

## Notice of 69th AGM

### TO THE SHAREHOLDERS

**Notice** is hereby given that the Sixty-Ninth Annual General Meeting of HIL Limited will be held on Thursday, the 28th day of July, 2016, at 3.00 P.M. at Asbestos Centre, Road No.13, Banjara Hills, Hyderabad, Telangana-500 034, to transact the following business:

#### Ordinary Business

##### 1. To receive, consider and adopt:

- a. the Audited Financial Statements of the Company for the financial year ended 31st March, 2016, together with the reports of the Board of Directors and Auditors thereon.
- b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2016, together with the Report of the Auditors thereon.

2. To declare final dividend of ₹ 10/- per Equity Share and to confirm the interim dividend of ₹ 7.50/- per Equity Share already paid on 74,62,563 Equity Shares of ₹ 10/- each for the financial year 2015-16.

3. To appoint a director in place of Mr CK Birla (DIN 00118473), who retires by rotation and being eligible, offers himself for re-election.

4. To ratify the appointment of M/s. S R Batliboi & Associates LLP., Chartered Accountants, (ICAI Firm Registration Number: 101049W/E300004), as Statutory Auditors 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 section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 and all other applicable provisions, if any, of the Companies Act, 2013, the company hereby ratifies the appointment of M/s. S R Batliboi & Associates LLP., Chartered Accountants, (ICAI Firm Registration Number: 101049W/E300004), as Statutory Auditors of the company to hold office till the conclusion of the Seventieth Annual General Meeting of the Company to be held in

the year 2017, and the Board of Directors be and are hereby authorised to fix their remuneration in accordance with the recommendation of the Audit Committee in consultation with the auditors.”

#### Special Business

##### 5. To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2017

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 Section 148 and all other applicable provisions of the Companies Act, 2013 and the rules framed there under and subject to all other approvals, if any required, the Company be and is hereby authorised to pay an amount of ₹ 6 (Six) Lacs as remuneration payable to M/s. S S Zanwar & Associates, Cost Accountants in practice (Registration No. 100283), who have been appointed by the Board of Directors as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company, for the Financial Year ending 31st March, 2017.

##### 6. To approve the payment of commission to Non-Executive Directors of the Company

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 197 and all other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, and Article 118(4) of the Articles of Association of the Company and within the limits stipulated in Section 197 and 123(2) of the Companies Act, 2013 and subject to applicable approval(s), as may be required, consent of the Members be and is hereby accorded that, a sum not exceeding 1% of the net profits of the Company per annum, calculated in accordance with the provisions of Section 198 of the Act, be paid and distributed amongst the Directors of the Company or some

or any of them (other than the Managing Director and Whole-time Directors) in such amounts or proportions and in such manner and in all respects as may be decided by the Board of Directors and such payments shall be made with respect to the profits of the Company for each year, subject to conditions as stipulated under Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015.

By Order of the Board  
For HIL Limited

**Registered Office:** G Manikandan  
Office No. 1 & 2 , L7 Floor, Company Secretary &  
SLN Terminus, Financial Controller  
Sy. No.133,  
Near Botanical Gardens, Gachibowli,  
Hyderabad – 500 032  
Dated: 5<sup>th</sup> May, 2016

## 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 and 6 of the accompanying Notice:

### ITEM NO 5

The Company is required under Section 148 of the Act to have the audit of its cost records conducted by a Cost Accountant in Practice. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment and remuneration M/s. S S Zanwar & Associates, the Cost Auditors of the Company to conduct audit of cost records of the Company for products covered under the Companies (Cost Records and Audit) Rules, 2014 for the Financial Year ending 31st March, 2017, at a remuneration of ₹ 6.00 lacs plus reimbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost

Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the members of the Company. Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2017.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the resolution.

The Board recommends the above resolution for the approval of the members.

### ITEM NO. 6:

The Board plays a crucial role in managing affairs of the Company. While the day-to-day management is delegated to Managing Director & CFO and other Senior Executives, the Board lays down policies and provides guidelines for conduct of Company’s business. There is enormous increase in the responsibility of Directors of Listed Companies in view of requirements of compliance with several strict provisions of Corporate Governance, other Statutory Bodies apart from the Companies Act, 2013.

The Directors with their rich experience in business, management and administration, have been contributing immensely to the success of the Company, through their active participation not only at the Board Meetings but also between Board Meetings.

Section 197 of the Companies Act, 2013 permits payment of remuneration to Non-Executive Directors of a Company by way of commission, if the Company authorises such payment by way of a resolution of members.

The members of the Company at their 64th Annual General Meeting held on 21st July 2011, accorded their consent for payment of a commission to non-executive Directors not exceeding 1% of the net profits of the Company for a period of 5 (five) years commencing from 1st April 2011 to 31st March, 2016.

Pursuant to Section 309 (7) of the erstwhile Companies Act, 1956 such approvals obtained from shareholders are valid only for a period of 5 years. Since the validity of the earlier resolution passed

by the shareholders expires in the financial year i.e., 2015-16, approval is sought from Shareholders for payment of Commission to Non-Executive Directors.

Considering the rich experience and expertise brought to the Board by the Non-Executive Directors, it is proposed that, remuneration not exceeding one per cent of the net profits of the Company calculated in accordance with provisions of the Act, be continued to be paid and distributed amongst the Non-Executive Directors of the Company in accordance with the recommendations of the Nomination and Remuneration Committee and on approval of the Board of Directors of the Company w.e.f financial years starting from 1 April 2016. Such payment will be in addition to the sitting fees for attending Board/Committee meetings.

Details of commission and sitting fees paid to Non-Executive Directors during the Financial Year 2015-16 is provided in the annexure to the Directors Report and the Corporate Governance Report.

None of the Directors, Key Managerial Personnel or their respective relatives, except all of the Non-Executive Directors of the Company to whom the resolution relates are concerned or interested in the resolution.

The Board recommends the resolution for the approval of the members.

By Order of the Board  
For **HIL Limited**

**Registered Office:**  
Office No. 1 & 2 , L7 Floor,  
SLN Terminus,  
Sy. No.133,  
Near Botanical Gardens,  
Gachibowli,  
Hyderabad – 500 032  
Dated: 5<sup>th</sup> May, 2016

**G Manikandan**  
Company Secretary &  
Financial Controller

## NOTES:

1. The relative Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the special business under Item Nos. 5 and 6 of the Notice, are annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), of the person seeking re-appointment as Director under Item No. 3 of the Notice, are also annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.
3. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

5. Members/ proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting
8. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, 22nd July, 2016 to Thursday, 28th July, 2016** (both days inclusive), for annual closing and determining the entitlement of the shareholders to the final dividend for 2015-16.
9. The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched by **Thursday, 4th August, 2016** to those members whose names shall appear on the Company's Register of Members as on book closure date and in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on the close of business hours on **Thursday, 21st July, 2016**.
10. Members holding shares in electronic form are requested to intimate any change in their address and / or bank mandates to their Depository Participants with whom they are maintaining their demat accounts immediately. The Members holding shares in physical form are requested to advise any change of address and / or bank mandate immediately to M/s. Venture Capital and Corporate Investments Pvt. Ltd., 12-10-167, Bharat Nagar, Hyderabad – 500 018.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Venture Capital and Corporate Investments Pvt. Ltd., 12-10-167, Bharat Nagar, Hyderabad – 500 018.
12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
13. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
14. Details under SEBI (Listing Obligations & Disclosure Requirements) 2015 in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms integral part of the notice. The directors have furnished the requisite declarations for their appointment/ re-appointment.
15. Members desiring any information relating to the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
16. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules issued there under, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their email address either with the Company or with the Depository. It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This is a golden opportunity

for every shareholder of HIL to contribute to the cause of Green Initiative. Members who have not registered their e-mail address with the Company are requested to register the same by submitting the letter to M/s. Venture Capital and Corporate Investments Pvt., Ltd., 12-10-167, Bharat Nagar, Hyderabad - 500 018. The Members holding shares in electronic form are requested to register their e-mail address with their Depository Participants only. The Members of the Company, who have registered their e-mail address, are entitled to receive communications in physical form, upon request.

17. Copies of the Annual Report 2015-2016 are being sent by electronic mode only to all the Members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2015-2016 are being sent by the permitted mode.
18. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agent M/s. Venture Capital and Corporate Investments Pvt. Ltd., 12-10-167, Bharat Nagar, Hyderabad - 500 018 and have it duly filled and sent back to them.
19. Members wishing to claim dividends, which remain unclaimed are requested to correspond with **M/s. Venture Capital and Corporate Investments Pvt. Ltd.**, 12-10-167, Bharat Nagar, Hyderabad - 500 018 (email: info@vccilindia.com) Tel: 040-23818475/76; Fax: 040-2386 8024.
20. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
21. The facility for voting through electronic voting system or ballot or polling paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting.
22. The Notice of the 69th AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email addresses are registered with the Company/Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
23. Members may also note that the Notice of the 69th AGM and the Annual Report 2015-16 will be available on the Company's website [www.hil.in](http://www.hil.in).
24. The board of directors has appointed M/s. PS Rao & Associates, Practicing Company Secretaries (C.P No. 10573) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
25. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
26. **The instructions for e-voting are as under:**
  - i. In compliance with the provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,

2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the **69th Annual General Meeting** by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on **25th July, 2016 (9:00 A.M.)** and ends on **27th July, 2016 (5:00 P.M.)**. During this period members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of **Thursday 21st July, 2016**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it *subsequently*.
- V. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an e-mail from NSDL (for members whose e-mail ID's are registered with the Company/Depository Participant(s)):
    - i. Open the e-mail and also open PDF file attached with *your Client ID or Folio No.* as password. The said PDF file contains your

user ID and password/ PIN for remote e-voting. Please note that the password is an initial password.

- ii. Launch internet browser by tying the following URL: <https://www.evoting.nsdl.com>
- iii. Click on Shareholder-Login
- iv. Put user ID and password as initial password/ PIN noted in step (i) above. Click Login.
- v. Password Change Menu appears, Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- vii. Select the EVEN (E-Voting Event Number) of Hil Limited.
- viii. Now you are ready for remote e-voting as Cast Vote page opens.
- ix. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- x. Upon confirmation, the message “Vote cast successfully” will be displayed.
- xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
- xii. Institutional shareholders (i.e other than individuals, HUF, NRIs, etc.) are required to send a scanned copy (PDF/JPG format) of the relevant board resolution/ authority letter, etc., together with the attested specimen signature(s) of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer via email at: [psraoassociates@gmail.com](mailto:psraoassociates@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [cs@hil.in](mailto:cs@hil.in)

- B. In case a Member receives physical copy of the Notice of Annual General Meeting (for Members whose email addresses are not registered with the Company/Depository Participant(s) or requesting physical copy):
- i. Initial password is provided with the copy of this notice in separate sheet:  
EVEN(Remote e-voting Event Number), USER ID PASSWORD/PIN
  - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQ's) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut off date of **Thursday 21st July, 2016**.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e **Thursday 21st July, 2016**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA M/s. Venture Capital and Corporate Investments Pvt. Ltd. 12-10-167, Bharat Nagar, Hyderabad - 500018. Email: [info@vccilindia.com](mailto:info@vccilindia.com); Tel: 040-23818475/76; Fax: 040-2386 8024.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the Annual General Meeting even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again at the Annual General Meeting.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depository as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.
- XIII. **Ms. CS N Vanitha** of P S Rao & Associates, Practicing Company Secretaries (M.No: A 26859 & CP No:10573), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.hil.in](http://www.hil.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the stock exchanges at which the shares of the Company are listed.

#### UPDATION OF EMAIL ID

Kindly ensure to update your fresh Email ID with the Company/Depository if you have changed the same.