

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. A brief statement on Company's philosophy on code of governance:

The Company believes in transparency, professionalism and accountability, which are basic principles of corporate governance and would constantly endeavor to improve on these aspects.

2. Corporate Ethics:

The Company adheres to the highest standards of business ethics, transparency in all its dealings and timely compliance with statutory and legal requirements.

2.1 Code of Conduct of Board Members and Senior Management:

The Board of Directors of the Company has adopted "Code of Conduct" for its Members and Senior Management and it is reviewed and modified periodically as per changes in applicable laws. The Code highlights Corporate Governance as the cornerstone for sustained management performance and for serving all the stakeholders and for instilling pride in the association. The Code has been posted on the website of the Company viz. www.hindcompo.com.

2.2 Code of Conduct for Prevention of Insider Trading:

As per provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives" for its promoters, management, directors, designated employees and other connected persons. All the directors, designated persons and third parties such as auditors, consultants etc., who could have access to the unpublished price sensitive information of the Company, are governed by this Code. The trading window was closed as and when required and occurrence of any material event as per the applicable regulations. The Company Secretary has been appointed as the Compliance Officer and is responsible for adherence to the Code.

2.3 Vigil Mechanism:

The Company has established a vigil mechanism for its employees, officers and directors, which encourages them to report any suspected violation promptly and intends to investigate any report of violations made in good faith.

2.4 Safety, Health & Environment (SHE) System:

The Company has adopted Safety, Health and Environment (SHE) System with a commitment to provide a safe and healthy working environment.

3. Company Secretary's Responsibility Statement:

The Company Secretary confirms that the Company has during the financial year ended 31st March, 2025:

- Maintained all the Statutory Registers required to be maintained under the Companies Act, 2013 ("the Act") and the rules made thereunder.
- Filed all the forms and returns and furnished necessary particulars in time with the Registrar of Companies ("ROC"), Mumbai, Maharashtra, Ministry of Corporate Affairs ("MCA") and / or Authorities as required under the Act.
- Complied with the Secretarial Standards SS-1 and SS-2 w.r.t. Board Meetings and General Meetings respectively issued by the Institute of Company Secretaries of India ("ICSI").
- Issued all notices as required to be given for convening the meetings of the Board of Directors, Committees thereof and General Meeting of the shareholders within the time limits as prescribed by the Act.
- Conducted the meetings of the Board of Directors, Committees thereof and Annual General Meeting ("AGM") as per the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
- Complied with all the requirements relating to the minutes of the proceedings of the meetings of the Board of Directors, Committees thereof and Shareholders.
- Made due disclosures as required under the requirements of the Act including the requirements in pursuance to the disclosures made by the Directors and Key Managerial Personnel.
- Obtained necessary approvals of the Board of Directors, Committees thereof, Shareholders and other authorities as per the statutory requirements.
- Given loans and made investments in accordance with the provisions of the Act.
- Not exceeded the limits of borrowing powers of the Company.
- Registered all the particulars relating to creation / modification / satisfaction of the charges with the ROC, Mumbai, Maharashtra.
- Apprised the Board and Senior Management on Regulations, Rules and Standards and any further developments from time to time.
- Correct procedures have been followed to ensure correctness, authenticity and comprehensiveness of the information, statements and reports filed by the Company under Listing Regulations.
- Effected share transfers and dispatched the Letter of Confirmations in lieu of Share Certificate within

the time prescribed under the Act and Listing Regulations and the rules made thereunder. Please refer to point no. 14 (i) of this report for more details.

- Complied with all the requirements of the Listing Regulations, as amended from time to time.

The Company has also complied with the requirements prescribed by the Securities and Exchange Board of India ("SEBI") and other statutory authorities and also the requirements under the Act and related statutes in force to the extent applicable to the Company from time to time.

4. Board of Directors:

- Composition:**

As on 31st March, 2025, the Board of Directors comprised of seven directors. The composition of the Board, attendance at Board meetings held during the financial year and at the last AGM of the Company, number of directorships held in other companies and chairmanship / membership in committees are given below:

Name of Director	Category	No. of Board meetings held	Attendance particulars		No. of other directorship(s)	Committee positions (including Company)	
			Board meetings	Last AGM		Member-ship	Chairman-ship
Mr. P. K. Choudhary	Executive, Managing Director	4	4	Yes	1	2	-
Mr. Vinay Sarin	Non-Executive, Non-Independent Director	4	3	Yes	-	1	1
Mr. Deepak Sethi ¹	Non-Executive, Independent Director	4	4	Yes	-	1	-
Mr. Lalit Kumar Bararia	Non-Executive, Independent Director	4	3	Yes	-	1	1
Mrs. Preeti Agrawal	Non-Executive, Independent Director	4	4	Yes	-	2	-
Mr. Rajan Dalal	Non-Executive, Independent Director	4	2	No	1	2	1
Mr. Snehal Muzoomdar ²	Non-Executive, Independent Director	4	1	N.A.	3	4	1

- The directorship and number of committee positions held by directors as mentioned above does not include directorships and committee positions in private companies / companies incorporated under Section 8 of the Act / foreign companies / nominee directorship and are given as on 31st March, 2025.
- Membership / Chairpersonship of only the Audit Committee and Stakeholders' Relationship Committee of all public companies / subsidiary of public companies, as provided under Regulation 26(1)(b) of the Listing Regulations, have been considered and membership includes positions as chairmanship of the committee.

Note:

- Ceased to be the Director (Non-Executive, Independent) of the Company w.e.f. close of business hours on 22nd April, 2025, upon completion of second term of his appointment as Independent Director.
- Appointed as Director (Non-Executive, Independent) of the Company w.e.f. 1st October, 2024.

- Directorship details including the category of directorships as on 31st March, 2025:**

Sr. No.	Name of the Director	Name of the Listed Entity	Directorship Details
1.	Mr. P. K. Choudhary	Hindustan Composites Limited	Executive, Managing Director
2.	Mr. Vinay Sarin	Hindustan Composites Limited	Non-Executive, Non-Independent Director
3.	Mr. Deepak Sethi	Hindustan Composites Limited	Non-Executive, Independent Director
4.	Mr. Lalit Kumar Bararia	Hindustan Composites Limited	Non-Executive, Independent Director
5.	Mrs. Preeti Agrawal	Hindustan Composites Limited	Non-Executive, Independent Director
6.	Mr. Rajan Dalal	Hindustan Composites Limited	Non-Executive, Independent Director
		Magadh Sugar & Energy Limited	Non-Executive, Non-Independent Director
7.	Mr. Snehal Muzoomdar	Hindustan Composites Limited	Non-Executive, Independent Director
		Perfect-Octave Media Projects Limited	Non-Executive, Independent Director
		Prima Plastics Limited	Non-Executive, Independent Director

• **Number and date of Board meetings held:**

Four Board meetings were held during the financial year 2024-25. The dates on which the meetings were held are as follows:

Date of Board meeting	Strength of the Board	No. of Directors present
29 th May, 2024	6	4
14 th August, 2024	6	6
13 th November, 2024	7	4
10 th February, 2025	7	7

• **Disclosure of relationship between directors inter se:**

None of the Directors of the Company are related inter-se to any other director on the Board within the meaning of Section 2(77) of the Act.

• **Number of shares and convertible instruments held by Non-Executive Directors:**

As on 31st March, 2025, Mr. Vinay Sarin, Non-Executive Non-Independent Director of the Company, held 30 (thirty) Equity Shares of ₹ 5/- each of the Company. No other Non-Executive Directors held any share / convertible instruments in the Company on that date.

• **Weblink where details of familiarization programmes imparted to Independent Directors is disclosed:**

The details of the programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company are put up on the website of the Company at the link: <https://www.hindcompo.com/investor-relations/documents/familiarisation-programmes-for-independent-directors-2024-25.pdf?28022025>.

• **Matrix of Skills / Expertise / Competence of the Board of Directors:**

The Company has two segments viz. manufacturing and investment activities. The Company's core business includes manufacturing, distribution and marketing of Friction Materials in India and abroad comprising of Brake Lining, Clutch Facing, Disc Brake Pad, Roll Lining, Brake Block etc.

The Company also through its investment activities invests in various equity instruments, government securities, debentures, bonds etc. and also deals in commodities.

The following are the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's aforesaid business for it to function effectively, efficiently and those available with the Board as a whole and the specific areas of focus or expertise of individual Board members have been highlighted hereunder:

Core skills / Competencies / Expertise and Description	Name of Directors						
	Mr. P. K. Choudhary	Mr. Vinay Sarin	Mr. Deepak Sethi	Mr. Lalit Kumar Bararia	Mrs. Preeti Agrawal	Mr. Rajan Dalal	Mr. Snehal Muzoomdar
Sales & Marketing: Experience in developing strategies to grow sales and market share and marketing management based on understanding of the auto components goods industry.	✓	✓	✓	✓	✓	✓	✓
Global Business experience: Experience in leading businesses in different geographies / markets around the world with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities.	✓	✓	✓	✓	✓	✓	✓
General Management / Governance: Strategic thinking, decision making and protect interest of all stakeholders.	✓	✓	✓	✓	✓	✓	✓
Financial skills: Understanding the financial statements, financial controls, risk management, mergers and acquisition, etc.	✓	✓	✓	✓	✓	✓	✓
Technical Skills: Technical skills and professional skills and knowledge including legal and regulatory aspects.	✓	-	✓	✓	✓	✓	✓

• **Declaration by the Board:**

In the opinion of the Board of Directors of the Company, the Independent Directors fulfill the conditions specified in Section 149(6) of the Act and Regulations 16(1)(b) and 25(8) of the Listing Regulations and they are independent of the management.

Further, all the Independent Directors of the Company have affirmed compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, regarding enrollment in the Data Bank for Independent Directors as required under Notification dated 22nd October, 2019 issued by the Ministry of Corporate Affairs in this regard.

None of the Independent Directors of the Company serve as Independent Director in more than 7 listed companies.

• **Resignation of Independent Director:**

None of the Independent Directors resigned during the financial year 2024-25.

5. **Audit Committee:**

Pursuant to the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations, the Board of Directors has duly constituted the Audit Committee. Majority of the members of the Committee are Independent Directors including the Chairman of the Committee.

• **Brief description of terms of reference:**

The broad terms and reference of Audit Committee are to review the financial statements before submission to Board, review reports of the Internal Auditors, review weakness in internal controls reported by Internal and Statutory Auditors and review the remuneration of Auditors of the Company. In addition, the powers and role of the Audit Committee are as laid down under Regulation 18 and Schedule II Part C of the Listing Regulations read with Section 177 of the Act.

• **Composition:**

As on 31st March 2025, the Audit Committee comprised of Mr. Lalit Kumar Bararia, Mr. Deepak Sethi, Mr. P. K. Choudhary, Mrs. Preeti Agrawal and Mr. Rajan Dalal as its members. Mr. Lalit Kumar Bararia, Non-executive Independent Director of the Company is Chairman of the Committee, and he was present at the 60th AGM of Company held on 27th September, 2024. All members of the Audit Committee are financially literate and have related financial management expertise by virtue of their comprehensive experience and background. The partners / authorised representatives of Statutory Auditors and Internal Auditors are invited to the meetings of Audit Committee as and when required.

The Company Secretary and Compliance Officer of the Company acts as Secretary to the Committee.

• **Meetings and attendance:**

During the financial year 2024-25, the Audit Committee met four times on 29th May, 2024, 14th August, 2024, 13th November, 2024 and 10th February, 2025. The attendance at the Committee meetings was as follows:

Sr. No.	Name of Directors	Category	Status	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Lalit Kumar Bararia	Non-Executive, Independent Director	Chairman	4	3
2.	Mr. Deepak Sethi ¹	Non-Executive, Independent Director	Member	4	4
3.	Mr. P. K. Choudhary	Managing Director	Member	4	4
4.	Mrs. Preeti Agrawal ²	Non-Executive, Independent Director	Member	4	4
5.	Mr. Rajan Dalal ²	Non-Executive, Independent Director	Member	4	2

Note:

1. Ceased to be member of the Committee with effect from close of business hours of 22nd April, 2025 upon completion of second term of his appointment as Independent Director of the Company.
2. Appointed as member of the Committee w.e.f 1st April, 2024.

6. **Nomination and Remuneration Committee:**

Pursuant to the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Board of Directors has duly constituted the Nomination and Remuneration Committee. The Nomination and Remuneration Committee, *inter alia*, recommends for appointment / re-appointment of directors, key managerial personnel (KMPs) and senior management personnel (SMPs) of the Company and for the remuneration payable to them.

• **Brief description of terms of reference:**

The terms of reference of this Committee are wide enough covering the matters specified for appointment / re-appointment and remuneration to the directors, KMPs and SMPs under the provisions of Section 178 of the Act read with Regulation 19 and Schedule II Part D (A) of the Listing Regulations.

• **Composition:**

As on 31st March 2025, the Nomination and Remuneration Committee comprised of Mr. Lalit Kumar Bararia, Mrs. Preeti Agrawal and Mr. Rajan Dalal as its members. Mr. Lalit Kumar Bararia, Non-executive Independent Director of the Company is Chairman of the Committee, and he was present at the 60th AGM of the Company held on 27th September, 2024.

The Company Secretary and Compliance Officer of the Company acts as Secretary to the Committee.

• **Meetings and attendance:**

During the financial year 2024-25, the Nomination and Remuneration Committee met once on 29th May, 2024. The attendance at the Committee meeting was as follows:

Sr. No.	Name of Directors	Category	Status	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Lalit Kumar Bararia	Non-Executive, Independent Director	Chairman	1	1
2.	Mrs. Preeti Agrawal ¹	Non-Executive, Independent Director	Member	1	1
3.	Mr. Rajan Dalal ¹	Non-Executive, Independent Director	Member	1	0

Note:

1. Appointed as member of the Committee w.e.f. 1st April, 2024.

• **Performance evaluation criteria for Independent Directors:**

Pursuant to the provisions of Section 178(2) of the Act read with Regulation 17(10) of the Listing Regulations, the Board of Directors of the Company has evaluated the performance of each Independent Directors and fulfilment of the independence criteria as specified in the Listing Regulations and their independence from the management. The questionnaires are prepared considering the business of the Company. The evaluation framework for assessing the performance of Independent Directors comprises of the following key areas:

1. Attendance at Board and Committee meetings;
2. Quality of contribution to Board deliberations;
3. Strategic perspectives or inputs regarding future growth of the Company and its performances; and
4. Providing perspective and feedback going beyond information provided by the management.

7. **Stakeholders' Relationship Committee:**

Pursuant to the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations, the Board of Directors has duly constituted the Stakeholders' Relationship Committee.

• **Brief description of terms of reference:**

The Committee is empowered to oversee the redressal of investors' complaints pertaining to share transfers, non-receipt of annual reports, dividend payments, issue of duplicate certificates / letter of confirmation, transfer / transmission / demat / remat of shares and

other miscellaneous complaints and service requests. The Committee is also responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services. In addition, the terms of reference of this Committee include as laid down under Regulation 20 and Schedule II Part D (B) of the Listing Regulations read with Section 178 of the Act.

• **Composition:**

As on 31st March 2025, the Stakeholders' Relationship Committee comprised of Mr. Vinay Sarin, Mr. P. K. Choudhary and Mrs. Preeti Agrawal as its members. Mr. Vinay Sarin, Non-Executive, Non-Independent Director of the Company is Chairman of the Committee, and he was present at the 60th AGM of Company held on 27th September, 2024.

Mr. Ravi Vaishnav was Company Secretary and Compliance Officer of the Company up to 5th April, 2024. Upon his resignation, Mr. Arvind Purohit was appointed as Company Secretary and Compliance Officer w.e.f. 29th May, 2024.

The Company Secretary and Compliance Officer of the Company acts as Secretary to the Committee.

• **Status of investors' complaints / services requests:**

Opening balance at the beginning of the financial year : Nil
 Received during the financial year : 08
 Disposed during the financial year : 08
 Closing balance at the end of the financial year : Nil

8. **Risk Management Committee:**

Pursuant to the provisions of Regulation 21 of the Listing Regulations, the Company has constituted Risk Management Committee and has also adopted the Risk Management Policy and has framed a Risk Management Committee Charter, in accordance with the provisions of the Listing Regulations.

• **Brief description of terms of reference:**

The roles and responsibilities of the Risk Management Committee include evaluating and monitoring key risks including strategic, operational, financial, cyber security and compliance risks & framing, implementing, monitoring and reviewing risk management plan, policies, systems and framework of the Company. In addition, the terms of reference of this Committee include as laid down under the provisions of Regulation 21 and Schedule II Part D (C) of the Listing Regulations.

• **Composition:**

As on 31st March, 2025, the Risk Management Committee comprised of Mr. P. K. Choudhary, Mr. Lalit Kumar Bararia and Mrs. Preeti Agrawal as its members. Mr. P. K. Choudhary, Managing Director of the Company is Chairman of the Committee.

The Company Secretary and Compliance Officer of the Company acts as Secretary to the Committee.

• **Meetings and attendance:**

During the financial year 2024-25, the Risk Management Committee met twice on 9th August, 2024 and 10th February, 2025. The attendance at the Committee meetings was as follows:

Sr. No.	Name of Directors	Category	Status	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. P. K. Choudhary	Executive, Managing Director	Chairman	2	2
2.	Mr. Lalit Kumar Bararia	Non-Executive, Independent Director	Member	2	1
3.	Mrs. Preeti Agrawal	Non-Executive, Independent Director	Member	2	2

9. **Corporate Social Responsibility (CSR) Committee:**

Pursuant to the provisions of Section 135 of the Act, the Board of Directors has duly constituted the Corporate Social Responsibility ("CSR") Committee.

• **Brief description of terms of reference:**

- To frame the CSR Policy and CSR Annual Plan and its review from time-to-time.
- To ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.
- To ensure compliance with the laws, rules and regulations governing the CSR and to periodically report to the Board of Directors.

• **Composition:**

As on 31st March 2025, the CSR Committee comprised of Mr. Vinay Sarin, Mr. P. K. Choudhary and Mrs. Preeti Agrawal as its members. Mr. Vinay Sarin, Non-Executive, Non-Independent Director of the Company is Chairman of the Committee.

The Company Secretary and Compliance Officer of the Company acts as the Secretary to the Committee.

• **Meetings and attendance:**

During the financial year 2024-25, the CSR Committee met twice on 29th May, 2024 and 13th November, 2025. The attendance at the Committee meeting was as follows:

Sr. No.	Name of Directors	Category	Status	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Vinay Sarin ¹	Non-Executive, Non-Independent Director	Chairman	2	1
2.	Mr. P. K. Choudhary	Executive, Managing Director	Member	2	2

Sr. No.	Name of Directors	Category	Status	No. of meetings entitled to attend	No. of meetings attended
3.	Mrs. Preeti Agrawal	Non-Executive, Independent Director	Member	2	2

Note:

- Appointed as member and chairman of the Committee w.e.f. 1st April, 2024.

10. **Senior Management:**

Particulars of Senior Management including the changes therein since the close of the previous financial year are as follows:

Sr. No.	Name of the Senior Management Personnel	Designation	Changes since the close of previous Financial Year
1.	Mr. Varunn Mody	President - Treasury	No Change
2.	Mr. Amit Goenka	V.P. – Treasury	No Change
3.	Mr. Kuldip Balasia	V.P. – Corporate & Treasury	No Change
4.	Mr. Sunil Jindal	Chief Financial Officer	No Change
5.	Mr. Nakul Chatterjee	Sr. V. P. – Sales	No Change
6.	Mr. Rajiv Goel	V.P. – Purchase	No Change
7.	Mr. G. M. Indapawar	Sr. V.P. – Works	No Change
8.	Mr. T. N. Venkatramani	V.P. – R & D	No Change
9.	Mr. Mohan Parashar	GM Accounts	No Change
10.	Mr. Vijay Jain	Sr. Manager Corporate Affairs	No Change
11.	Mr. Ravi Vaishnav	Company Secretary & Compliance Officer	Resigned w.e.f. 5 th April, 2024
12.	Mr. Arvind Purohit	Company Secretary & Compliance Officer	Appointed w.e.f. 29 th May, 2024
13.	Mr. V. Meenaxi Sundaram	V.P. – R & D	Resigned w.e.f. 21 st August, 2024

11. **Remuneration to Directors:**

- The Non-Executive Directors had no pecuniary relationship or transactions with the Company during the financial year 2024-25.
- Non-Executive Directors do not draw any remuneration from the Company. The sitting fee to Non-Executive Directors is being paid at the rate of ₹ 10,000/- for each meeting of the Board and Committees (excluding CSR Committee meetings) attended by them. Within the ceiling of the Act, Independent Directors are also paid a commission, the amount whereof is determined by the Board and approved by the shareholders of the Company.

Details of remuneration / fees paid / payable to the directors during / for the financial year 2024-25 are as under:

(₹ in Lakh)

Name	Salary	Perquisites or Allowances	Contribution to PF & others	Commission	Sitting fees	Total
Mr. P. K. Choudhary	96.28	-	6.48	-	-	102.76
Mr. Vinay Sarin	-	-	-	-	0.60	0.60
Mr. Deepak Sethi	-	-	-	-	0.80	0.80
Mr. Lalit Kumar Bararia	-	-	-	5.00	0.80	5.80
Mrs. Preeti Vimal Agrawal	-	-	-	5.00	1.50	6.50
Mr. Rajan Dalal	-	-	-	5.00	0.40	5.40
Mr. Snehal Muzoomdar	-	-	-	2.50	0.10	2.60

- The above details of remuneration or fees paid include all elements of remuneration package of individual director summarized under major groups.
- Apart from the above-mentioned remuneration or fees paid, there are no other fixed component and performance linked incentives based on the performance criteria.
- There are no separate service contracts with any of the Directors. The tenure of office of the Managing Director is for 3 (three) years from the date of re-appointment and can be terminated by either party by giving one month's notice in writing. There is no separate provision for payment of severance fees.
- No stock options are offered to any of the directors of the Company.

12. General Body Meetings:

- Location and time, where last three Annual General Meetings held:**

Financial Year	Time	Date	Location
2021-22	11:45 a.m.	29 th September, 2022	Conducted through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").
2022-23	11:45 a.m.	29 th September, 2023	Conducted through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").
2023-24	11:45 a.m.	27 th September, 2024	Conducted through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

- Special resolutions passed at last three AGMs:**

AGM	Particular of Special Resolutions
29 th September, 2022	No Special Resolution was passed in this meeting.
29 th September, 2023	<ol style="list-style-type: none"> Special Resolution passed for re-appointment of Mr. Raghu Mody (DIN: 00053329) as Non-Executive Non-Independent Director of the Company. Special Resolution passed for appointment of Mr. Vinay Sarin (DIN: 00090757) as Non-Executive Non-Independent Director of the Company w.e.f. 1st July, 2023.

AGM	Particular of Special Resolutions
27 th September, 2024	<ol style="list-style-type: none"> Special Resolution passed for re-appointment of Mr. Lalit Kumar Bararia (DIN: 00204670) as Non-Executive Independent Director of the Company for second term of 5 (five) consecutive years w.e.f. 13th February, 2025 to 12th February, 2030. Special Resolution passed for re-appointment of Mrs. Preeti Vimal Agrawal (DIN: 08693668) as Non-Executive Independent Director of the Company for second term of 5 (five) consecutive years w.e.f. 13th February, 2025 to 12th February, 2030. Special Resolution passed for appointment of Mr. Snehal Muzoomdar (DIN: 00729992) as Non-Executive Independent Director of the Company for a term of 5 (five) consecutive years w.e.f. 1st October, 2024 to 30th September, 2029. Special Resolution passed for re-appointment of Mr. P. K. Choudhary (DIN: 00535670) as Managing Director of the Company for a further period of 3 (three) years w.e.f. 1st July, 2024 till 30th June, 2027.

• Postal Ballot:

During the financial year under review, no resolution was passed through Postal Ballot process.

None of the business proposed to be transacted at the ensuing AGM is required to be transacted through postal ballot.

13. Means of communication:

The Company has published its quarterly/half yearly/annual financial results as per the details mentioned below:

Newspapers	Period	Date of Board meetings	Date of publication
Financial Express (English - All India Edition) Mumbai Lakshadeep (Marathi)	For the quarter and financial year ended 31 st March, 2024	29-05-2024	30-05-2024
Financial Express (English - All India Edition) Mumbai Lakshadeep (Marathi)	For the quarter ended 30 th June, 2024	14-08-2024	15-08-2024
Financial Express (English - All India Edition) Mumbai Lakshadeep (Marathi)	For the quarter and half year ended 30 th September, 2024	13-11-2024	14-11-2024
Financial Express (English - All India Edition) Mumbai Lakshadeep (Marathi)	For the quarter and nine months ended 31 st December, 2024	10-02-2025	11-02-2025

Website: The Company's website viz. www.hindcompo.com contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

News releases, presentations, among others: All corporate announcements made to the Stock Exchanges during the financial year 2024-25 are available on the website of the Company.

During the financial year 2024-25, the Company has not made any presentations to institutional investors or analysts.

14. General Shareholders' information:

a) **Annual General Meeting:** Thursday, 25th September, 2025 at 11:45 a.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

b) **Financial Year:** April 1 to March 31;

c) **Dividend Payment Date:** The dividend of ₹ 2.00 on per Equity Share of ₹ 5.00 each, as recommended by the Board, if declared at the AGM, will be credited / paid directly in members' bank accounts, subject to deduction of income-tax at source wherever applicable, between Wednesday, 1st October, 2025 and Wednesday, 15th October, 2025

d) **Cut-off date for remote e-voting:** The remote e-voting / voting rights of the shareholders / beneficial owners shall be reckoned on the equity shares held by them as on the cut-off date i.e. Thursday, 18th September, 2025. Remote e-voting shall remain open from Monday, 22nd September, 2025 (9.00 a.m.) and ends on Wednesday, 24th September, 2025.

e) **Listing on Stock Exchanges:**

Equity Shares

a) **BSE Limited**

Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai- 400 001

b) **National Stock Exchange of India Limited**

Exchange Plaza, 5th Floor, 'G' Block,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051

f) Listing Fees:

The Company has paid the listing fees for the financial year 2025-26 to all the stock exchanges where the shares are listed

g) **Trading of Securities:** The securities of the Company were not suspended from trading during the financial year 2024-2025.

h) **Registrar and Transfer Agents:** MUFG Intime India Pvt. Ltd (formerly known as Link Intime India Pvt. Ltd), having its registered office at C- 101, Embassy 247, L B S Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, India Phone: (022)-4918 6000 / 270, Fax: (022)-4918 6060, e-mail: rnt.helpdesk@in.mpmms.mufg.com.

i) Share Transfer System:

In terms of Regulation 40(1) of the Listing Regulations, no requests for effecting transfer of securities can be processed unless the securities are held in the dematerialised form with the depository with effect from 1st April, 2019.

The request for transmission or transposition can be made for shares held in physical mode, however, Credit shall be given in dematerialized form only.

Further, in order to facilitate ease of investing for investors and to secure the rights of investors in the securities which were purchased by them, the SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated 2nd July, 2025 has mandated the listed entities to open a special window only for re-lodgement of transfer deeds, which were lodged prior to the deadline of 1st April, 2019 and were rejected / returned / not attended due to deficiency in the documents / process / or otherwise, for a period of six months from 7th July, 2025 till 6th January, 2026.

Further, the SEBI has vide its Circular No.: SEBI/HO/ MIRSD/ MIRSD_RTAMB / P/ CIR / 2022/ 8 dated 25th January, 2022 ('SEBI Circular') as an on-going measure to enhance ease of dealing in securities markets by investors, mandated the issue of share(s) in dematerialized form only while processing the shareholder's service request(s) received for issue of duplicate share certificate(s), claim from Unclaimed Suspense Account, renewal / exchange of share certificates, endorsement, subdivision / splitting of share certificates, consolidation of share certificates / folios, transmission and transposition. Upon receipt of any service request(s) from the shareholder/ claimant, MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), Registrar and Share Transfer Agent ("RTA") of the Company shall verify and process the said request(s) and thereafter issue a 'Letter of Confirmation' in lieu of physical share certificate(s) to the shareholder / claimant, if documents are found in order. Letter of Confirmation shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholder fails to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. The Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

In case of any query(ies) or issue(s) regarding process of the service request(s), shareholder/ claimant can contact RTA (Cont. No.: (022) – 4918 6000 / 270) or by can write an e-mail at rnt.helpdesk@in.mpms.mufg.com.

j) Distribution of Shareholding as on 31st March, 2025:

Shares having nominal value of ₹ 5/- From To	No. of holders	%	No. of shares	%
1 – 500	14941	95.7082	1096551	7.4247
501 – 1000	385	2.4662	283475	1.9194
1001 – 2000	169	1.0826	241739	1.6368
2001 – 3000	43	0.2754	110959	0.7513
3001 – 4000	16	0.1025	54280	0.3675
4001 – 5000	10	0.0641	45259	0.3064
5001 – 10000	15	0.0961	106480	0.7210
10001 and above	32	0.205	12830257	86.8729
TOTAL	15611	100.0000	14769000	100.0000

k) Dematerialization of Shares:

As on 31st March, 2025, 98.25% of the total shares of the Company were held in dematerialized form.

l) Convertible instruments:

The Company has not issued any Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / warrants or any convertible instrument, which are likely to have impact on the Company's Equity.

m) Commodity price risk or foreign exchange risk and hedging activities:

The Company is exposed to the risk of price fluctuations of raw materials, which are proactively managed by forward booking of materials, inventory management and vendor development practices.

With regard to foreign exchange risk, there is natural hedging of risk as our import and export generally remains at the same level.

n) Plant Locations:

Paithan: D-2/1, MIDC Industrial Area, Paithan, Dist. Chhatrapati Sambhaji Nagar (earlier Aurangabad) – 431107, Maharashtra, India

Bhandara: C-10/1, Bhandara Industrial Area, Gadegaon, Dist. Bhandara – 441904, Maharashtra, India.

o) Registered Office & Address for Correspondence:

Hindustan Composites Limited,
 Peninsula Business Park, 'A' Tower,
 8th Floor, Senapati Bapat Marg,
 Lower Parel, Mumbai 400013, Maharashtra.
 Telephone: 022 66880100; Fax: 022 66880105
 E-mail: investor@hindcompo.com

p) List of all credit ratings obtained by the entity along with revisions (if any):

Sr. No.	Name of the Credit Rating Agency	Details of Credit Ratings obtained including revisions, if any, during the financial year		
1	Acuite Ratings & Research Limited (formerly known as SMERA Ratings Limited)	Scale	Amount (Cr)	Rating
		Long Term Instruments (Bank Loan Ratings)	16.00	ACUITE A Stable Upgraded (from ACUITE A-)
		Short Term Instruments (Bank Loan Ratings)	9.00	ACUITE A1 Upgraded (from ACUITE A2+)
		Total	25.00	

15. Other disclosures:

i. Related Party Transactions:

During the financial year 2024-25, the Company

had no transactions with its promoters, directors or with their relatives etc. which may have conflict with the interest of the Company. Details on materially significant related party transactions are given in the appended financial statements under Notes to Accounts. The policy on dealing with Related Party Transactions is available on Company's website at <https://www.hindcompo.com/investor-relations/documents/related-party-transaction-policy.pdf>. The disclosure as required by Indian Accounting Standard (IND AS-24) on "Related Party" are given in the appended Standalone and Consolidated Financial Statements under Notes to Accounts.

ii. Compliance by the Company:

The Company has complied with all the requirements of the Listing Regulations as well as other regulations and guidelines issued by the SEBI from time to time. No strictures or penalties were imposed either by the SEBI or Stock Exchanges or any other statutory authorities for non-compliance of any matter related to the capital markets during the last three financial years, except fine imposed by BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') for appointment of Mr. Vinay Sarin as an Additional Non-Executive Non-Independent Director of the Company, who was attaining 75 years of age before his appointment as director in general meeting, without passing special resolution by the members of the Company as required under Regulation 17(1A) of the Listing Regulations.

The Board of Directors of the Company in its meeting held on 30th June, 2023 appointed Mr. Vinay Raj Sarin as an Additional Director of the Company (Non- Executive Non-Independent) w.e.f. 1st July, 2023 and also approved the Notice of AGM dated 30th June, 2023 seeking members' approval by way of special resolution for appointment of Mr. Vinay Raj Sarin as Non-Executive Non-Independent Director and on the date of appointment by the Board of Directors, the age of Mr. Vinay Raj Sarin was below 75 years, his appointment as Non- Executive Non-Independent Director of the Company was approved in the next annual general meeting by the members of the Company by passing a special resolution, held on 29th September, 2023, within three months from the date of appointment.

The Hon'ble Securities Appellate Tribunal ('SAT') in the matter of 20 Micron Limited vs. SEBI & Ors., decided on 28th November 2023, held that:

'Regulation 17(1A) and 17(1C) has to be read harmoniously with the provisions of Section 152(2) and 161(1) of the Act which will make it clear that a person above the age of 75 years can be appointed by the Board of Directors. Such appointment is required to be approved subsequently within the

prescribed period by a special resolution in the next general meeting by the members of the Company which in the instant case was done within the prescribed period. In view of the aforesaid, no penalty could have been imposed by the BSE and NSE for violation of Regulation 17(1A) of the LODR Regulations'.

Further, the Hon'ble Securities Appellate Tribunal ('SAT') in the matter of Nectar Life Sciences Ltd. vs. SEBI & Ors., Appeal no. 185/2023 decided on 27th April, 2023, held that:

'This Tribunal considered the provisions of Regulations 17(1A) with other provisions and held that the word "unless" as depicted in Regulation 17(1A) does not mean "prior approval" nor the requirement of passing a special resolution was a qualificatory condition for appointment as a director.'

In view of the facts and circumstances of the matter and above SAT judgements, the Company has not violated the provisions of Regulation 17(1A) of the Listing Regulations. However, under protest, the Company has made payment of fines imposed by the BSE and NSE and preferred necessary application before the BSE Ltd. (designated stock exchange) and NSE for waiver of fines imposed.

iii. Whistle Blower policy / Vigil Mechanism and affirmation that no personnel have been denied access to the Audit Committee:

The Company has established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of code of conduct or ethics policy. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in the exceptional cases. We affirm that during the financial year 2024-25, no director or employee was denied access to the Audit Committee.

iv. Adoption of mandatory and non-mandatory requirements of Regulation 27 of the Listing Regulations:

The Company has complied with all mandatory requirements of Regulation 27 and Schedule V of the Listing Regulations. The Company has adopted following non-mandatory requirements of Regulation 27 read with Part E of Schedule II of the Listing Regulations:

- (a) Audit Qualification - The Company is in the regime of unmodified audit opinion on financial statements.
- (b) Separate posts of Chairman and CEO – The Company does not have any regular Chairperson.

(c) Reporting of Internal Auditors – The Internal Auditors report directly to the Audit Committee.

v. Policy for determining Material Subsidiaries:

The Company does not have any subsidiary, hence is not required to frame policy on material subsidiaries.

vi. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulation:

During the financial year 2024-25, the Company has not raised any funds through preferential allotment or qualified institutions placement.

vii. Certificate from Practicing Company Secretary:

A certificate received from M/s. M Baldeva Associates, Practicing Company Secretaries, Mumbai is attached to this report stating that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

viii. Recommendation by Committees:

During the financial year 2024-25, the Board has accepted all recommendations received from its Committees.

ix. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part.

Details relating to fees paid to the Statutory Auditors are given in Note 32 in the appended Standalone Financial Statements and Consolidated Financial Statements.

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

Sr. No.	Particulars	No. of complaints
1.	Complaints pending at beginning of the financial year	0
2.	Complaints filed during the financial year	0

Sr. No.	Particulars	No. of complaints
3.	Complaints disposed of during the financial year	0
4.	Complaints pending at on the end of the financial year	0

xi. 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':

Details relating to loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount are given in Note 47 in the appended Standalone Financial Statements and Consolidated Financial Statements.

xii. 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:

The Company does not have any subsidiary.

16. Compliance of the requirement of Corporate Governance Report:

During the financial year 2024-25, the Company has complied with the requirements of Corporate Governance Report of sub paras (2) to (10) of the Point C of Schedule V of the Listing Regulations.

17. Disclosure of the compliance with Corporate Governance

During the financial year 2024-25, the Company complied with the Regulations 17-23, 24A, 25-27 and Clause (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Listing Regulations; the Regulation 24 of the Listing Regulations was not applicable to the Company.

18. Disclosure of accounting treatment:

In preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind-AS) as specified under Section 133 of the Act, issued by the Institute of Chartered Accountants of India to the extent applicable.

19. Disclosure with respect to demat suspense account / unclaimed suspense account

The voting rights on outstanding shares lying in the suspense accounts will remain frozen till the rightful owner of such shares claims the shares:

Sr. No.	Particulars	Unclaimed Suspense Account		(Demat) Suspense Escrow Account	
		Number of shareholders	Number of Equity Shares	Number of shareholders	Number of Equity Shares
A	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 1 st April, 2024.	219	24220	0	0
B	Transferred during the financial year.	0	0	5	408
C	Shareholders who approached the Company for transfer of shares from suspense account during the year.	7	890	1	18
D	Shareholders to whom shares were transferred from the suspense account during the year.	7	750	0	0
E	Shareholders whose shares are transferred to the demat account of the IEPF Authority as per Section 124 of the Act.	53	5154	0	0
F	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 st March, 2025 (A – D – E = F).	159	18316	5	408

20. Compliance Certificate for Code of Conduct:

A declaration by Managing Director of the Company affirming compliance by the Board members and Senior Management Personnel to the Code of Conduct is annexed herewith and forms part of Annual Report as per Schedule V of the Listing Regulations.

21. Compliance Certificate by Statutory Auditors:

The Company has obtained a certificate from the Statutory Auditors regarding compliance with the conditions of Corporate Governance as stipulated in Schedule V of the Listing Regulations, which is annexed herewith and forming part of Annual Report.

22. Disclosure of certain types of agreements binding listed entities

Information required under Clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations: No agreements are entered into by the shareholders,

promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

For and on Behalf of the Board of Directors
of Hindustan Composites Limited

Sd/-	Sd/-
P. K. Choudhary	Lalit Kumar Bararia
Managing Director	Independent Director
DIN: 00535670	DIN: 00204670

Place: Mumbai
Date: 8th August, 2025

Declaration – Code of Conduct

As per Regulation 17 and Schedule V of the Listing Regulations, I, P. K. Choudhary, Managing Director of the Company do hereby declare that all the Board members and the Senior Management Personnel have affirmed compliance with the Code of Conduct during the financial year ended 31st March, 2025.

For Hindustan Composites Limited
Sd/-

P. K. Choudhary
Managing Director
DIN: 00535670

Place: Mumbai
Date: 8th August, 2025

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF
HINDUSTAN COMPOSITES LIMITED

We have examined the compliance of conditions of corporate governance by **HINDUSTAN COMPOSITES LIMITED** ('the Company') for the year ended March 31, 2025 as stipulated in Regulations 17-27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility for compliance with the conditions of Listing Regulations

The compliance of the conditions contained in the corporate governance is the responsibility of the Management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of 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 purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), Standards on auditing specified under section 143(10) of the Companies Act, 2013 and 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.

Opinion

Based on the procedures performed by us and to the best of our information and according to explanations given to us and representations made by the management, in our opinion, we certify that the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations during the year ended March 31, 2025.

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 to and provided to the Members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations and 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.

For Lodha & Co. LLP
Firm Registration No. – 301051E/E300284
Chartered Accountants

R.P. Baradiya
Partner
Membership No. 044101
UDIN : 25044101BMYTT1227

Place: Mumbai
Date: August 08, 2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to the provisions of Regulation 34(3) read with Clause (10)(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Hindustan Composites Limited
Peninsula Business Park, 'A' Tower,
8th Floor, Senapati Bapat Marg,
Lower Parel, Mumbai-400013.

I have examined the relevant registers, records, forms, returns and disclosures received from the directors of **Hindustan Composites Limited** (CIN: L29120MH1964PLC012955) and having registered office at Peninsula Business Park, 'A' Tower, 8th Floor, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with the provisions of Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below during the Financial Year ended on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of initial appointment in the Company
1	Mr. Pawan Kumar Choudhary	00535670	18.03.2005
2	Mr. Deepak Sethi	07165462	23.04.2015
3	Mr. Lalit Kumar Bararia	00204670	13.02.2020
4	Mrs. Preeti Vimal Agrawal	08693668	13.02.2020
5	Mr. Vinay Raj Sarin	00090757	01.07.2023
6	Mr. Rajan Arvind Dalal	00546264	21.02.2024
7	Mr. Snehal N. Muzoomdar	00729992	01.10.2024

Ensuring the eligibility of persons for the appointment / continuation as director on the Board is responsibility of the management of the Company. My responsibility is to express an opinion based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M Baldeva Associates
Company Secretaries**

Sd/-

**CS Manish Baldeva
Proprietor**

**Place: Mumbai
Date: 8th August, 2025**

**M. No. FCS: 6180 C.P. No. 11062
Peer Review No. 1436/2021
UDIN: F006180G000966403**