



हिन्दुस्तान आगानिक कानिकल्स लिमिटेड
(भारत सरकार का उद्यम) CIN: L99999MH1960GO1011895
HINDUSTAN ORGANIC CHEMICALS LIMITED
(A Govt. of India Enterprise)

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AN ISO 9001 ISO 14001 UNIT

HOC/SEC/Regn.24A-ASCR-2020/6/25/11

Date: 25th June, 2020

To,
Bombay Stock Exchange Ltd.,
24th Floor, DCS-CRD,
Pheroze Jeejeebhoy Towers,
Mumbai - 400001

Security Code: 500449

Dear Sirs,

Sub: Annual Secretarial Compliance Report for the Financial Year ended 31-03-2020.

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 for the Financial Year ended 31-03-2020 issued by CS Mrs. Divya S. Momaya, Practicing Company Secretaries, Secretarial Auditors of the Company.

Please acknowledge and take the same on your records.

Thanking you,
Yours Faithfully,

For Hindustan Organic Chemicals Limited

(Mrs. Susheela S. Kulkarni)
Company Secretary (F5145)
Mob. 9892608710

Encl.: As above.



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 31st March 2020

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

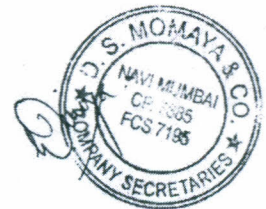
To,
The Board of Directors,
HINDUSTAN ORGANIC CHEMICALS LIMITED
(CIN: L99999MH1960GOI011895)
401, 402, 403, 4th Floor, V-TIMES SQUARE,
Plot No. 3, Sector 15, CBD Belapur,
Navi Mumbai, Thane - 400614.

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, 2020 [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;



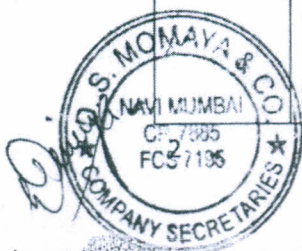
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; -Not Applicable as there was no reportable event during the financial year under review.
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 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.

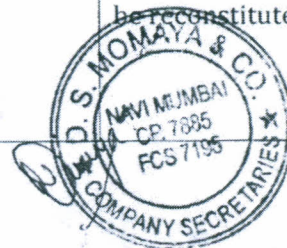
And based on the above examination, We hereby report that, during the Review Period:

- (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.	Regulation 17(1)(b) of SEBI LODR: Composition of Board of Directors The Composition of Board	As on 31 st March 2020 The Board of Directors of the Company was not duly constituted with proper balance	The Board of Directors of the Company was duly constituted upto 20th February 2020 with proper balance of Executive Directors, Non-Executive Directors and Independent



	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.	of Executive Directors, Non-Executive Directors and Independent Directors.	Directors. 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 changes in the composition of the Board of Directors, which took place during the period under review, were carried out in compliance with the provisions of the Act and rules made thereunder.
2.	<u>B. 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. According to Regulation 18(1)(d) of SEBI LODR, the Chairperson of the Audit Committee shall be independent director.	As on 31 st March 2020 Audit Committee is not duly constituted & The Chairperson of the Audit Committee is not the 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. Once appointments are done by Government, Committees will be reconstituted accordingly.
3.	<u>Regulation 19(1)© and 19(2) of SEBI LODR:</u> Composition of Nomination and Remuneration (NRC) Committee 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 19(2) of SEBI LODR, the	As on 31 st March 2020 Nomination and Remuneration Committee is not duly constituted & Chairperson of the Nomination and Remuneration 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. Once appointments are done by Government, Committees will be reconstituted accordingly.



Chairperson of the Nomination and Remuneration Committee shall be independent director.		
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- (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) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries 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:

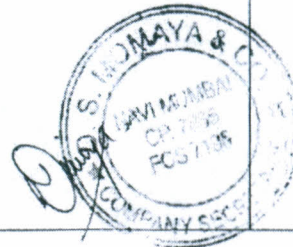
Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment etc.	Observations/remarks of the Practicing Company Secretary, if any
NIL				

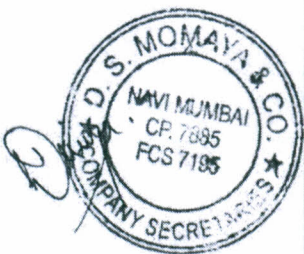
No action was taken against the listed entity/ its promoters/ directors either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder: The Listed Entity has a Listed subsidiary - Hindustan Fluorocarbons Limited during the review period.



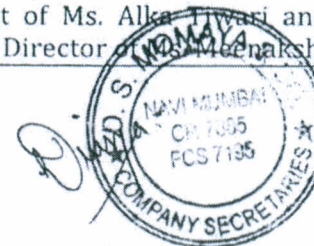
(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

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.	The Company has not formulated a policy on materiality of related party transactions and on dealing with Related Party Transactions.	NIL	The Company being a Central Public Sector Enterprise (CPSE), follows the CPSE guidelines on Corporate Governance for related party transactions..	The Company being a Central Public Sector Enterprise (CPSE), follows the CPSE guidelines on Corporate Governance for related party transactions..
2.	The Board meeting held on 29 May 2018 where accounts for the Quarter and financial year ended 31st March, 2018 were approved, the outcome for the same was disclosed to the Stock Exchange only on 31st May, 2018.	NIL	<p>The Company while filing the Quarterly Financial Results of year ended 31st March, 2018 also provided the following reasons for the delay:</p> <p>a. As informed by the CFO, HOCL that, as per branch auditors of the Kochi Unit, there were certain reclassifications of assets and liabilities as well as regrouping of income and expenses, requiring adjustments in the standalone profit and loss statement and assets and liabilities statement as on 31-03- 2018. After</p>	The Company has justified the delay and which was recorded by the Practicing Company Secretary in their last Annual Secretarial Compliance Report for the year 2018-2019.



			<p>the finalization of branch auditor's report, the statutory auditors' independent auditors report as on 31-03- 2018 was finalized;</p> <p>b. Further as regards to the consolidated audited financial results of the company as on 31-03-2018, as the audited financial results as on 31-03-2018 of our subsidiary company viz. Hindustan Fluorocarbons Ltd. [HFL- also Listed with BSE] was only approved at their Board Meeting held on 24-05-2018 and was received by the Company for consolidation purposes only on 28-05-2018, they were left with no time as the Company's board meeting was scheduled on 29-05-2018;</p> <p>c. In view of the aforesaid situations , at Board Meeting held on 29-05-2018 Board approved the audited financial results of the company as on 31st March 2018 and authorized CMD HOCL to approve and to sign the final corrected</p>	
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			audited financial results and audited annual accounts of the company [both standalone & consolidated] for the year ended 31-03-2018	
3.	The Postal Ballot of the Company concluded on 10th May 2018 and the results for the same were submitted to the Stock Exchange on 16th May, 2018 later than 48 hours from the conclusion of Postal Ballot.	NIL	Postal Ballot Results of the Company concluded on 10th May 2018 not submitted within the prescribed time.	The Company has acknowledged the delay and which was recorded by the Practicing Company Secretary in their last Annual Secretarial Compliance Report for the year 2018-2019.
4.	The AGM of the Company was held on 26th September 2018 and the results under Regulation 44 were submitted to Stock Exchange on 01st October, 2018 later than 48 hours.	NIL	Annual general Meeting Voting Results of 26th September 2018 not submitted within the prescribed time.	The Company has acknowledged the delay and which was recorded by the Practicing Company Secretary in their last Annual Secretarial Compliance Report for the year 2018-2019.
5.	The Company had received a letter from the Government of India on 29th	NIL	The Company has disclosed the appointment of Ms. Alka Kulkarni and cessation of Director Mr. Anandakshi	The Company has justified the delay and which was recorded by the Practicing Company




<p>January, 2019 informing the appointment of Ms. Alka Tiwari as Director of the Company in place of Ms. Meenakshi Gupta. The same was noted in the Board Meeting held on 13th February, 2019, but the disclosure under said Regulation was given to Stock Exchange on 4th April, 2019.</p>		<p>Gupta after a period of 65 days from the date of appointment and cessation.</p>	<p>Secretary in their last Annual Secretarial Compliance Report for the year 2018-2019.</p>
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Date: 22.06.2020

Place: Navi Mumbai

UDIN: F007195B000368523

For D. S. Momaya & Co.
Company Secretaries


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