly accounts of	The BSE has imposed the fine of Rs. 88,500/- (inclusive of GST. Of Rs.13,500/-) for delay of filing of accounts	The Company has submitted the half yearly accounts for the period ended 31.03.2021 as on 15.07.2021 and deposited the fine of amounting to Rs. 88,500/- with the BSE		

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						31st March 2021.				
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(Note:

1. Provide the list of all the observations in the report for the previous year along with the actions taken by the listed entity on those observations.
2. Add the list of all observations in the reports pertaining to the periods prior to the previous year in case the entity has not taken sufficient steps to address the concerns raised/ observations.

E.g. In the report for the year ended 31st March, 2023, the PCS shall provide a list of:

- all the observations in the report for the year ended 31st March, 2022 along with the actions taken by the listed entity on those observations.
- the observations in the reports pertaining to the year ended 31st March, 2022 and earlier, in case the entity has not taken sufficient steps to address the concerns raised/ observations in those reports.)

Date: 26/05/2023

Place: Panchkula

Signature:

Digitally signed
by SUBHASH
KUMAR
Date: 2023.05.26
15:40:17 +05'30'

FCS Subhash Kumar

Practicing Company Secretary

CP No: 22977

M No: F9723

UDIN: F009723E000385153