



ಹಿಂದೂಸ್ತಾನ್ ಏರೋನಾಟಿಕ್ಸ್ ಲಿಮಿಟೆಡ್  
ಪ್ರಧಾನ ಕಛೇರಿ  
ಹಿಂದುಸ್ತಾನ್ ಏರೋನಾಟಿಕ್ಸ್ ಲಿಮಿಟೆಡ್  
ಮುಖ್ಯಾಲಯ  
HINDUSTAN AERONAUTICS LIMITED  
CORPORATE OFFICE

CO/SEC/4(7)/2020/ BSE & NSE Filing/06

13<sup>th</sup> May, 2020

BSE Limited Listing Department Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	National Stock Exchange of India Ltd Listing Department Exchange Plaza, 5 <sup>th</sup> Floor, Plot No C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051
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Dear Sir/ Madam,

**Sub: Annual Secretarial Compliance Report for the year ended  
31<sup>st</sup> March, 2020**

**Ref: BSE Scrip Code: 541154, NSE Symbol: HAL**

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Pursuant to SEBI Circular no. CIR/CFD/CMD1/27/2019 dated 8<sup>th</sup> February, 2019 and Regulation 24A of SEBI (LODR) Regulations, 2015, please find enclosed herewith the Annual Secretarial Compliance Report for the year ended 31<sup>st</sup> March, 2020.

2. This is for your information and record, please.

Thanking you,

Yours Faithfully  
For Hindustan Aeronautics Ltd

(G V Sessa Reddy)  
Company Secretary & Compliance Officer

Encl: As stated

15/1, ಕಬ್ಬನ್ ರೋಡ್, ಬೆಂಗಳೂರು - 560 001, ಕರ್ನಾಟಕ, ಭಾರತ, 15/1, ಕಬ್ಬನ್ ರೋಡ್, ಬೆಂಗಳೂರು - 560 001, ಕರ್ನಾಟಕ, ಭಾರತ

15/1, Cubbon Road, Bangalore - 560 001, Karnataka, India

ದೂರವಾಣಿ (ಫೋನ್) Ph. : +91-80-2232 0001, 2232 0475, ಫ್ಯಾಕ್ಸ್ (ಫ್ಯಾಕ್ಸ್) Fax : +91-80-2232 0758

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CIN: L35301KA1963GOI001622



# DPSP & ASSOCIATES

## Company Secretaries

**SECRETARIAL COMPLIANCE REPORT OF M/S. HINDUSTAN AERONAUTICS LIMITED**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

We, DPSP and Associates, Company Secretaries have examined:

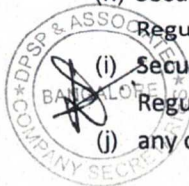
- (a) all the documents and records made available to us and explanation provided by **M/s. HINDUSTAN AERONAUTICS LIMITED** ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended **31/03/2020** ("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;
- (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**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - **Not Applicable**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable**
- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013; - **Not Applicable**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (j) any circulars/ guidelines issued thereunder;



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 the matters specified below:


Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	<p>Regulation 17 (1)(a) of SEBI LODR Regulations, 2015 – The Board of directors of a listed entity shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors.</p> <p>Provided that the Board of directors of the top 500 listed entities shall have at least one independent woman director by April 1, 2019.</p>	<p>The Company is one of the top 500 listed entities and on completion of tenure of Smt. Dipali Khanna, Woman Independent Director, on 7th January 2020, Composition of the Board of Directors of the Company fall short of one (1) Woman Independent Director, which need to be appointed by the Company by 6<sup>th</sup> April, 2020.</p> <p><b>However, the appointment to the said position is still vacant as on date.</b></p>	<p>With regards to non-compliance on the matter, it was explained by the Company that since the appointment of Independent Directors in the case of all the Government Companies is being made by Government, multiple requests were made to their administrative Ministry, i.e. Ministry of Defence (MoD) for filling the post of Woman Independent Director by the stipulated date, referring penal provisions both under the Companies Act, 2013 and SEBI Regulations.</p> <p>In response it was verbally communicated to the Company that the Government is in process of appointing the same within the stipulated period.</p> <p>However, due to unprecedented situation created in the Country on account of COVID-19 Lockdown, the process got stalled at their end.</p>



2	Regulation 17 (1)(b) of SEBI LODR Regulations, 2015 –Where the chairperson of the board of directors of a listed entity is a non-executive director, at least one-third of the board of directors shall comprise of independent directors and where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors.	Since, the Company has executive chairman, the strength of independent directors on the Board should be at least 50% of the total strength, <b>however the same has been reduced to less than 50% on completion of tenure of Smt. Dipali Khanna, as woman independent director.</b>	On further enquiry by the Company, it was informed that MoD would intimate the appointment within the prescribed time period of 3 months (excluding the period of lockdown, i.e. 24 <sup>th</sup> March, 2020 to 17 <sup>th</sup> May, 2020 and any further extension, if any)
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- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- (c) There are no 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:
- (d) There are no observations made in previous reports:

Place: *Bangalore*  
Date: *13/05/2020*

Signature:   
Dakshayani P  
Practising Company Secretary  
FCS No.: 8993  
C P No.: 8411