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हिन्दुस्तान ऑर्गेनिक केमिकल्स लिमिटेड  
(भारत सरकार का उद्यम)  
HINDUSTAN ORGANIC CHEMICALS LIMITED  
(A Govt. of India Enterprise)

HOC/SEC/Regn.24A-ASCR-2021/06/26

Dt.: 26-06-2021

To  
Bombay Stock Exchange Ltd,  
24<sup>th</sup> Floor, DCS-CRD  
Pheroze Jeejeebhoy Towers,  
Mumbai - 400001

Dear Sirs,

**Sub.: Filing of Annual Secretarial Compliance Report (ASCR) for the FY-2020-21 ended 31-03-2021;**

**Ref.: Regn.24A-Reg.ASCR-SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019**

With reference to the captioned subject and in compliance with Regn.24A and other / applicable Regulations of LODRRs of SEBI, please find enclosed herewith the Annual Secretarial Compliance Report of our Company (HOCL) for the Financial Year ended 31-03-2021 as issued by the PCS M/s Divya S. Momaya & Co., Practicing Company Secretaries, Secretarial Auditors of the Company.

Please acknowledge and take the same on your records.

Further the said ASC Report as on 31-03-2021 is also disseminated on the website of our company in compliance with the provisions under LODRRs.

Thanking you,  
Yours faithfully,  
For Hindustan Organic Chemicals Ltd.

**Company Secretary**

Encl. : As above - ASCR as on 31-03-2021 of FY 2020-21



*D. S. Momaya & Co.*

**Company Secretaries**

Office No.11, Shree Durga Apartment, Gr. Floor,  
Plot No. 186, Sector 10, Nr. Juinagar Railway Station,  
Next to D-mart, Sanpada, Navi Mumbai-400705  
Telefax (0) 022-2775 6137 / Tel.: (R) 022-2775 6138  
Email: divya.momaya@gmail.com / divya.dsmco@gmail.com

**Secretarial Compliance Report of  
HINDUSTAN ORGANIC CHEMICALS LIMITED**

**For the financial year ended 31<sup>st</sup> March 2021**

*[Pursuant to SEBI Circular CIR/CFD/CMD1/27/2019 dated February, 08, 2019]*

To,  
The Board of Directors,  
**HINDUSTAN ORGANIC CHEMICALS LIMITED**  
401, 402, 403, 4th Floor, V-TIMES SQUARE,  
Plot No. 3, Sector 15, CBD Belapur,  
Navi Mumbai, Thane - 400614.

We have examined:

- (a) All the documents and records made available to us and explanation provided by Hindustan Organic Chemicals Limited (CIN: L99999MH1960GOI011895) [hereinafter called as 'the listed entity'],
- (b) the filings/ submissions made by the listed entity to the stock exchanges(BSE)
- (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,2021 [hereinafter called as '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; **Not Applicable as there was no reportable event during the financial year under review.**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable as there was no reportable event during the financial year under review.**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable as there was no reportable event during the financial year under review.**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable as the Company has not issued and listed any debt securities during the period under review.**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **Not Applicable as the Company has not issued and listed any Preference Shares during the period under review.**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and circulars/ guidelines issued there under wherever applicable.

And based on the above examination, we hereby report that, during the Review Period:

- (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)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	<p><b>Regulation 17 (1)(b) of SEBI LODR:</b> Composition of Board of Directors</p> <p>The Composition of Board of Directors is not in compliance with regulations 17(1)(b) of SEBI LODR i.e When the Chairman of the Company is Executive Director than half of the board should comprise of independent directors.</p>	<p>As on 31<sup>st</sup> March 2021, the Board of Directors of the Company is not duly constituted with proper balance of Independent Directors.</p>	<p>The Board of Directors of the Company is not duly constituted as the company does not have requisite number of Independent Directors on its Board due to vacancy arises out of end of the term of existing Independent Directors from February 21, 2020 onwards. The Company, being Public Sector Undertaking, such appointment of adequate number of Independent Directors on the Board of the Company is to be done by the Ministry and such Appointment are awaited. The Company has also written so many time letters to Ministry to appoint adequate number of Independent directors on their Board.</p>



2.	<p><b><u>Regulation 18(1)(b), 18(1)(d) and 18(2)(a) of SEBI LODR:</u></b> Composition of Audit Committee</p> <p>Two-thirds of the members of audit committee shall be independent directors according to Regulation 18(1)(b) of SEBI LO DR.</p> <p>According to Regulation 1B(1)(d) of SEBI LODR, the Chairperson of the Audit Committee shall be independent director.</p> <p>According to Regulation (2) (a) of SEBI LODR, the audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings.</p>	<p>As on 31<sup>st</sup> March 2021, Audit Committee is not duly constituted. The Chairperson of the Audit Committee is not the Independent Director. The Audit Committee meeting has not happened four times in a year.</p>	<p>Appointment of adequate number of Independent directors on the Board due to vacancy arising out of end of term of existing independent directors is to be done by the Ministry as the Company is Central public Sector Enterprise (CPSE) and such appointments are awaited. The Company has also written so many time letters to Ministry to appoint adequate number of Independent directors on their Board. Once appointments are done by Government, Committees will be reconstituted accordingly.</p>
3.	<p><b><u>Regulation 19(1)(c) and 19(2) of SEBI LODR:</u></b> Composition of Nomination and Remuneration [NRC] Committee</p> <p>According to Regulation 19(1) © of SEBI LODR, at least fifty percent of the directors shall be independent directors in NRC Committee.</p> <p>According to Regulation LODR, the Chairman of the</p>	<p>As on 31<sup>st</sup> March 2021, Nomination and Remuneration Committee is not duly constituted &amp; Chairman of the Nomination and Remuneration Committee is not Independent Director.</p>	<p>Appointment of adequate number of Independent directors on the Board due to vacancy arising out of end of term of existing independent directors is to be done by the Ministry as the Company is Central public Sector Enterprise (CPSE) and such appointments are awaited. The Company has also written so many time letters to Ministry to appoint adequate number of Independent directors on their Board. Once</p>

	Nomination and Remuneration Committee shall be independent director.		appointments are done by Government, Committees will be reconstituted accordingly.
4.	<p><b>Regulation 20(2)(A) of SEBI LODR:</b> Composition of Stakeholders Relationship Committee</p> <p>According to Regulation 20(2)(A) of SEBI LODR, At least three directors, with at least one being an independent director, shall be members of the Committee and in case of a listed entity having outstanding SR equity shares, at least two thirds of the Stakeholders Relationship Committee shall comprise of independent directors.</p>	As on 31 <sup>st</sup> March 2021 of Stakeholders Relationship Committee is not duly constituted & Chairman on of the of Stakeholders Relationship Committee is not Independent Director.	Appointment of adequate number of Independent directors on the Board due to vacancy arising out of end of term of existing independent directors is to be done by the Ministry as the Company is Central public Sector Enterprise (CPSE) and such appointments are awaited. The Company has also written so many time letters to Ministry to appoint adequate number of Independent directors on their Board. Once appointments are done by Government, Committees will be reconstituted accordingly.

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my/our examination of those records.
- (c) No action was taken against the listed entity/ its promoters/ directors either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder: penalty for inadequate composition of Independent Directors on Company's Board was levied , however the same has been waived off as the company has made request to Government of India for making appointment of Independent Directors, and awaiting for the Govt's orders for the same.



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

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31st March 2020	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	<p><u>Regulation 17(1)(b) of SEBI LODR:</u> The Composition of Board of Directors is not in compliance with regulations 17(1)(b) of SEBI LODR i.e. When the Chairman of the Company is Executive Director then half of the board should comprise of independent directors.</p>	NIL	<p>Appointment of adequate number of Independent Directors on the Board of the Company is to be done by the Ministry but such appointments are awaited and the Company has also written so many time letters to Ministry to appoint adequate number of Independent directors on their Board.</p>	<p>The Company has justified the delay and which was recorded by the Practicing Company Secretary in their Annual Secretarial Compliance Report for the FY 2019 -20</p>
2.	<p><u>Regulation 18(1)(b) and 189(1)(d) of SEBI LODR:</u> Composition of Audit Committee Two-thirds of the members of audit committee shall be independent directors according to Regulation 18(1)(b) of SEBI LODR.</p> <p>According to Regulation</p>	NIL	<p>Appointment of adequate number of Independent Directors on the Board of the Company is to be done by the Ministry but such appointments are awaited and the Company has also written so many time letters to Ministry to appoint adequate number of Independent directors on their Board.</p>	<p>The Company has justified the delay and which was recorded by the Practicing Company Secretary in their Annual Secretarial Compliance Report for the FY 2019-20.</p>



	<p>18(1)(d) of SEBI LODR, the Chairperson of the Audit Committee shall be independent director.</p>		
<p>3.</p>	<p><u>Regulation 19(1) © and 19(2) of SEBI LODR:</u> According to Regulation 19(1) © of SEBI LODR, at least fifty percent of the directors shall be independent directors in NRC Committee.  According to Regulation LODR, the Chairman of the Nomination and Remuneration Committee shall be independent director.</p>	<p>NIL</p>	<p>Appointment of adequate number of Independent Directors on the Board of the Company is to be done by the Ministry but such appointments are awaited and the Company has also written so many time letters to Ministry to appoint adequate number of Independent directors on their Board.</p>
			<p>The Company has justified the delay and which was recorded by the Practicing Company Secretary in their Annual Secretarial Compliance Report for the FY 2019-20.</p>

Date: 31/05/2021

Place: Navi Mumbai  
UDIN: F007195C000397191

For D. S. Momaya & Co.  
Company Secretaries



CS Divya Momaya  
Proprietor  
Membership No.7195  
C.P. No.: 7885