



**HINDUSTAN COMPOSITES LIMITED**  
**58<sup>TH</sup> ANNUAL GENERAL MEETING**  
**DATE & TIME: 29<sup>TH</sup> SEPTEMBER, 2022 - 11:45 A.M.**

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**TRANSCRIPT OF THE 58<sup>TH</sup> ANNUAL GENERAL MEETING OF HINDUSTAN COMPOSITES LIMITED HELD AT 11:45 A.M. ON THURSDAY, 29<sup>TH</sup> SEPTEMBER, 2022 THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS:**

**Mr. Vikram Soni, Company Secretary & Compliance Officer:**

Good morning Ladies and Gentlemen! I, Vikram Soni, Company Secretary & Compliance Officer of the Company, am pleased to welcome you all to this 58<sup>th</sup> Annual General Meeting ("AGM") of the members of Hindustan Composites Limited convened and held through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") in compliance with the various circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.

As informed by Shri Raghu Mody, the Chairman and Whole Time Director of the Company, he is facing some technical issues to login into the VC and OVAM platform to attend this AGM and hence, meanwhile he has requested Shri P. K. Choudhary, Managing Director of the Company to conduct the proceedings of the today's meeting on his behalf and answer the shareholder's queries and he will join the meeting as soon as the technical issue is resolved.

Before I hand over the proceedings to the MD Sir to declare the meeting open, I would like to highlight certain points here.

The registered office of the Company is situated at Peninsula Business Park, Tower 'A', 8<sup>th</sup> Floor, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 and shall be deemed to be the venue for this 58<sup>th</sup> AGM and proceedings of this 58<sup>th</sup> AGM shall be deemed to be made here at.

We have received requests from 5 (five) members for registering themselves as speaker shareholder in this 58<sup>th</sup> AGM today. Speakers will be allowed to speak once the Chairman directs for the same. We request speakers to limit their speeches to 3-4 minutes for the benefit of other shareholders.

The Company has received authorized representations for 1,10,73,030 shares, (constituting 74.97% of the share capital), from Non- individual Members which are valid and accepted by the Company.

With this, I now hand over the proceedings of this meeting to Shri P. K. Choudhary, Managing Director of the Company. Thank you.

**MR. P. K. CHOUDHARY, MANAGING DIRECTOR,**

Thank You Vikram.

Good Morning and a warm welcome to all the shareholders, directors and other dignitaries at **58<sup>th</sup> AGM** of your Company.

I thank all of you for participating in today's meeting and sincerely wish all of you and your family members very safe and healthy time again. As we have quorum of members participating through video conferencing for this AGM, I call the Meeting in order.

Let me first introduce to the Board Members and Key Managerial Personnel attending this meeting through VC/ OAVM.

- 1) Mr. Lalit Kumar Bararia, Independent Director and Chairman of Audit Committee and Nomination and Remuneration Committee.
- 2) Mr. A. B. Vaidya, Independent Director and Chairman of Stakeholders' Relationship Committee.
- 3) Lt. (Retd.) Gen K. S. Brar, Independent Director and Chairman of CSR Committee.
- 4) Mr. Deepak Sethi, Independent Director.
- 5) Mrs. Preeti Agrawal, Independent Director.
- 6) Mr. Sunil Jindal, Chief Financial Officer.
- 7) Mr. Vikram Soni, Company Secretary & Compliance Officer.

I would also like to inform and note the presence of:

- a. Mr. Vinay Somani, representative of M/s. Bagaria & Co. LLP, Chartered Accountants, Statutory Auditors of the Company; and
- b. CS Manish Baldeva, of M/s. M Baldeva Associates, Company Secretaries, Secretarial Auditors of the Company and Scrutinizer of this meeting.

All of them are attending the meeting through video conferencing from their respective locations.

The Register of Directors and Key Managerial Personnel and their Shareholding and Register of Contracts or Arrangements as maintained under Sections 170 and 189 of the Companies Act, 2013 and other documents are available and will remain accessible to the members for inspection who had requested.

Ladies and Gentlemen,

In view of the Covid restrictions, we are unable to meet in person, though we wanted very much. We are missing all of you since last two years. Hopefully, we may meet next year when things are in order.

So, I would like to give a very brief detail about the economy and the Company.

The year 2021-22 had remained one of the most challenging years on account of impact of Covid, Ukraine war, inflation concerns, volatility in the financial market, things were very very difficult.

In the beginning of the year, Indian economy was on the strong recovery path with growth of 20% in the first quarter and about 8% in the second quarter but with second and third wave of pandemic and disruption in supply chain and due to this global crises, the growth came down to 5% and 4% respectively in third and fourth quarter.

Coming to our industry that is automobile, it witnessed a decent recovery on account of pent-up demand and also low interest rate. However, there was temporary headwinds due to 2<sup>nd</sup> & 3<sup>rd</sup> waves of pandemic, which dented consumer sentiments. There was also effect of shortage of semiconductors, which also disrupted the supply chain. However, overall the industry witnessed a sharp recovery and things were quite positive.

Passenger car segment grew by 13% with strong underlying demand and need of personal mobility. There was a remarkable growth in commercial vehicle segment, where the Company is operating. This was due to revival in demand, in infrastructure and construction segments. However, the demand of 2-wheeler segment was low and the segment de-grew because of weak demand from rural segment.

Under the above backdrop, the Company continued its growth momentum and scaled new benchmark in revenue growth both in automotive and investment segment. The Company achieved a total revenue of Rs. 233 crore compared to Rs. 185 crores in last year, a growth of 26 %. The net manufacturing revenue was higher by 24% from Rs. 150 crores to Rs 186 crores.

Overall, Investment income was also higher at Rs. 47 crores compared to Rs. 35 crores. This was achieved with judicious deployment of funds in various asset classes, despite volatile market conditions and falling interest rates.

Overall profitability of the Company remains good, despite huge escalation in raw-material prices which could not be passed on to the customers because of competitive market conditions and fixed rate contract with Railway and other Government customers.

The Company will continue to put its thrust on new products development to meet the changed customer requirements, provide better customer services and to upgrade the technology.

Coming back to this outlook, outlook for current year looks positive with continued recovery of the industry in terms of underlying demand and ease- of supply chain

situation. However, this current crises is a global crises, Ukraine War, this inflation and many other global factors. We are keeping our fingers crossed, how this recovery will sustain.

Overall situation, though challenging but also provide lot of opportunities to India, India being China plus, now we are talking Europe plus, so we can see the opportunity and the Company would certainly take advantage of all these new possibilities. As regards health and safety, the Company continued its efforts to follow all the guidelines and protocol related to Covid.

I have covered a few positions of the Company. I would like to place on record my sincere appreciation to all the employees and other stakeholders for their valuable contribution during these tough times.

Now, the festival seasons has already started. I pray to Lord Ganesh and Maa Durga and other God to bless all of us.

We continue to look forward your support and blessings as always.

I once again wish you and your family to remain safe and healthy during this covid times.

Thank you once again.

Now, I would like to inform you that, Mr. Raghu Mody, the Chairman and Whole Time Director has just joined the AGM and we welcome him on behalf of all the Board of Directors and Members of the Company. Thank You Chairman Sir.

Now, let me turn to the agenda of this 58<sup>th</sup> AGM. The Company has made necessary arrangements for conducting this 58<sup>th</sup> AGM through video conferencing and voting by the shareholders on the items being considered at this meeting through remote e-voting platform.

As per the applicable provisions, the Company had provided remote e-voting facility to its members to vote on resolutions for this AGM. Remote e-voting had started from 26<sup>th</sup> September, 2022 and concluded on 28<sup>th</sup> September, 2022 by 5.00 P.M.

The shareholders, who could not cast their vote electronically though remote e-voting and who are participating in this meeting, have option to cast their votes during this meeting.

The Notice of the AGM containing the both Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 along with Directors' Report and Auditors' Reports and relevant annexures have already been circulated to the shareholders .

With your kind permission, I shall take the notice of this meeting as read.

The Auditors' Reports do not have any qualification, observation or comment on financial transactions or matters which have adverse impact on the functioning of the Company, so reading of Auditors' Reports in the meeting is not required.

The Secretarial Auditors have made one observation in their report and I invite the attention of the members to the explanation provided on the observation in the Board of Directors' Report at page no. 21 item no. 27 of the Annual Report.

Now, I would like to proceed with the agenda of the meeting.

First, we will proceed with the agenda, thereafter will invite queries, from the shareholders who are the registered speaker.

CS Manish Baldeva, Proprietor of M/s. M Baldeva Associates, Company Secretaries, Thane, have been appointed as Scrutinizer for the e-voting in a fair and transparent manner.

Now, let me turn to the business items, which are included in the notice convening the 58<sup>th</sup> AGM. I shall proceed with the agenda of the 58<sup>th</sup> AGM. , First four items are Ordinary Business.

#### **ITEM NO. 1 OF AGENDA**

The first item is to consider and adopt the Standalone and Consolidated Audited Accounts for the financial year ended 31<sup>st</sup> March, 2022 together with the reports of the Board of Directors' and Auditors'. These are Ordinary Resolutions.

I request the members to record their assent or dissent to the resolutions, through the e-voting process.

#### **ITEM NO. 2 OF AGENDA**

The second agenda relating to declaration of dividend @ 40% on Equity Shares i.e. Rs. 2.00 per share of face value of Rs. 5 /-each, out of the current profits of the Company for the financial year 31<sup>st</sup> March, 2022. This is an Ordinary Resolution.

So, the Company has declared 40% dividend for the current year.

I request the members to record their assent or dissent to the resolution, through the e-voting process.

#### **ITEM NO. 3 OF AGENDA**

The third item is relating to my appointment as Director, retired by rotation and being eligible, have offered myself for re-appointment as Director of the Company. This is again an Ordinary Resolution.

I request the members to record their assent or dissent to the resolution, through the e-voting process.

**ITEM NO. 4 OF AGENDA**

The fourth item of agenda is relating to appointment of M/s. Lodha & Co., Chartered Accountants as Statutory Auditors of the Company for a period of consecutive 5 (five) years from the conclusion of this AGM until the conclusion of 63<sup>rd</sup> AGM of the Company to be held for the financial year ending 31<sup>st</sup> March, 2027 and fix their remuneration. This is also an Ordinary Resolution.

I also invite the attention of the members to the particulars provided in the Explanatory Statement attached to the Notice of this AGM

I request the members to record their assent or dissent to the resolution, through the e-voting process.

Hence forth, we will be considering the Special Business items of the Notice.

**ITEM NO. 5 OF AGENDA**

The fifth item of agenda is relating to payment of commission of Rs. 2 Lakh to each Independent Director of the Company for the financial year ended 31<sup>st</sup> March, 2022. This is an Ordinary Resolution.

I also invite the attention of the members to the particulars provided in the Explanatory Statement attached to the Notice of this 58<sup>th</sup> AGM .

I request the members to record their assent or dissent to the resolution, through the e-voting process.

Now, being interested in the next agenda item no. 6, I vacate the Chair and request Mrs. Preeti Agrawal, Independent Director, to take the Chair and proceed with next item of agenda of this 58<sup>th</sup> AGM notice. Mrs. Preeti Agrawal, Independent Director, over to you please.

**Mrs. Preeti Agrawal, Independent Director**

Thank You Sir,

Good Afternoon Ladies and Gentlemen,

**ITEM NO. 6 OF AGENDA**

The sixth item of agenda is to approve the revision in remuneration payable to Mr. P. K. Choudhary, Managing Director of the Company w.e.f. 1<sup>st</sup> April, 2022 for the remaining period of his current tenure. This is an Ordinary Resolution.

I also invite the attention of the members to the particulars provided in the Explanatory Statement attached to the Notice of the 58<sup>th</sup> AGM regarding revision in remuneration of Mr. P.K. Choudhary, Managing Director of the Company.

I request the members to record their assent or dissent to the resolution, through the e-voting process.

I now vacate the Chair and request Mr. P. K. Choudhary, Managing Director of the Company, to reoccupy the Chair and proceed with the remaining agenda of this meeting.

Thank you Sir.

**MR. P. K. CHOUDHARY, MANAGING DIRECTOR**

Thank You Mrs. Preeti Agrawal

**ITEM NO. 7 OF AGENDA**

The seventh item is relating to ratify the remuneration payable to Cost Auditors for the financial year ending 31<sup>st</sup> March, 2023. This is an Ordinary Resolution.

I also invite the attention of the members to the particulars provided in the Explanatory Statement attached to the Notice of this AGM.

I request the members to record their assent or dissent to the resolution, through the e-voting process.

I would like to mention that a few shareholders have sent their questions earlier on the Accounts and Annual Report of the Company and I shall reply to such questions.

Now the shareholders, who have sent their requests for speaking in the AGM can speak and I request Mr. Vikram Soni to announce the names of the speaker and make necessary arrangements for the same.

I would request, please do not repeat the questions already raised by the members.

Mr. Vikram, please takeover.

**Mr. Vikram Soni, Company Secretary and Compliance Officer**

Thank You Sir,

So, we have 1<sup>st</sup> registration from Mrs. Asha Lata Maheshwari.

So, I request the host to please unmute her and please allow her to speak.

**Host / Administrator of the AGM from CDSL:**

Sir, she is not present.

**Mr. Vikram Soni, Company Secretary and Compliance Officer**

Okay, since Mrs. Maheshwari is not present at this AGM, we will move to the next speaker which is Mrs. Celestine Elizabeth Mascarenhas.

So, I request the host to please unmute Mrs. Mascarenhas.

**Host/ Administrator of the AGM from CDSL:**

Sir, she is also not present.

**Mr. Vikram Soni, Company Secretary and Compliance Officer**

Okay, since Mrs. Mascarenhas is not present, we will move to the third speaker which is Mrs. Shobhana Mehta.

I request the host to please unmute Mrs. Shobhana Mehta.

**Host/ Administrator of the AGM from CDSL:**

Mrs. Shobhana is also not present.

**Mr. Vikram Soni, Company Secretary and Compliance Officer**

Okay, we will move to the next speaker, we have received speaker registration from Mr. P. Jaichand.

I request the host to please unmute Mr. P Jaichand.

**Host/ Administrator of the AGM from CDSL:**

Sir, Mr. Jaichand is also not present.

**Mr. Vikram Soni, Company Secretary and Compliance Officer**

Okay, we will now move to the next speaker, which is Mr. Dnyaneshwar Bhagwat.

I request the host to please unmute Mr. Bhagwat.

**Host/ Administrator of the AGM from CDSL:**

Sir, he is also not present.

**Mr. Vikram Soni, Company Secretary and Compliance Officer**

Okay. We have received some queries from the shareholders for which I would request MD Sir to please answer the queries.

**MR. P. K. CHOUDHARY, MANAGING DIRECTOR**

Thank You Vikram.



I understand there are many meetings today, so some of the shareholders must be busy in some other meetings. Sorry, we are missing them. Anyways, we have got request from Mr. Bhagwat. He has mentioned, “He don’t have any questions on financial aspects. He fully supports all the agenda items. He has asked, how many employees are working in the Company???”

As on 31<sup>st</sup> March, 2022, 576 employees were working with the Company.

So, since there is no speaker left, I have already given a general brief about the Company, so we will move forward.

I would like to thank all the shareholders for attending the meeting, for showing support to the Company and for raising valid and important queries about the discussion.

The result of voting on resolutions dealt in this meeting will be announced within 2 working days from the conclusion of this meeting and will be disseminated on the Company’s website viz. [www.hindcompo.com](http://www.hindcompo.com) and the website of CDSL viz. [www.evotingindia.com](http://www.evotingindia.com) and communicated to the Stock Exchanges, where the shares of the Company are listed.

Now, I request all the shareholders, who are attending this meeting and who have not cast their vote through remote e-voting to exercise their vote on CDSL e-voting platform, using the same login credentials as are being used by them for attending this live 58<sup>th</sup> AGM. The e-voting window will remain open for another 15 minutes from now. After that the e-voting window will be closed.

So, now I request Mr. Vikram to propose vote of thanks.

Thank You,

**VOTE OF THANKS:**

**MR. VIKRAM SONI**

Thank You so much Sir.

I thank Shri Raghu Mody, the Chairman and Shri P. K. Choudhary, Managing Director of the Company for successfully conducting the proceedings of this Annual General Meeting. I also thank all the members and all other dignitaries for participating and attending the AGM and the confidence reposed in us.

Over to You Sir.

**Mr. P. K. Choudhary**

**Thank You,**

I think we have dealt with all the items of agenda, nothing left now, so I declare the meeting as concluded.

Thank You once again to all my fellow directors, shareholders and everybody.

Thank You everybody.

**Mr. Lalit Kumar Bararia, Independent Director**

Thank You

**Mr. Vikram Soni, Company Secretary & Compliance Officer**

Thank You

**Host / Administrator of the AGM from CDSL:**

Please conclude the meeting.