

## CORPORATE GOVERNANCE REPORT

(Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, herein after called "Regulations, 2015")

### 1. Company's Philosophy on Corporate Governance

The Securities and Exchange Board of India (SEBI) has prescribed a set of standards on corporate governance for the listed companies.

The Company has included a compliance report on Corporate Governance in its Annual Report in the spirit of transparency in management and best board practices. This Chapter of the report, plus the information given under 'Management Discussion and Analysis' and 'Shareholder Information' constitute such a compliance report on corporate governance during 2023-24.

The Company has adhered to the requirements stipulated under Regulations 17 to 27 read with Para C and D of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') as applicable with regard to Corporate Governance.

### 2. Board of Directors

#### Composition of the Board

The Company has an active, experienced, diverse and a well-informed Board. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's Corporate Governance philosophy. The Board periodically evaluates the need for change in its composition and size.

In terms of Regulation 17 of the SEBI Listing Regulations, at least 50% of the Board should comprise Non-Executive Independent Directors with at least one Woman Director. Out of total 7 Directors as on March 31, 2024, the Non-Executive Independent Directors constitute 57.14% of the Board. The Company has one Woman Director on the Board as on the said date who is holding her office as Non-Executive Independent Director.

Detailed profile of the Directors is available on the Company's website at <http://www.bfutilities.com/board-committees.html>

The Board met seven (7) times during FY 2023-24 on the following dates:

- June 5, 2023
- July 17, 2023
- November 10, 2023
- February 13, 2024
- June 21, 2023
- August 11, 2023
- November 29, 2023

The gap between two Meetings did not exceed 120 days and the Meetings were conducted in compliance with all applicable laws. The necessary quorum was present for all the Board Meetings.

#### Category and Attendance of Directors:

The category of Directors, attendance at Board Meetings held during the financial year under review, the number of Directorships and Committee Chairpersonships/Memberships held by them in other public limited companies and Directorships held by them in other listed entities, including this Company as on March 31, 2024 are as follows:

Sr. No.	Name of Director	No. of shares held by Non-Executive Directors	No. of Directorships in other public companies #	No. of Committee positions held in other public companies***		No. of Board Meetings held	Attendance at the meetings	
				Chairman	Member		Board	AGM 27/09/2023
<b>Non-Executive Directors</b>								
1	Mr. B. N. Kalyani ® (DIN : 00089380)	7,212	5	0	3	7	6	Yes
2	Mr. A. B. Kalyani (DIN : 00089430)	0	7	0	2	7	4	Yes
<b>Independent and Non-Executive Directors</b>								
3	Mr. B. B. Hattarki (DIN : 00145710)^	0	7	5	10	7	7	Yes
4	Ms. A. A. Sathe (DIN : 06925030)	0	2	0	3	7	1	Yes
5	Mr. S. K. Adivarekar (DIN : 06928271)	0	5	2	4	7	7	Yes

Sr. No.	Name of Director	No. of shares held by Non-Executive Directors	No. of Directorships in other public companies #	No. of Committee positions held in other public companies***		No. of Board Meetings held	Attendance at the meetings	
				Chairman	Member		Board	AGM 27/09/2023
6	Mr. J. K. Hemade (DIN:10331350) <sup>§</sup> <u>Executive Director</u>	0	1	0	0	7	1	NA
7	Mr. B. S. Mitkari (DIN : 03632549)	0	5	0	0	7	7	Yes

Note:

- ® Promoters within the meaning of Securities Exchange Board of India (SEBI) (Substantial Acquisition of Shares & Takeover) Regulations, 2011.
- # Other Directorships exclude Directorships in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 and includes this Company
- \*\*\* For this purpose only Audit and Stakeholders' Relationship Committees of the Public Limited Companies have been considered.
- § Mr. J. K. Hemade was appointed as Non-Executive Independent Director with effect from November 29, 2023
- ^ Mr. B. B. Hattarki ceased as Non-Executive Independent Director with effect from end of business hours on March 31, 2024 after completing his 2<sup>nd</sup> Consecutive Term as Independent Director

The Twenty Third (23rd) Annual General Meeting ('e-AGM') of the Company for the Financial Year ('FY') 2022-23 was held on September 27, 2023 through video conferencing ('VC') / other audio visual means ('OAVM') in accordance with the relevant circulars issued by the Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India ('SEBI'). All the Directors of the Company were present at the 23rd AGM.

Directors and their Directorships in other listed Companies as on March 31, 2024 are as under:

Sr.	Name of the Director	Name of the listed entities in which Director holds Directorship	Category of Directorship
1	Mr. B. N. Kalyani	1 Bharat Forge Ltd.	Chairman & Managing Director
		2 Kalyani Steels Ltd.	Chairman
		3 Automotive Axles Ltd.	Chairman & Director
2	Mr. A. B. Kalyani	1 Bharat Forge Ltd.	Joint Managing Director
		2 Kalyani Steels Ltd.	Non Independent Director
		3 Kalyani Investment Company Ltd.	Chairman
		4 Hikal Ltd.	Non Independent Director
		5 BF Investment Ltd.	Chairman
		6 Schaeffler India Ltd.	Independent Director
3	Mr. B. B. Hattarki	1 *BF Investment Ltd.	Independent Director
		2 Kalyani Investment Company Ltd.	Independent Director
		3 Automotive Axles Ltd	Independent Director
		4 Kalyani Steels Ltd.	Independent Director
4	Ms. A. A. Sathe	1 BF Investment Ltd.	Independent Director
5	Mr. S. K. Adivarekar	1 Kalyani Steels Ltd.	Independent Director
		2 Kalyani Investment Company Ltd.	Independent Director
		3 Hikal Ltd.	Independent Director
6	Mr. J. K. Hemade	- -	-
7	Mr. B. S. Mitkari	1 BF Investment Ltd.	Non Independent Director

\*Mr. B. B. Hattarki ceased as Non-Executive Independent Director with effect from end of business hours on March 31, 2024 after completing his 2<sup>nd</sup> consecutive term as Independent Director

Notes :

1. Directorships held in unlisted public Companies, foreign companies, private limited companies, one person companies and companies under Section 25 of the Companies Act, 1956 / under Section 8 of the Companies Act, 2013 have not been considered.
2. None of the Directors on the Board is a Director of more than seven listed companies.

Mr. B. N. Kalyani and Mr. A. B. Kalyani, are related to each other.

No other Director is related to any other Director of the Company within the meaning of Section 2(77) of the Companies Act, 2013 and rules thereof.

Shareholding of Directors as on March 31, 2024:

Sr. No.	Name of Director	Category	Equity Shares of Rs.5 each
1	Mr. B. N. Kalyani	NED	7212
2	Mr. A. B. Kalyani	NED	NIL
3	Mr. B. B. Hattarki	ID	NIL
4	Ms. A. A. Sathe	ID	NIL
5	Mr. S. K. Adivarekar	ID	NIL
6	Mr. J. K. Hemade	ID	NIL
7	Mr. B. S. Mitkari	ED	NIL

*NED - Non-Executive Director; ID - Independent Director; ED - Executive Director*

Apart from the above, no Director holds any shares in the Company. The Company has not issued any convertible instruments.

None of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee) as per Regulation 26(1) of the SEBI (Listing Regulations) across all the public companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies.

None of the Directors hold office in more than 10 public limited companies as prescribed under Section 165(1) of the Act. No Director holds directorships in more than 7 listed companies. None of the Non-Executive Directors is an Independent Director in more than 7 listed companies as required under the SEBI Listing Regulations. Further, the CEO does not serve as Independent Director in any listed company.

#### Key Skills, Expertise and Competencies of the Board of Directors

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise, special skills and geography. The Board of Directors have, based on the recommendations of the Nomination & Remuneration Committee, identified the following core skills/ expertise/competencies as required in the context of the businesses and sectors of the Company for its effective functioning and the same is mapped against each of the Directors

Skill	Skill definitions
Business Acumen	Ability to understand business environment and identify new business opportunities
Leadership	Ability to lead a large team of professionals
Technology	Passion for technology upgradation
Legal and Regulatory knowledge	Understanding of regulatory and legal frameworks in Taxation

#### Disclosure of Expertise or Skills of Directors

Following are the core skills / expertise / competencies as required in the context of its business(es) and sector(s) for it to function effectively:

General Management, Finance and Accounting, Corporate Laws, Automotive Industry, Operations, Corporate Strategy, Finance and Corporate Treasury, Manufacturing, Engineering, Business

The following table states the identified core skills/expertise/competencies mapped for each of the Director:

Sr.	Name of Directors	Expertise, Skills in specific functional areas
1	Mr. B. N. Kalyani	Business acumen, leadership, Automotive Industry, Corporate Strategy and Business Management, Technology
2	Mr. A. B. Kalyani	Business acumen, leadership, Automotive Industry, Corporate Strategy and Business Management, Technology
3	Mr. B. B. Hattarki	Automotive Industry, Operations and Manufacturing
4	Ms. A. A. Sathe	Corporate Laws, Legal and Taxation
5	Mr. S. K. Adivarekar	Taxation, Corporate laws, Finance Accounting
6	Mr. J. K. Hemade	General Law, laws relating to land
7	Mr. B. S. Mitkari	Finance & Accounting, Corporate laws, Legal and Operations.

#### **Board Procedure**

For seamless scheduling of Meetings, the calendar of Meetings of the Board and Committees is circulated and agreed upon at the beginning of the year.

The Company Secretary tracks and monitors the Board and Committee proceedings to ensure that the terms of reference/charters are adhered to, decisions are properly recorded in the minutes and actions on the decisions are tracked. The terms of reference/charters are amended and updated from time to time in order to keep the functions and role of the Board and Committees at par with the changing statutes. Meeting effectiveness is ensured through clear agenda, circulation of material in advance and as per statutory timelines, detailed presentations at the Meetings.

The Board plays a critical role in the strategy development of the Company. To enable the Board to discharge its responsibilities effectively and take informed decisions, the CEO apprises the Board on the overall performance of the Company every quarter.

The Board periodically reviews the strategy, annual business plan, business performance of the Company. Amongst other things, the Board also reviews the compliance reports of the laws applicable to the Company, internal financial controls and financial reporting systems, adoption of quarterly/half-yearly/annual results, minutes of the Meetings of the Audit and other Committees of the Board.

In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the SEBI Listing Regulations which is required to be placed before the Board, the Directors are also kept informed of major events.

#### **Independent Directors**

All Independent Directors are Non-Executive Directors as defined in Regulations 16(1) of SEBI (LODR).

The Company has 4 Non-Executive Independent Directors (including 1 Woman Director) which comprise 57.14% of the total strength of the Board of Directors as on March 31, 2024

During the year under review, Mr. B. B. Hattarki ceased as Non-Executive Independent Director with effect from end of business hours on March 31, 2024 after completing his 2<sup>nd</sup> Consecutive Term as Independent Director

#### Independence of Directors

The Company has received a declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in the Act and the SEBI Listing Regulations and are independent of the management.

Further, the Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA'). They are exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA.

#### Meeting of Independent Directors

During the year under review, one (1) meeting of the Independent Directors of the Company was held on February 09, 2024 as required under Schedule IV to the Act (Code of Independent Directors) and Regulation

25(3) of the SEBI Listing Regulations. At their Meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole including the Chairman of the Board after taking the views of other Non-Executive Directors and also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Meeting was attended by all the Independent Directors as on that date and Mr. B. B. Hattarki chaired the said Meeting.

#### Terms and Conditions of appointment of Independent Directors

All the Independent Directors of the Company have been appointed as per the provisions of the Act and the SEBI Listing Regulations. Formal letters of appointment are issued to the Independent Directors after their appointment by the Members. As required by Regulation 46 of the SEBI Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company at <https://bfutilities.com/pdf/Policies%20and%20Terms/Terms%20of%20Appointment%20of%20Independent%20Directors.pdf>

#### **Induction and Familiarisation Programme for Directors**

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, strategies, business, functions, policies, industry and environment in which it functions and the regulatory environment applicable to it. These include orientation programme upon induction of new Directors as well as other initiatives to update the Directors on a continuous basis.

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company imparted various familiarisation programmes to its Directors.

Pursuant to Regulation 46 of the SEBI Listing Regulations, the details of such familiarisation programme during FY 2023-24 are available on the website of the Company at

<https://www.bfutilities.com/familiarization.html>

#### **Appointment/Re-appointment of Directors**

As required under Regulation 26(4) and Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards - 2 on General Meetings issued by the Institute of Company Secretaries of India, particulars of Directors seeking appointment/re-appointment at this AGM are given in the Notice of the AGM which forms part of this Integrated Annual Report.

#### **Code of Conduct**

The Company has formulated Code of Conduct for its Directors, Senior Management Personnel and other Executives which is available on the website of the Company at <https://bfutilities.com/code-of-conduct.html>

The Board has also adopted a Code of Conduct for Non-Executive Directors, which incorporates the duties of Independent Directors as laid down in Schedule IV to the Act ('Code for Independent Directors') and Regulation 17(5) of the SEBI Listing Regulations and the same is available on the website of the Company at <https://bfutilities.com/code-of-conduct.html>

As on March 31, 2024, all the Board Members and Senior Management of the Company have affirmed compliance with their respective Codes of Conduct. A declaration to this effect duly signed by the CEO forms part of this Report.

Apart from reimbursement of expenses incurred in discharging their duties and the remuneration that the Directors would be entitled under the Act as Non-Executive Directors, except for Mr. B. N. Kalyani (being promoter) and Mr. A. B. Kalyani none of the Directors have any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors or its Senior Management during the two immediately preceding financial years.

#### **Particulars of senior management including the changes therein since the close of the previous financial year:**

Senior Management of the Company have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

Sr. No.	Name of Person	Category	Designation	Changes during FY 2023-24
1.	B. S. Mitkari	KMP	- Chief Executive Officer - Chief Financial Officer - Company Secretary and Compliance Officer	No change
2.	S. S. Joshi	SMP	-Sr. Manager- Finance	No change
3.	K. V. Lodekar	SMP	-Windmill site in charge	No change

#### Committees of the Board

As on March 31, 2024, the Company has Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Risk Management Committee. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles, which are considered to be performed by the members of the respective Board Committees. The Company's guidelines relating to Board Meetings are also applicable to Committee Meetings. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its work. Minutes of the proceedings of the Committee Meetings are placed before the Board Meeting for perusal and noting. The Company Secretary acts as a Secretary of all the Board Committees.

#### 1. Audit Committee

The Audit Committee's role is to assist the Board, fulfil its Corporate Governance and overseeing responsibilities in relation to the Company's financial reporting process carried out by the Management, internal control system, risk management system and internal and external audit functions. The Audit Committee functions according to its terms of reference that defines its composition, authority, responsibilities and reporting functions. All the items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations are covered in its terms of reference.

#### Terms of Reference

The Audit Committee of the Company is responsible for supervising the Company's internal controls and financial reporting process and *inter alia*, performs the following functions:

- i.) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- ii.) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b) changes, if any, in accounting policies and practices and reasons for the same;
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions;
  - g) modified opinion(s) in the draft audit report;
- iii.) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- iv.) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- v.) Approval or any subsequent modification of transactions of the Company with related parties;
- vi.) Scrutiny of inter-corporate loans and investments;
- vii.) Valuation of undertakings or assets of the Company, wherever it is necessary;
- viii.) Evaluation of internal financial controls and risk management systems;
- ix.) reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

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- x.) Reviewing of the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
  - xi.) Discussing with internal auditor any significant finding and follow up on such issues;
  - xii.) Discussing with the external auditors before the audit commences on the nature and scope of audit, as well as having post audit discussion to ascertain any areas of concern;
  - xiii.) Reviewing any changes in accounting policies or practices as compared to last completed financial year and commenting on any deviation from accounting standards;
  - xiv.) Reviewing details of related party transactions exceeding 1% of last year's turnover;
  - xv.) Reviewing the Company's financial and risk management policies;
  - xvi.) Approval of payment to Statutory Auditors for any other services rendered by Statutory Auditors;
  - xvii.) Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
  - xviii.) Reviewing the adequacy of internal audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - xix.) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularities or failure of internal control systems of a material nature and reporting the matter to the Board;
  - xx.) To look into the reason for substantial default in the payment to the depositors, debenture holders, shareholders (incase of non payment of declared Dividends) and creditors;
  - xxi.) To review the functioning of the whistle blower mechanism;
  - xxii.) Approval of appointment of CFO (i.e. the whole time finance Director or any other person heading the finance function or discharging that function) after accessing the qualifications, experience and background, etc. of the candidate;
  - xxiii.) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
  - xxiv.) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
  - xxv.) Carrying out any other function as is mentioned in the terms of reference of audit committee.

The detailed terms of reference is disclosed on the Company's website <https://www.bfutilities.com/pdf/Policies%20and%20Terms/Audit%20Committee%20-%20Terms%20of%20Reference.pdf>

Further, pursuant to Regulation 18(2)(c) of the SEBI Listing Regulations, the Audit Committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other Independent professional advice and secure attendance of outsiders with relevant expertise, if considered necessary. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

#### Meetings Held

During FY 2023-24, six (6) Meetings of the Audit Committee were held on the following dates:

- June 5, 2023
- July 17, 2023
- November 10, 2023
- June 21, 2023
- August 11, 2023
- February 13, 2024

The gap between two Meetings did not exceed 120 days. Necessary quorum was present for all the Meetings of the Committee.

#### Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. S. K. Adivarekar (Chairperson)	ID	6	6
Mr. A. B. Kalyani	NED	6	3
Mr. B. B. Hattarki	ID	6	6
Ms. A. A. Sathe	ID	6	1

*ID - Independent Director; NED - Non-Executive Director*

The Company Secretary acts as the Secretary to the Audit Committee. The composition of the Committee is in conformity with Section 177 of the Act and Regulation 18(1) of the SEBI Listing Regulations.

The Chairperson of the Audit Committee has one-on-one meetings both with the Internal Audit Team and the Statutory Auditors on a periodic basis to discuss key concerns, if any.

The Chief Executive Officer & Chief Financial Officer, Company Secretary, Statutory Auditor, Internal Auditor attend and participate in all the Meetings of the Committee. Internal Audit Reports are discussed. During the year under review, the Committee reviewed the key audit findings covering operational, financial and compliance areas, internal financial controls and financial reporting systems. The Committee reviewed Related Party Transactions. During the year under review, the Audit Committee reviewed the process and controls for Insider Trading and also adopted a framework for levying penalties in case of any violation under the Insider Trading Code.

The Chairperson of the Audit Committee briefs the Board at each Board Meeting about the significant discussions at the Audit Committee Meetings including the internal audit matters. The minutes of each of the Audit Committee Meetings are placed in the next Meeting of the Board after they are confirmed by the Committee.

Mr. S. K. Adivarekar, Chairperson of the Audit Committee, was present at the last e-AGM held on September 27, 2023.

## 2. Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee ('NRC') is to oversee the selection of Directors and Senior Management Personnel based on criteria related to the specific requirement of expertise and independence. The NRC evaluates the performance of Directors and Senior Management Personnel based on the expected performance criteria. The NRC also recommends to the Board the remuneration payable to Directors and Senior Management Personnel of the Company.

#### Meetings Held

During FY 2023-24, Three (3) Meetings of the NRC were held on the following dates:

- July 17, 2023
- November 29, 2023
- February 13, 2024

The necessary quorum was present for all the Meetings of the Committee.

#### Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. B. B. Hattarki (Chairperson)	ID	3	3
Mr. A. B. Kalyani	NED	3	2
Mr. S. K. Adivarekar	ID	3	3

*ID - Independent Director; NED - Non-Executive Director*

Mr. B. B. Hattarki, Chairman of the NRC, was present at the last e-AGM held on September 27, 2023.

The composition and terms of reference of the NRC are in compliance with the provisions of Section 178(1) of the Act and Regulation 19 of the SEBI Listing Regulations.

The Chairman of the NRC briefs the Board at each Board Meeting about the significant discussions at the NRC Meetings.

#### Terms of reference:

- (1) Determine size and composition of the Board to ensure that it is structured to make appropriate decision, with a variety of prospective and skills, in the best interest of the Company as a whole;

- (2) Formulate the criteria for determining qualifications, positive attributes and independence of a director and for evaluation of performance of independent directors and Board of Directors.
- (3) Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

The Policy of the Company including the terms of reference is disclosed on the Company's website [https://bfutilities.com/pdf/Policies%20and%20Terms/Nomination\\_Remuneration\\_Policy.pdf](https://bfutilities.com/pdf/Policies%20and%20Terms/Nomination_Remuneration_Policy.pdf)

#### **Board and Director Evaluation**

In terms of the requirement of the Act and the SEBI Listing Regulations, during the year under review, the Board has carried out an annual performance evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees. The exercise was led by the Chairman of the NRC along with the Chairman of the Board.

#### **Criteria for Evaluation**

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgment.

The procedure followed for the performance evaluation of the Board, Committees and Individual Directors is detailed in the Board's Report

#### **Remuneration of Directors**

The Company's philosophy for remuneration of Directors, Key Managerial Personnel ('KMP') and all other employees is to promote leadership, skill, development and innovation. The Company has adopted a Policy for remuneration of Directors, KMP and other employees, which is aligned to this philosophy.

The principles governing the Company's Remuneration Policy is provided in the Board's Report. The said Policy is also uploaded on the website of the Company at [https://bfutilities.com/pdf/Policies%20and%20Terms/Nomination\\_Remuneration\\_Policy.pdf](https://bfutilities.com/pdf/Policies%20and%20Terms/Nomination_Remuneration_Policy.pdf)

### **3. Stakeholders Relationship Committee**

The Stakeholders Relationship Committee ('SRC') looks into various aspects of interest of shareholders. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances.

#### **Meetings Held**

During FY 2023-24, Thirty (30) Meetings of the SRC were held on the following dates:

- |                      |                      |                      |
|----------------------|----------------------|----------------------|
| ● April 10, 2023     | ● April 24, 2023     | ● May 2, 2023        |
| ● May 15, 2023       | ● May 22, 2023       | ● July 3, 2023       |
| ● July 10, 2023      | ● July 31, 2023      | ● August 7, 2023     |
| ● August 28, 2023    | ● September 11, 2023 | ● September 18, 2023 |
| ● September 25, 2023 | ● October 3, 2023    | ● October 9, 2023    |
| ● October 16, 2023   | ● October 23, 2023   | ● November 6, 2023   |
| ● November 20, 2023  | ● November 27, 2023  | ● December 11, 2023  |
| ● December 18, 2023  | ● January 8, 2024    | ● January 29, 2024   |
| ● February 5, 2024   | ● February 19, 2024  | ● February 26, 2024  |
| ● March 4, 2024      | ● March 11, 2024     | ● March 18, 2024     |

The necessary quorum was present for all the Meetings of the Committee.

#### **Brief terms of reference:**

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The terms of reference is disclosed on the Company's website <https://bfutilities.com/pdf/Policies%20and%20Terms/Stakeholders%20Relationship%20Committee%20Terms%20of%20Reference.pdf>

#### Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. B. B. Hattarki (Chairperson)	ID	30	30
Mr. B. N. Kalyani	NED	30	0
Mr. S. K. Adivarekar	ID	30	30

*ID - Independent Director; NED - Non-Executive Director*

The Chairperson of the SRC briefs the Board at each Board Meeting about the significant discussions at the SRC Meetings.

Mr. B. B. Hattarki, Chairperson of the SRC, was present at the e-AGM of the Company held on September 27, 2023.

#### Status of Investor Complaints

The status of investor complaints as on March 31, 2024 as reported under Regulation 13(3) of the SEBI Listing Regulations is as under:

Complaints as on April 1, 2023	0
Received during the year	1
Resolved during the year	1
Pending as on March 31, 2024	0

The complaints have been resolved to the satisfaction of the shareholders. The correspondence identified as investor complaints are letters received through statutory/regulatory bodies.

#### Name, designation and address of the Compliance Officer

Mr. B. S. Mitkari  
Company Secretary  
BF Utilities Limited  
Mundhwa,  
Pune - 411 036  
Tel. No.: +91 77190 04777  
Email: [Secretarial@bfutilities.com](mailto:Secretarial@bfutilities.com)

#### Details of Remuneration of Chief Executive Officer for FY 2023-24

Amount in Million

Particulars of Remuneration	Mr. B. S. Mitkari	Total Amount
Gross Salary:		
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	13.90	} 14.33
Value of perquisites under Section 17(2) of the Income Tax Act, 1961	0.03	
Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	
Stock Option	-	
Sweat Equity	-	
1. Commission	-	
- As % profit		
- Others, specify ...		
Others, please specify (Company's contribution towards Provident Fund and Superannuation)	0.40	
Total	14.33	14.33

### Chief Executive Officer

The Company pays remuneration by way of salary, allowances (variable pay) to its Chief Executive Officer. Annual increments are recommended by the NRC and are effective April 1 each year.

### Non-Executive Directors

The Non-Executive Directors are paid sitting fees for attending the Board Meetings.

Non-Executive Directors are eligible for a commission within the ceiling of 1% per annum of the net profits of the Company as computed under the applicable provisions of the Act. The said commission is decided each year by the Board of Directors and distributed amongst the Non-Executive Directors based on their attendance and contribution at the Board and Committee Meetings. However, for F.Y. 2023-24, the Company has not proposed any Commission. The Company also reimburses out-of-pocket expenses incurred by the Directors for attending the Meetings.

Details of sitting fees paid and commission payable to the Non-Executive Directors for FY ended March 31, 2024 is given below:

Name of the Director	Amount in Rs.	
	Sitting Fees, etc. paid during FY 2023-24	Commission (for FY 2023-24 payable in FY 2024-25)
Mr. B. N. Kalyani	30,000	NIL
Mr. A. B. Kalyani	30,000	NIL
Mr. B. B. Hattarki	45,000	NIL
Ms. A. A. Sathe	5,000	NIL
Mr. S. K. Adivarekar	45,000	NIL
Mr. B. S. Mitkari	NA	NIL
Mr. J. K. Hemade	15,000	NIL
<b>Total</b>	<b>1,70,000</b>	<b>NIL</b>

As per the practice, commission to the Directors, if recommended is paid after the annual accounts are adopted by the Members at the AGM. The Company has not granted any stock options to its Directors.

### Service Contract, Severance Fees and Notice Period

Terms of Agreement	Mr. B S Mitkari, CEO
Period of Contract	April 1, 2022 upto March 31, 2025
Severance fees/notice period	The Agreement may be terminated earlier, without any cause, by either Party by giving to the other Party 90 days notice of such termination or the Company paying 90 days basic salary in lieu of notice.  There is no separate provision for payment of severance fees.

### Succession Plan

The Company has succession plans for the senior management. The Nomination and Remuneration Committee works on leadership succession plan

### Retirement Policy for Directors

The Directors retirement policy is in compliance with the prevailing rules and regulations.

#### 4. Corporate Social Responsibility Committee

The Corporate Social Responsibility ('CSR') Committee of the Board is constituted in accordance with the provisions of Section 135 of the Act. The CSR Committee has been entrusted with the specific responsibility of reviewing corporate social responsibility programmes. The scope of the CSR Committee also includes approving the budget of CSR activities, reviewing the CSR programmes, formulation of annual action plan and monitoring the CSR spends

The Policy of the Company including the terms of reference is disclosed on the Company's website

<https://www.bfutilities.com/pdf/Policies%20and%20Terms/Corporate%20Social%20Responsibility%20Policy.pdf>

The CSR Report is attached to the Director's Report.

### Meetings Held

During FY 2023-24, two (2) Meetings of the CSR Committee were held on August 11, 2023 and February 9, 2024. The necessary quorum was present for all the Meetings of the Committee.

### Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. B. B. Hattarki (Chairperson)	ID	2	2
Mr. B. N. Kalyani	NED	2	2
Mr. A. B. Kalyani	NED	2	0

*ID - Independent Director; NED - Non-Executive Director*

The Chairman of the CSR Committee briefs the Board at each Board Meeting about the significant discussions at the CSR Meetings.

Mr. B. B. Hattarki, Chairman of the CSR Committee, was present at the last e-AGM held on September 27, 2023.

## 5. Risk Management Committee

Regulation 21 of the SEBI Listing Regulations mandate top 1000 listed entities, determined on the basis of market capitalisation as at the end of the immediate previous financial year, to constitute a Risk Management Committee ('RMC') with effect from April 1, 2019. However, the Company had voluntarily constituted a RMC in November 28, 2014. The primary role of the RMC is that of assisting the Board of Directors in overseeing the Company's risk management processes and controls additionally the Committee may seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

The Policy of the Company including the terms of reference is disclosed on the Company's website <https://bfutilities.com/pdf/Policies%20and%20Terms/Risk%20Management%20Policy%2001042019.pdf>

### Meetings Held

During FY 2023-24, two (2) Meetings were held on

- July 10, 2023
- January 2, 2024

The necessary quorum was present for all the Meetings of the Committee.

### Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. B. B. Hattarki (Chairperson)	ID	2	2
Mr. A. B. Kalyani	NED	2	0
Mr. S. K. Adivarekar	ID	2	2

*ID - Independent Director; NED - Non-Executive Director*

The Chairman of the RMC briefs the Board at each Board Meeting about the significant discussions at the RMC Meetings.

## 6. Independent Directors Meeting

In terms of Section 149 of the Act and Regulation 25(3) of the Listing Regulations, a separate meeting of the Independent Directors was held, *inter alia*, to discuss:

- Evaluation of the Performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Non-Executive Directors; and
- Evaluation of the quality, content and timeliness of flow on information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors were present at the Meeting.

### Meetings Held

During FY 2023-24, One (1) Meeting was held on February 9, 2024.

The necessary quorum was present for the Meeting of the Committee.

## Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. B. B. Hattarki (Chairperson)	ID	1	1
Mr. S. K. Adivarekar	ID	1	1
Ms. A. A. Sathe	ID	1	1
Mr. Mr. J. K. Hemade	ID	1	1

*ID - Independent Director.*

## General Body Meetings

### A) Annual General Meetings:

Annual General Meetings held and Special Resolution(s) passed:

Day, date, time and venue of AGMs held during the last 3 years and Special Resolutions passed are given as below:

Year	Day, Date and Time	Venue	Special Resolution(s)
2022-23	Wednesday, September 27, 2023 at 11:00 a.m	VC/OAVM Deemed Venue: Mundhwa, Pune Cantonment, Pune - 411 036	Re-appointment of Mr. B. N. Kalyani (DIN: 00089380) as Director of the Company
2021-22	Thursday, September 29, 2022 at 11:00 a.m	VC/OAVM Deemed Venue: Mundhwa, Pune Cantonment, Pune - 411 036	1. Appointment of Mr. B. S. Mitkari (DIN: 03632549) as a Whole Time Director. 2. Re-appointment of Mr. Shrikrishna K. Adivarekar as an Independent Director of the Company.
2020-21	Wednesday, September 29, 2021 at 11:00 a.m	VC/OAVM Deemed Venue: Mundhwa, Pune Cantonment, Pune - 411 036	NA.

All resolutions moved at the last AGM were passed by the requisite majority of Members.

### B) Postal Ballot

Pursuant to Section 110 and other applicable provisions, if any, of the Act read together with the Companies (Management and Administration) Rules, 2014 (the Rules), the Company conducted postal ballot during the year to obtain approval of its Members on January 20, 2024. In compliance with Regulation 44 of Listing Regulations and provisions of Section 108, Section 110 of the Act, read with Rule 20 and 22 of the Rules, the Company had offered e-Voting facility to all its Members to exercise their right to vote. For this purpose, the Company had availed the services of National Securities Depository Limited ("NSDL") for facilitating e-Voting. The Company had appointed Mr. Sridhar Mudaliar (Membership No. FCS 6156), Partner of M/s. SVD & Associates, Company Secretaries, Pune as Scrutiniser for conducting the postal ballot process (which includes e-Voting) in fair and transparent manner. The results of the postal ballots were declared on January 22, 2024. Special Resolution was declared passed with requisite majority by the Shareholders for the postal ballot dated January 20, 2024. Voting particulars of the said special resolution are as under:

Particulars / Description of item No	Appointment of Mr. Jayant Kumodchandra Hemade (DIN: 10331350) as an Independent Director of the Company	
Votes in favour of the resolution	Number of members voted	138
	Number of valid votes cast (shares)	2,16,99,662
Votes against the resolution	Number of members voted	8
	Number of valid votes cast (shares)	3,601
Invalid votes	Total number of members whose votes were declared invalid	1
	Total number of invalid votes cast (shares)	500
	Percentage of total number of valid votes cast	99.98%

#### **Procedure for postal ballot:**

The Company carries out Postal Ballot as per the provisions of Section 110 of the Companies Act, 2013, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, and other applicable rules read with relevant Circulars issued by the Ministry of Corporate Affairs and Circulars issued by the SEBI and applicable provisions of Listing Regulations.

No special resolution is proposed to be conducted through postal ballot as on the date of this report.

#### **Means of Communication**

##### **Stock Exchange Intimations**

All submissions to the Stock Exchanges are made through the respective electronic filing systems. All unpublished price sensitive information, material events or information as detailed in Regulation 30 of the SEBI Listing Regulations are disseminated to the Stock Exchanges by filing them with the National Stock Exchange of India Limited ('NSE') through NEAPS and with BSE Limited ('BSE') through BSE Online Portal.

They are also displayed on the Company's website at [https://bfutilities.com/disclosure-under-regulation-46-of-sebi-\(lodr\)-regulations.html](https://bfutilities.com/disclosure-under-regulation-46-of-sebi-(lodr)-regulations.html)

##### **Financial Results**

The quarterly/half-yearly/annual financial results are published in the Financial Express (English) all India edition and Loksatta (Marathi), Pune edition. They are displayed under 'Investors' section of the Company's website viz. <https://bfutilities.com/financial-results.html>

They are also filed with the NSE through NEAPS and with BSE through BSE Online Portal.

##### **Company's Website**

The Company's website is in line with the requirements laid down under Regulation 46 of the SEBI Listing Regulations. The section on 'Investors' serves to inform the Members by giving complete financial details, annual reports, shareholding patterns, stock exchange intimations, Company policies, etc.

The proceedings of the 23rd AGM held on September 27, 2023 are also available under the 'Investors' section.

##### **Transfer of unpaid dividend to Investor Education and Protection Fund (IEPF)**

Pursuant to Section 124 of the Companies Act, 2013 and rules thereof, any money transferred to the Unpaid Dividend Account of a company, which remains unpaid or unclaimed for a period of seven years, shall be transferred by the Company to the Investor Education and Protection Fund (IEPF).

Since the Company has not declared any dividend in past, this clause is not applicable.

##### **Transfer of equity shares to the Investor Education and Protection Fund (IEPF)**

Pursuant to provisions of Section 124(6) of the Companies Act, 2013 and rules thereof as amended from time to time, all shares, in respect of which dividend has not been paid or claimed for seven consecutive years or more, shall be transferred by the company in the name of Investor Education and Protection Fund (IEPF) alongwith a statement containing such details as may be prescribed.

Since the Company has not declared any dividend in past, this clause is not applicable.

##### **Procedure for dealing with unclaimed shares**

Pursuant to Regulation 39(4) of the Listing Regulations, the Company had in past sent reminder letters to those shareholders, whose share certificates have returned undelivered by the postal authorities due to insufficient / incorrect information and are lying with the Company. These share certificates will be sent to eligible shareholders, if these shareholders submit necessary documents to the Company.

##### **Nominations in respect of shares held in physical form / electronic form**

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be vested in the event of death of the registered shareholder(s). The prescribed nomination form can be obtained from the Company or the Registrar and Share Transfer Agent.

Nomination facility for shares held in electronic form is available with the depository participant as per the bye laws and business rules applicable to NSDL and CDSL.

##### **Register Your National Electronic Clearing Services (NECS) Mandate**

The Reserve Bank of India (RBI) has initiated NECS for credit of Dividend directly to the Bank Account of shareholders. Shareholders holding shares in electronic mode are requested to register their latest Bank Account details with their Depository Participant and in physical form with the Company's R & T Agent viz. Link Intime India Private Limited.

##### **KYC details:**

According to the Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, the members holding shares in physical form, requested to furnish Self attested PAN card and bank and nomination details.

## General Shareholder Information

The Company is registered with the Registrar of Companies, Maharashtra, Pune. The Corporate Identity Number (CIN) allotted to the Company by the MCA is L40108PN2000PLC015323

### Annual General Meeting and other details

<b>Day, Date and Time</b>	Tuesday, 24 <sup>th</sup> December, 2024 at 11.00 a.m. (IST)
<b>Venue</b>	In accordance with the General Circular issued by the MCA on May 5, 2020 read with General Circulars dated April 8, 2020, April 13, 2020 and January 13, 2021, December 28, 2022, September 25, 2023 and September 19, 2024, the AGM will be held through VC/OAVM only
<b>Financial Year</b>	April 1, 2023 to March 31, 2024
<b>Book Closure Date</b>	Tuesday, 24 <sup>th</sup> December, 2024 as annual closure for the purpose of AGM
<b>Last date for receipt of Proxy Forms</b>	In terms of the relaxations granted by MCA and SEBI, the facility for appointment of Proxies by Members will not be available at the ensuing e-AGM
<b>Listing on Stock Exchanges</b>	The Company's Ordinary Shares are listed on the following Stock Exchanges:  (1) BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001  (2) The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051  The Company has paid the listing fees to these Stock Exchanges for FY 2023-24 and FY 2024-25
<b>Stock Code</b>	BSE Limited : 532430  The National Stock Exchange of India Limited : BFUTILITIE
<b>International Securities Identification Number (ISIN) in NSDL and CDSL</b>	INE243D01012 (Ordinary Shares)

### Market Price Data

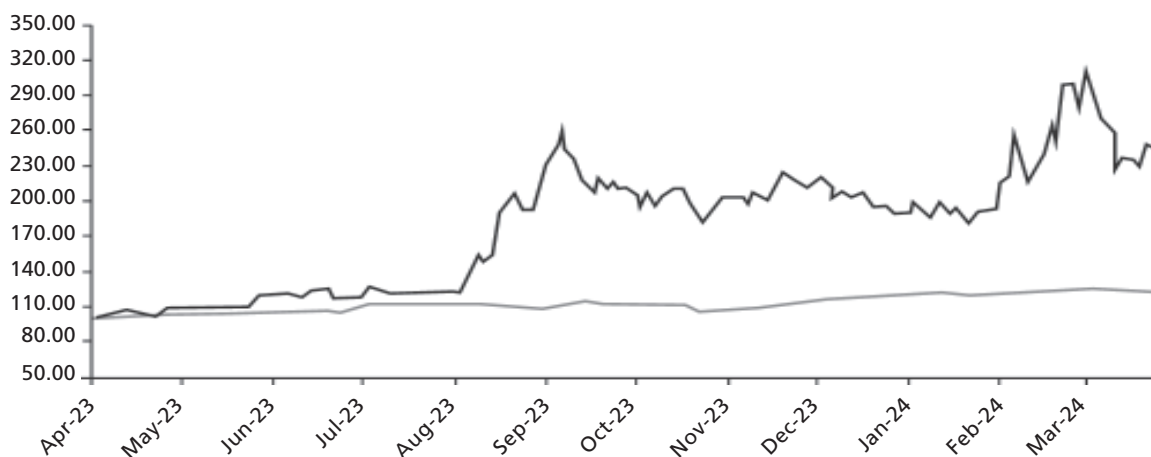
Market price data - monthly high/low, number of shares traded and number of trades of BSE/NSE depicting liquidity of the Company's Ordinary Shares on the said exchanges is given hereunder:

Stock Exchange	BSE			NSE		
	High Rs.	Low Rs.	Traded Volume	High Rs.	Low Rs.	Traded Volume
Apr-23	342.10	299.35	348791	342.45	298.95	2396258
May-23	370.95	332.50	296221	371.00	332.10	3796218
Jun-23	394.75	357.55	366402	394.00	357.25	4762514
Jul-23	405.45	366.60	294042	405.00	366.30	4337751
Aug-23	689.40	372.60	1584042	689.45	372.15	22647228
Sep-23	816.00	631.30	619475	815.10	636.00	6504100
Oct-23	667.45	537.00	432469	668.00	537.15	3476880
Nov-23	706.75	601.20	387223	707.00	601.00	2930115
Dec-23	693.25	586.00	313394	695.05	580.10	3476021
Jan-24	623.00	557.00	304146	624.00	557.30	3763478
Feb-24	978.00	599.00	2590399	977.95	597.80	24943041
Mar-24	966.95	681.65	856280	967.70	682.50	8748378

[Source: This information is compiled from the data available on the websites of BSE and NSE]

**Performance of the Company's average monthly share price data in comparison to broad-based indices like BSE Sensex in FY 2023-24**

BFUL Price in Rs.



Note : Share price of BF Utilities Limited and BSE Sensex have been indexed to 100 as on first working day of financial year 2023-24 i.e. 1<sup>st</sup> April, 2023.

**Registrar and Transfer Agent**

Members are requested to correspond with the Company's Registrar and Transfer Agent - Link Intime India Private Limited, quoting their folio no./DP ID and Client ID at the following addresses:

For transmission, transposition and other correspondence:

Link Intime India Private Limited  
Registrar & Transfer Agent  
Block No.202, 2nd Floor, Akshay Complex,  
Off Dhole Patil Road,  
Pune 411 001.  
Phone No.: 020-26161629  
Email : [pune@linkintime.co.in](mailto:pune@linkintime.co.in)  
Website: <https://www.linkintime.co.in>

Business Hours: 10.00 a.m. to 3.30 p.m. (Monday to Friday)

**Share Transfer Process**

Effective April 1, 2019, requests for effecting the transfer of listed securities were required to be processed only in dematerialised form with a Depository.

The Company had stopped accepting any fresh transfer requests for securities held in physical form with effect from the said date. In order to address the issue of transfer requests filed prior to April 1, 2019 but rejected due to deficiency in documents, etc., the Company accepted transfer requests up to March 31, 2021 in accordance with SEBI Circular dated September 7, 2020. After March 31, 2021, the Company has stopped accepting any transfer requests.

Dematerialisation of holdings will, *inter alia*, curb fraud in physical transfer of securities by unscrupulous entities and improve ease, convenience and safety of transactions for investors. In view of the aforesaid, Members who are holding shares in physical form are hereby requested to dematerialise their holdings.

**Secretarial Audit**

M/s. SVD & Associates, Practicing Company Secretaries (Peer review No. 669/2020), has conducted a Secretarial Audit of the Company for FY 2023-24.

The observations of Secretarial Auditors are given in the Directors' Report along with Board's explanations to the same.

In accordance with the SEBI Circular dated February 8, 2019 read with Regulation 24A of the SEBI Listing Regulations, the Company has obtained an Annual Secretarial Compliance Report from M/s. SVD & Associates, Practicing Company Secretaries.

Pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificate has been issued, on a yearly basis, by M/s. SVD & Associates, Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

Subhash Y. Joshi & Co., Chartered Accountant in practice has carried out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with NSDL & CDSL and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

#### Certificate from Practicing Company Secretary

M/s. SAW & Associates, Practicing Company Secretaries, has issued a certificate confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Company's by SEBI/MCA or any such statutory authority. The said Certificate is annexed to the Director's Report.

#### Distribution of Shareholding as on March 31, 2024

Range	Number of Shares	Amount	% to Capital	Number of Shareholders	% to total Shareholders
Up to 5,000	5174031	25870155.00	13.74	54247	96.82
5,001 to 10,000	1337997	6689985.00	3.55	900	1.61
10,001 to 20,000	1324152	6620760.00	3.51	467	0.83
20,001 to 30,000	794300	3971500.00	2.11	160	0.29
30,001 to 40,000	440717	2203585.00	1.17	64	0.11
40,001 to 50,000	491878	2459390.00	1.31	53	0.09
50,001 to 100,000	964983	4824915.00	2.56	66	0.12
100,001 and above	27139570	135697850.00	72.05	74	0.13
<b>Total</b>	<b>37667628</b>	<b>188338140.00</b>	<b>100.00</b>	<b>56031</b>	<b>100.00</b>

#### Category of Shareholding as on March 31, 2024

	Category	No. of Shares	% of Shareholding
1.	Promoter and Promoter Group	2,13,71,765	56.74
2.	Mutual Funds / UTI	1,709	0.01
3.	Financial Institutions / Banks	3,139	0.01
4.	Bodies Corporate	21,40,047	5.68
5.	Foreign Portfolio Investors	3,33,093	0.88
6.	Clearing Members	2,398	0.01
7.	Non Resident Indians	2,42,136	0.64
8.	General Public	1,35,73,341	36.03
	<b>Total</b>	<b>3,76,67,628</b>	<b>100.00</b>

#### Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for dematerialisation on both the depositories viz. NSDL and CDSL.

Shares held in	(% of total issued capital)	
	As on March 31, 2024	As on March 31, 2023
Physical form	1.23	1.34
Electronic form with NSDL	80.78	81.52
Electronic form with CDSL	17.99	17.14
<b>Total</b>	<b>100</b>	<b>100</b>

The Company's Ordinary Shares are regularly traded on BSE and NSE

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### **Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs or ADRs or warrants or any convertible instruments during the year under review.

### **Commodity price risk or foreign exchange risk and hedging activities**

#### **Commodity Price Risk**

The Company's operations do not involve commodity price risk.

#### **Foreign exchange risk and hedging activities**

The Company's operations do not involve Foreign exchange and hedging risk.

### **Address for Correspondence**

BF Utilities Ltd  
Mundhwa, Pune Cantonment,  
Pune - 411 036,  
Tel. No.: +91 77190 04777  
Email: [Secretarial@bfutilities.com](mailto:Secretarial@bfutilities.com)  
Website: [www.bfutilities.com](http://www.bfutilities.com)

Plant locations : The Company's wind farms are located at Padekarwadi, Ghatewadi, Pawangaon, Maloshi and Kadve Khurd Dist- Satara, Maharashtra State

**Credit Ratings obtained by the Company - Nil**

### **Other Disclosures**

#### **Related Party Transactions**

All related party transactions that were entered into during FY 2023-24 were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI Listing Regulations. There were no material significant related party transactions entered into by the Company with Promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at <https://bfutilities.com/pdf/Policies%20and%20Terms/Related%20Party%20Transaction%20Policy.pdf>

- i) The particulars of transactions between the Company and its related parties are in accordance with Ind AS 24 & set out in Note No.29 to the Accounts. These transactions are in the ordinary course and are not likely to have any conflict with the interest of the Company.
- ii) There were no pecuniary relationships or transactions of the non-executive directors vis-à-vis the Company, other than payment of Board fees/commission and investments (if any) in shares / securities of the Company.
- iii) There were no material transactions of the Company with its promoters, directors, management or their relatives that may have potential conflict with the interest of the Company at large.

#### **Policy for determining material subsidiary**

The Company have identified Nandi Infrastructure Corridor Enterprise Limited, Nandi Economic Corridor Enterprises Ltd. and Nandi Highway Developers Limited as its material Subsidiaries on Consolidated Accounts basis.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Policy, as approved by the Board, is uploaded on the Company's website at <https://bfutilities.com/pdf/Policies%20and%20Terms/Policy%20on%20Material%20Subsidiary.pdf>

#### **Statutory Compliance, Penalties and Strictures**

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authority on all matters related to capital markets. During the last three years, no penalties or strictures have been imposed on the Company by these authorities except as disclosed in the Secretarial Compliance Report issued by SVD & Associates, Company Secretaries which is available on the Company's website at <https://bfutilities.com/pdf/Secretarial%20Compliance/Annual%20Secretarial%20Compliance%20Report%2031032024.pdf>

None of the Company's listed securities is suspended from trading.

## Whistleblower Policy and Vigil Mechanism

The Company has adopted a Whistleblower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism. No personnel of the Company has been denied access to the Chairperson of the Audit Committee.

The Whistleblower Policy and Vigil Mechanism ensures that strict confidentiality is maintained in such cases and no unfair treatment is meted out to a Whistleblower.

The Whistleblower Policy as adopted by the Company is available on the Company's website at <https://bfutilities.com/pdf/Policies%20and%20Terms/Whistle%20Blower%20Policy.pdf>

## Code of Conduct for Prevention of Insider Trading

The Company has adopted the Model Code of Conduct for Prevention of Insider Trading under the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Code'). The Code lays down guidelines for procedures to be followed and disclosures to be made while trading in securities of the Company

Mr. B. S. Mitkari, Company Secretary, is the Compliance Officer for ensuring the compliance with and for the effective implementation of the SEBI PIT Regulations and the Code across the Company.

The Company has in place a digital platform for ensuring compliance with the provisions of the SEBI PIT Regulations and the Code of Conduct for Prevention of Insider Trading.

## Other Policies under the SEBI Listing Regulations

**Policy on Retention and Archival of Documents** as required under Regulation 9 of the SEBI Listing Regulations is available on the website of the Company at <https://bfutilities.com/pdf/Policies%20and%20Terms/Policy%20for%20prevention%20of%20Records.pdf>

**Policy on Determination of Materiality of Events/ Information for Disclosures of Events or Information** as per Regulation 30 of the SEBI Listing Regulations is available on the website of the Company at [https://bfutilities.com/pdf/Policies%20and%20Terms/Policy%20for%20determination%20of%20materiality%20of%20events%20information\\_13112023.pdf](https://bfutilities.com/pdf/Policies%20and%20Terms/Policy%20for%20determination%20of%20materiality%20of%20events%20information_13112023.pdf)

**Policy on Dividend Distribution** as required under SEBI Listing regulations is available at <https://bfutilities.com/pdf/Policies%20and%20Terms/Dividend%20Distribution%20Policy.pdf>

## Accounting Treatment in preparation of Financial Statements

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable, save and except as disclosed and explained elsewhere in the Annual Report.

## CEO/CFO Certification

The Chief Executive Officer and the Chief Financial Officer have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II to the SEBI Listing Regulations pertaining to CEO/CFO certification for the year ended March 31, 2024.

## Disclosures with respect to demat suspense account/ unclaimed suspense account

- (a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year - Nil
- (b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year- Nil
- (c) number of shareholders to whom shares were transferred from suspense account during the year- Nil
- (d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year- Nil
- (e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares - Nil

The Company had complied all the disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of Listing Regulations (relating to disclosure on the website of the Company) except as mentioned in the Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 appearing herein below.

#### Disclosure of certain types of agreements binding listed entities:

The Agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations were intimated to the Stock Exchanges and are available on the Company's website at the link:

[https://www.bfutilities.com/pdf/ANNOUNCEMENTS%20UNDER%20REG%2030/Disclosure\\_Reg30A\\_BFUL\\_14082023.pdf](https://www.bfutilities.com/pdf/ANNOUNCEMENTS%20UNDER%20REG%2030/Disclosure_Reg30A_BFUL_14082023.pdf)

#### Details of utilisation of funds raised through preferential allotment or qualified institutional placement

The Company has not raised any funds through preferential allotment or qualified institutional placement during the year under review.

#### Acceptance of recommendations of Committees by the Board of Directors

In terms of the SEBI Listing Regulations, there have been no instances during the year under review, when the recommendations of any of the Committees were not accepted by the Board.

#### Fees paid to G. D. Apte & Co., Statutory Auditors and all entities in the network firm of the Statutory Auditors

During FY 2023-24, a total fee of Rs.11.80 Lacs (incl. of taxes) was paid by the Company, for all services to G. D. Apte & Co., Statutory Auditors and all entities in the network firm/entity of which they are a part.

#### Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a Policy to prevent Sexual Harassment of Women at Workplace. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

#### Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

The disclosure of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount given in Note no 30 to consolidated financials statements.

#### Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

Sr. No	Name of Material Subsidiaries	Date of Incorporation	Place of Incorporation	Name of statutory auditor	Date of appointment of statutory auditor
1	Nandi Infrastructure Corridor Enterprise Limited	19/01/1996	Bangalore	M/s S. Panna Raj & Associates	30th September 2022
2	Nandi Highway Developers Limited	19/01/1996	Bangalore	M/s S. Panna Raj & Associates	21st August 2020
3	Nandi Economic Corridor Enterprises Ltd.	17/04/2000	Bangalore	M/s Walker Chandiook & Co LLP	7th September 2022

#### Green Initiative

In order to enable us to further extend our support towards paperless compliance as a part of Green Initiative in the Corporate Governance, which was introduced by the Ministry of Corporate Affairs (MCA) in the year 2011, the shareholders who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses.

In respect of shares held in physical form, shareholders are requested to register their e-mail addresses with the Company / R & T Agent (with Depository Participants in case of shares held in dematerialized form).

#### Mandatory Requirements

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance, except otherwise disclosed elsewhere in the Annual Report.

**Shareholder Rights:** The quarterly/half-yearly/financial performance of the Company are also available on the Company's website at <https://bfutilities.com/financial-results.html>

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**Modified opinion(s) in Audit Report:**

During the year under review, there was no audit qualification in the Company's Standalone Financial Statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion. However, M/s. G. D. Apte & Co., Statutory Auditors have given an adverse opinion in their Audit Report on Consolidated Accounts. The observations given in the Consolidated Audit Report and Secretarial Audit Report are duly explained in the Director's Report.

As regards a qualified opinion on compliance of Corporate Governance requirements, with respect to appointing an Independent Director on the Board of Nandi Economic Corridor Enterprises Ltd. and Nandi Highway Developers Ltd., material subsidiaries of the Company, the subsidiaries have appointed Independent Director after close of the Financial Year.

Further, there has been no instance of penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital market, during the last three years, other than those mentioned in the Directors' report.

**Reporting of Internal Auditor:**

The Internal Auditor reports to the Audit Committee

For BF Utilities Limited

Place: Pune  
Date: November 23, 2024

B. S. Mitkari  
Whole time Director  
DIN: 03632549

A. B. Kalyani  
Director  
DIN: 00089430

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## DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

To the members of BF Utilities Limited

I, B. S. Mitkari, Whole-time Director of BF Utilities Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the SEBI Listing Regulations for the year ended March 31, 2024

For BF Utilities Limited

Place: Pune  
Date: November 23, 2024

B. S. Mitkari  
Wholetime Director  
(DIN : 03632549)

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### Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

#### The Members BF Utilities Limited

We have examined the compliance of conditions of Corporate Governance by BF Utilities Limited ('the Company'), for the year ended March 31, 2024, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time.

#### Management's Responsibility

The Management is responsible for ensuring that the Company complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

#### Auditor's Responsibility

- Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
- We conducted our examination in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI.

#### Qualified Opinion

Based on our examination as above and to the best of the information and explanations given to us and representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2024 except for Regulation 24(1) of Listing Regulations, which requires holding company to appoint an independent director of holding company on the Board of Directors of material unlisted subsidiaries, viz. Nandi Highway Developers Limited and Nandi Economic Corridor Enterprises Ltd.

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We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Restriction on Use**

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirements of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for any events or circumstances occurring after the date of this Certificate.

For G. D. Apte & Co.  
Chartered Accountants  
Firm Registration Number: 100 515W  
UDIN: 24121007BKCKYZ6689

Anagha M Nanivadekar  
Partner  
Membership Number: 121 007

Pune, November 11, 2024

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**TO THE BOARD OF DIRECTORS OF BF UTILITIES LIMITED  
CERTIFICATION BY CHIEF EXECUTIVE OFFICER/DIRECTOR AND  
CHIEF FINANCIAL OFFICER OF THE COMPANY**

(under Regulation 17 read with Part B of Schedule II of SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

We the undersigned, in our respective capacities as, Chief Executive Officer and Chief Financial Officer of BF Utilities Limited, ("the Company") to the best of our knowledge and belief certify that :

- a) we have reviewed the standalone financial statements and the cash flow statements of BF Utilities Ltd. for the year 2023-24 and that to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations, save and except as disclosed and explained elsewhere in the Annual Report.
- b) There are, to the best of our knowledge and belief, no transactions entered into by BF Utilities Ltd. during the year 2023-24 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting of BF Utilities Ltd. and that we have evaluated the effectiveness of the internal control systems of BF Utilities Ltd. pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee, with respect to BF Utilities Ltd.:
  - i) significant changes in internal control over financial reporting during the year;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement; and
  - iii) instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Pune  
November 23, 2024

**B. S. MITKARI**  
Wholetime Director &  
CEO & CFO  
DIN: 03632549