



## NOTICE

Notice is hereby given that the 41<sup>st</sup> (Forty First) Annual General Meeting of the Members of HPL Additives Limited will be held on Thursday, the 28<sup>th</sup> September, 2017, at 3.00 P.M, on a shorter notice at the Registered Office of the Company at 803, Vishal Bhawan, 95, Nehru Place, New Delhi – 110 019 to transact the following business:

### **AS ORDINARY BUSINESS**

#### **1. To Adopt the Annual Accounts**

To receive, consider and adopt the standalone and consolidated Financial statements of the company for the year ended 31<sup>st</sup> March, 2017 including Audited Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss of the Company for the year ended March 31, 2017 along with Notes of Accounts, Cash Flow Statement and the Reports of the Auditors and Board of Directors thereon and to pass, with or without modification(s), the following resolution as Ordinary Resolution:

“**RESOLVED THAT** the standalone and consolidated Financial statements of the company for the year ending 31<sup>st</sup> March, 2017, including Balance Sheet as on 31<sup>st</sup> March, 2017, Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2017 along with Notes to Accounts and Cash Flow Statement and the Auditors and Directors Report thereon be and are hereby received and adopted.”

#### **2. To Declare Final Dividend and confirm Interim Dividend for Financial year 2016-17**

To declare a Final Dividend of 30% on Equity Shares @ Re. 3 per share, for the financial year 2016-17

#### **3. To Appoint Director**

To appoint a Director in place of Mr. Harcharan Singh (DIN: 00183848), who retires by rotation and is eligible for re-appointment and to consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** Mr. Harcharan Singh (DIN: 00183848), Director, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as Director of the Company.”

#### **4. To appoint the Statutory Auditors**

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. Price Water House & Co. LLP, Chartered Accountant, be and is hereby appointed as the Statutory Auditors of the Company and to hold the office for a period of 5 years from the conclusion of the ensuing 41<sup>st</sup> Annual General meeting till the conclusion of 46<sup>th</sup> Annual General Meeting of the Company, subject to ratification at each Annual general meeting, at a remuneration

### HPL ADDITIVES LIMITED



to be decided by the Board of Directors in consultation with the Auditors including applicable GST and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

#### AS SPECIAL BUSINESS

5. To approve the managerial remuneration of Mr. Harcharan Singh (DIN: 00183848), as Chairman cum Managing Director and to consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956), the consent of the Members be and is hereby accorded for the remuneration payable to Mr. Harcharan Singh, Chairman-cum-Managing Director with effect from 1<sup>st</sup> April-2015.”

**“RESOLVED FURTHER THAT** Mr. Harcharan Singh, Chairman-cum-Managing Director, in pursuance of the applicable provisions of the Companies Act, 2013, be paid, the remuneration on the terms and conditions as set out below:

1. Basic Salary: Rs. 5, 51,905/- p.m.
2. Dearness Allowance: nil.
3. Perquisites: Perquisites shall be allowed in addition to salary.

Unless the contract otherwise requires, perquisites are classified into three Categories ‘A’, ‘B’ and ‘C’.

#### **CATEGORY- A**

This will comprise house rent allowance, medical reimbursement; leave travel concession, club fees and other benefits, allowances, expenses etc. These may be provided for as under:

- I. House Rent Allowance: Fixed House Rent Allowance: nil.
- II. Medical / Hospitalization Expenses Reimbursement: Nil
- III. Leave Travel Concession: Nil
- IV. Club Fees: Fees and expenses in respect of two clubs to be borne by the company
- V. Personal Medical / Accident Insurance etc.:  
Coverage for Personal Medical / Accident Insurance / Keyman Insurance or any other coverage as per the rules of the company and the annual premium for the same to be paid by the Company.

Explanation:

- (i) For the purposes of Category ‘A’ family means spouse, dependent children and dependent parents of the appointee.
- (ii) Perquisites shall be evaluated as per Income Tax Rules wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.

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#### **CATEGORY- B**

- I. Contribution to Provident Fund/ Superannuation Fund/ Annuity Fund as per the rules of the company and will not be included in the computation of ceiling on perquisites to the extent these, either single or put together, are not taxable under the Income Tax Act, 1961: Rs. 66,229 p.m./-
- II. Gratuity: Gratuity payable shall be in accordance with the rules of the Company.

#### **CATEGORY- C**

- I. Motor Car: Free use of car with Driver for the Company's business, all the expenditure in connection therewith being borne by the company.
- II. Telephone: Free telephone facility at residence.

#### **Other Terms**

- I. Earned Leave: On full pay and allowances as per the rules of the Company. Leave accumulated and not availed may be allowed to be encashed. Encashment of leave at the end of the tenure, if any, will not be included in the computation of the ceiling on perquisites.
- II. Reimbursement of Expenses: Reimbursement of traveling, entertainment and other expenses incurred by him during the course of business of the Company.
- III. Sitting Fees: The Managing Director/ Directors shall not be entitled to sitting fees for attending Meetings of the Board.

In addition, Mr. Harcharan Singh be paid performance bonus @ 1% of Net profits of the Company. If the company has no profits or the profits are inadequate in any financial year during the term of his office as the managing director, he will be entitled to receive the above remuneration and perquisite as minimum remuneration, provided that the total remuneration of salary, perquisites and any other allowance shall not exceed the ceiling as provided in Schedule V of the Companies Act, 2013 or such other amount and perquisites as / is may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof.

**“RESOLVED FURTHER THAT** Ms. Moonmoon Chakraborty, Company Secretary, be and is hereby authorized to sign and file the necessary documents with Registrar of Companies and to do all acts and things as may be necessary in this connection.”

6. To approve the managerial remuneration of Mr. Umesh Anand (DIN: 00122526), as Jt. Managing Director and to consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956), the consent of the Members be and is hereby accorded for the remuneration payable to Mr. Umesh Anand, Jt. Managing Director with effect from 1<sup>st</sup> April-2015.”

**“RESOLVED FURTHER THAT** Mr. Umesh Anand, Jt. Managing Director, in pursuance of the applicable provisions of the Companies Act, 2013, be paid, the remuneration on the terms and conditions as set out below:

#### **HPL ADDITIVES LIMITED**



1. Basic Salary: Rs. 4, 63,594/- p.m.
2. Dearness Allowance: nil.
3. Perquisites: Perquisites shall be allowed in addition to salary.

Unless the contract otherwise requires, perquisites are classified into three Categories 'A', 'B' and 'C'.

#### **CATEGORY- A**

This will comprise house rent allowance, medical reimbursement; leave travel concession, club fees and other benefits, allowances, expenses etc. These may be provided for as under:

- I. House Rent Allowance: Fixed House Rent Allowance: nil.
- II. Medical / Hospitalization Expenses Reimbursement: Nil
- III. Leave Travel Concession: Nil
- IV. Club Fees: Fees and expenses in respect of two clubs to be borne by the company
- V. Personal Medical / Accident Insurance etc.:  
Coverage for Personal Medical / Accident Insurance / Keyman Insurance or any other coverage as per the rules of the company and the annual premium for the same to be paid by the Company.

Explanation:

- (i) For the purposes of Category 'A' family means spouse, dependent children and dependent parents of the appointee.
- (ii) Perquisites shall be evaluated as per Income Tax Rules wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.

#### **CATEGORY- B**

- I. Contribution to Provident Fund/ Superannuation Fund/ Annuity Fund as per the rules of the company and will not be included in the computation of ceiling on perquisites to the extent these, either single or put together, are not taxable under the Income Tax Act, 1961: Rs. 55,631 p.m./-
- II. Gratuity: Gratuity payable shall be in accordance with the rules of the Company.

#### **CATEGORY- C**

- I. Motor Car: Free use of car with Driver for the Company's business, all the expenditure in connection therewith being borne by the company.
- II. Telephone: Free telephone facility at residence.

#### **Other Terms**

- I. Earned Leave: On full pay and allowances as per the rules of the Company. Leave accumulated and not availed may be allowed to be encashed. Encashment of leave at the end of the tenure, if any, will not be included in the computation of the ceiling on perquisites.
- II. Reimbursement of Expenses: Reimbursement of traveling, entertainment and other expenses incurred by him during the course of business of the Company.
- III. Sitting Fees: The Managing Director/ Directors shall not be entitled to sitting fees for attending Meetings of the Board.

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In addition, Mr. Umesh Anand be paid performance bonus @ 1% of Net profits of the Company. If the company has no profits or the profits are inadequate in any financial year during the term of his office as the managing director, he will be entitled to receive the above remuneration and perquisite as minimum remuneration, provided that the total remuneration of salary, perquisites and any other allowance shall not exceed the ceiling as provided in Schedule V of the Companies Act, 2013 or such other amount and perquisites as / is may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof.

**“RESOLVED FURTHER THAT** Ms. Moonmoon Chakraborty, Company Secretary, be and is hereby authorized to sign and file the necessary documents with Registrar of Companies and to do all acts and things as may be necessary in this connection.”

7. To approve the managerial remuneration of Mr. Satpal Singh (DIN: 00286831), as Whole time Director and to consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**‘RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956), the consent of the Members be and is hereby accorded for the remuneration payable to Mr. Satpal Singh, Wholetime Director with effect from 1<sup>st</sup> April-2015.”

**“RESOLVED FURTHER THAT** Mr. Satpal Singh, Wholetime Director, in pursuance of the applicable provisions of the Companies Act, 2013, be paid, the remuneration on the terms and conditions as set out below:

1. Basic Salary: Rs. 1, 23,625/- p.m.
2. Dearness Allowance: nil.
3. Perquisites: Perquisites shall be allowed in addition to salary.

Unless the contract otherwise requires, perquisites are classified into three Categories ‘A’, ‘B’ and ‘C’.

#### **CATEGORY- A**

This will comprise house rent allowance, medical reimbursement; leave travel concession, club fees and other benefits, allowances, expenses etc. These may be provided for as under:

- I. House Rent Allowance: Fixed House Rent Allowance: nil.
- II. Medical / Hospitalization Expenses Reimbursement: Rs. 1250/- per month to be paid towards medical re-imburements to the appointee and his family.
- III. Leave Travel Concession: Nil
- IV. Club Fees: Fees and expenses in respect of two clubs to be borne by the company
- V. Personal Medical / Accident Insurance etc.:  
Coverage for Personal Medical / Accident Insurance / Keyman Insurance or any other coverage as per the rules of the company and the annual premium for the same to be paid by the Company.

### **HPL ADDITIVES LIMITED**



Explanation:

- (i) For the purposes of Category 'A' family means spouse, dependent children and dependent parents of the appointee.
- (ii) Perquisites shall be evaluated as per Income Tax Rules wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.

#### **CATEGORY- B**

- I. Contribution to Provident Fund/ Superannuation Fund/ Annuity Fund as per the rules of the company and will not be included in the computation of ceiling on perquisites to the extent these, either single or put together, are not taxable under the Income Tax Act, 1961: Rs. 14,835 p.m./-
- II. Gratuity: Gratuity payable shall be in accordance with the rules of the Company.

#### **CATEGORY- C**

- I. Motor Car: Free use of car with Driver for the Company's business, all the expenditure in connection therewith being borne by the company.
- II. Telephone: Free telephone facility at residence.

#### **Other Terms**

- I. Earned Leave: On full pay and allowances as per the rules of the Company. Leave accumulated and not availed may be allowed to be encashed. Encashment of leave at the end of the tenure, if any, will not be included in the computation of the ceiling on perquisites.
- II. Reimbursement of Expenses: Reimbursement of traveling, entertainment and other expenses incurred by him during the course of business of the Company.
- III. Sitting Fees: The Managing Director/ Directors shall not be entitled to sitting fees for attending Meetings of the Board.

If the company has no profits or the profits are inadequate in any financial year during the term of his office as the managing director, he will be entitled to receive the above remuneration and perquisite as minimum remuneration, provided that the total remuneration of salary, perquisites and any other allowance shall not exceed the ceiling as provided in Schedule V of the Companies Act, 2013 or such other amount and perquisites as / is may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof.

**"RESOLVED FURTHER THAT** Ms. Moonmoon Chakraborty, Company Secretary, be and is hereby authorized to sign and file the necessary documents with Registrar of Companies and to do all acts and things as may be necessary in this connection."

#### **8. To ratify remuneration of cost auditors of the Company**

To consider and if thought fit to pass with or without modification(s), the following resolution as Ordinary Resolution:

**" RESOLVED THAT** pursuant to the provisions of Section 141 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), subject to such guidelines and approval as may be required from the

### **HPL ADDITIVES LIMITED**



Central government the re-appointment of M/s. HAM & Associates (Firm Registration No. 000498, Membership No. 27478), Cost Accountants, as Cost Auditors to audit the cost records maintained by the Company on a remuneration of Rs.75,000/- (Rupees Seventy Five Thousand Only) excluding tax and out of pocket expenses, be and is hereby ratified.”

**By Order of the Board of Directors**

**Place: New Delhi**  
**Date: 25<sup>th</sup> September, 2017**

**Moonmoon Chakraborty**  
**Company Secretary**

**HPL ADDITIVES LIMITED**

FLOOR 5<sup>th</sup>, BLOCK A, VATIKA MINDSCAPES, 12/3 MAIN MATHURA ROAD, FARIDABAD – 121003, HARYANA – INDIA  
T: +91 129 2251300 F: +91 129 2251304-05 E: hpla@hpladditives.com W: www.hpladditives.com  
REGSITERED OFFICE: 803 VISHAL BHAWAN, 95 NEHRU PLACE, NEW DELHI – 110019, INDIA  
CIN: U25209DL1976PLC008309





**Notes:**

1. The relative Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (Act) in respect of the business under Item Nos. 5 to 8 of the Notice, is annexed hereto.
2. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS(48) before commencement of the meeting. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Corporate shareholders intending to send their authorized representatives to attend the AGM are requested to send to the Company a certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the AGM.
4. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the special business to be transacted at the AGM under Item No. 5 to 8 is annexed hereto.

**By Order of the Board of Directors**

**Place: New Delhi**  
**Date: 25<sup>th</sup> September, 2017**

**Moonmoon Chakraborty**  
**Company Secretary**

**HPL ADDITIVES LIMITED**

FLOOR 5<sup>th</sup>, BLOCK A, VATIKA MINDSCAPES, 12/3 MAIN MATHURA ROAD, FARIDABAD – 121003, HARYANA – INDIA  
T: +91 129 2251300 F: +91 129 2251304-05 E: hpla@hpladditives.com W: www.hpladditives.com  
REGSITERED OFFICE: 803 VISHAL BHAWAN, 95 NEHRU PLACE, NEW DELHI – 110019, INDIA  
CIN: U25209DL1976PLC008309





**Explanatory Statement  
(Pursuant to section 102 of the Companies Act, 2013)**

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 8 of the accompanying Notice:

**Item No. 5, 6 and 7**

Keeping in view the trend of profits and performance of the company, the Nomination and Remuneration Committee meeting held on 16<sup>th</sup> December, 2015, recommended an increase by 7.5% in remuneration of the Managing and Whole-time directors namely, Mr. Harcharan Singh, Mr. Umesh Anand and Mr. Satpal Singh, which was thereafter approved by the Board of Directors in their meeting held on the same date. The increase in remuneration is subject to the approval of members.

No director, except Mr. Harcharan Singh, Mr. Umesh Anand and Mr. Satpal Singh, is deemed to be interested or concerned.

The Board accordingly recommends the resolutions as Ordinary Resolutions as set out in Item 5, 6 and 7 of the Notice for approval of the members.

**Item No. 8**

The Board on recommendation of the Audit Committee has approved the appointment and remuneration of M/s. HAM & Associates, Cost Accountants as the Cost auditors to conduct the audit of the cost records of the company relating to manufacture of chemical and chemical products for the financial year ending on March 31, 2017.

In accordance with the provisions of Section 141 and 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out at Item no. 9 of the Notice for approval by the shareholders.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

**HPL ADDITIVES LIMITED**

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T: +91 129 2251300 F: +91 129 2251304-05 E: hpla@hpladditives.com W: www.hpladditives.com  
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CIN: U25209DL1976PLC008309



**PROXY FORM**

**HPL ADDITIVES LIMITED**

**Regd. Office : 803, Vishal Bhawan, 95 Nehru Place**

**New Delhi – 110 019**

I/We.....of.....in the district of  
.....being a member/members of the above named company  
hereby appoint .....of .....in the  
district of .....or failing him  
.....of.....in the district of .....as my/our proxy to  
attend and vote on my/our behalf at the Fortieth Annual General Meeting of the Company  
to be held on 28<sup>th</sup> September, 2017 at 3.00 P.M. and at any adjournment thereof.

Signed this .....day of .....2016

Affix Revenue Stamp of Re.1
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Notes:

1. The proxy need not be a member.
2. The proxy form duly signed across Revenue Stamp should reach Company's Registered Office at least 48 hours before the time of the meeting.

**HPL ADDITIVES LIMITED**

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