

HINDUSTAN ORGANIC CHEMICALS LIMITED

[CIN L99999MH1960GOI011895]

Registered Office: P.O. Rasayani, Dist. Raigad, Maharashtra, Pin- 410207.

NOTICE

Notice is hereby given that the 53rd Annual General Meeting (AGM) of the Members of the Company will be held on the Wednesday, 24th September, 2014 at 3.00 p.m. at the Registered Office of the Company at RASRANG HALL, Dr. Kasbekar Park, Rasayani, Dist. Raigad – 410 207 to transact the following :-

ORDINARY BUSINESS:

1. To receive, consider and to adopt the Audited, Statement of Profit & Loss of the Company for the period from 1st April, 2013 to 31st March, 2014 and the Audited Balance Sheet as at 31st March, 2014 together with the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director or any other Director (as may be appointed by the GOI vide its Order) in place of Shri. Rajiv Yadav, AS &FA, who retires at this AGM and being eligible offers himself for re-appointment.
3. To appoint a Director or any other Director (as may be appointed by the GOI vide its Order) in place of Dr. A.J.V. Prasad, who retires at this AGM and being eligible offers himself for re-appointment.
4. To fix the remuneration for auditors of the Company (appointed by C&AG of India) in connection with Company's audit.
To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution :-

"RESOLVED THAT the remuneration of Rs.1,75,000/- (Rupees One Lakh Seventy Five Thousand only) (excluding OPE) to M/s Ford, Rhodes, Parks and Co., Mumbai, Statutory Auditors and Rs. 1,56,000/- (Rupees One Lakh and Fifty Six Thousand only) to M/s Sasi Vijayan & Rajan, Kochi, Branch Auditors of the Company for the financial year 2013-14 be and are hereby approved."

"RESOLVED FURTHER THAT, in future, the Board of Directors of the Company be and is hereby authorized to fix the remuneration of Auditors of the Company, as the Board of Directors deems fit, as and when communication is received from the Comptroller & Auditor General of India (C&AG) regarding the appointment of the Auditors of the Company for the future years."

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution, as an Ordinary Resolution :

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of M/s. V.J. Talati, Cost Accountants [Membership No. - M/2203] as Cost Auditors for Company's Rasayani Unit for the Financial Year 2014-15 at fees of Rs. 40,000/- p.a. and to act as Lead Auditors and assist in filing the relevant XBRL forms at fees of Rs. 20,000/- p.a. and out of expenses at Rs. 8000/- for the F.Y. 2014-15; AND THAT the appointment of M/s. Panicker & Company, Cost Accountants [Membership No. - 25794] as Cost Auditors for Company's Kochi Unit for F.Y. 2014-15 at a fees of Rs. 42,000/- p.a. and Out of pocket expenses at Rs. 5000/- for the financial year 2014-15 of the Company be and are hereby approved."

"RESOLVED FURTHER THAT, in future, the Board of Directors of the Company be and is hereby authorized to appoint the Cost Auditors and to fix the remuneration of Cost Auditors of the Company, as the Board of Directors deems fit in future years, and to communicate the same to the Central Government as per new Companies Act, 2013 and as per the rules prescribed therein in future years also."

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution, as an Ordinary Resolution :

"RESOLVED THAT pursuant to Section 149 of the New Companies Act, 2013 and other applicable provisions therein, Dr. N.J. Gaikwad, [DIN 02185462] Director who was appointed by Govt. of India as a Part-time Non-official (Independent) Director on the Board of Directors of Hindustan Organic Chemicals Limited [for a period of 3 years from the date of assumption of charge on 22nd May, 2012] be and is hereby appointed as Non-official Independent Director (from May 2012 onwards) on the Board of the Company for a period of 5 years (as per the New Companies Act, 2013) or till further orders of the Govt. whichever is earlier."

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :-

"RESOLVED THAT the Board of Directors (the Board) be and is hereby authorised, pursuant to the provisions of Section 180 (1) (c) of the new Companies Act, 2013 [previously Section 293 (1) (d) of the Companies Act, 1956] to borrow money, from time to time, at its discretion for the purpose of Company's business on such terms and conditions as may be considered suitable by the Board any sum or sums of money as it may deem proper up to a limit not exceeding in the aggregate ₹525 crores (Rupees Five Hundred Twenty Five crores) not withstanding that the money to be borrowed together with the monies borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed, the aggregate of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose."

By Order of the Board of
Hindustan Organic Chemicals Ltd.

Sd/-
(Mrs.Susheela S.Kulkarni)
Company Secretary

Place : Rasayani
Date : 13/08/2014

Registered Office :
P.O.Rasayani,
Dist.Raigad, Maharashtra 410 207.

NOTES :

1. 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 members and holding in aggregate not more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as 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. Proxies submitted on behalf of limited companies, societies, etc. must be supported by an appropriate resolution / authority, as applicable.

2. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 16th September, 2014 to Wednesday, 24th September, 2014 (both days inclusive). The book closure dates have been fixed in consultation with the Stock Exchanges.
3. Members/Proxies should bring their attendance slip, duly filled in, at the meeting.
4. Members are requested to intimate immediately any change in their addresses registered with the Company.
5. Members, who hold shares in the dematerialised form, are requested to bring their depository account number for identification.
6. **Voting through electronic means**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

The instructions for e-Voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository participants(s)]

(i) Open email and open PDF file viz; "HOCL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-Voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing 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 e-Voting opens. Click on e-Voting Active Voting Cycles.

(vii) Select "EVEN" of Hindustan Organic Chemicals Limited.

(viii) Now you are ready for e-Voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and "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, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@snaco.net with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:

- (i) Initial password is provided as below/ at the bottom of the Attendance Slip of the 53rd AGM : **EVEN** (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.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-Voting period commences on Wednesday, 17th September, 2014 at 9.00 a.m. and ends on Friday, 19th September, 2014 at 6.00 p.m.. During this period shareholder' of the Company, holding shares either in physical form or in dematerialized form, as on **the cut-off date (record date) of Friday, 22nd August, 2014**, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the Vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of the Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut- off date (record date) of Friday, 22nd August, 2014.
- VII. M/s. S.N.ANANTHASUBRAMANIAN & Co., Practicing Company Secretaries have been appointed as the Scrutinizer to scrutinize the e-voting and poll process in a fair and transparent manner.
- VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman of the Company.
- IX. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's Website www.hocl.gov.in and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to BSE & NSE.
7. All documents referred to in the Notice and Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 a.m. to 5.00 p.m.) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

**By Order of the Board of
Hindustan Organic Chemicals Ltd.**

**Sd/-
(Mrs.Susheela S.Kulkarni)
Company Secretary**

**Place : Rasayani
Date : 13/08/2014**

**P.O.Rasayani,
Dist.Raigad, Maharashtra 410 207.**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 5 of the Special Business:

M/s. V.J. Talati, Cost Accountants as the Cost Auditors for the Company's Rasayani Unit and M/s. Panicker & Company, Cost Accountants as Cost Auditors for the Company's Kochi Unit were appointed by the Board of Directors of the Company vide Circular Resolution No. 01/2014 dtd. 20th June, 2014 to act as the Cost Auditors of the Company's Rasayani and Kochi Unit respectively and to conduct the audit of the cost accounts maintained by the Company in respect of the products being produced at Rasayani Unit & Kochi Unit of the Company for the Financial Year 2014-2015. As per the Section 148 of the Act, read with Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors should be approved by the members of the Company.

Accordingly, based on the level of expertise and the scope of work, your Board has recommended to pay to M/s. V.J. Talati, Cost Accountants for Rasayani Unit of the Company, a remuneration of Rs.40,000/- p.a. and to act as Lead Auditors and assist in filing the relevant XBRL forms at fees of Rs. 20,000/- p.a. and out of pocket expenses of Rs. 8,000/- for the F.Y. 2014-15 and to pay to M/s. Panicker & Company, Cost Accountants for Kochi Unit of the Company, a remuneration of Rs.42,000/- p.a. and out of pocket expenses of Rs. 5,000/- for the F.Y. 2014-15.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.5.

ITEM NO. 6 of the Special Business:

Earlier in the year, 2012 Company has received from GOI an Order No. P.51011/1/2012-32-CH-III dtd 9th April, 2012 appointing Dr. N.J. Gaikwad, Professor & Head, Deptt. of Pharmaceutical Science, Rashtrasant Tukadoji Maharaj Nagpur University for a second term as a Part-time Non-official Independent Director on the Board of Directors of Hindustan Organic Chemicals Limited who took charge on 22nd May, 2012. However, with the enactment of the New Companies Act, 2013 under Section 149 and other applicable provisions therein, such appointment of Dr. N.J. Gaikwad as Part-time Non-official Independent Director of the Company requires the approval of the members at the General Meeting.

Further, as per the New Companies Act, 2013 an Independent Director of the Company is eligible for appointment for a period of five (5) years as the Independent Director on the Board of the Company. However, as per the Govt. Order as mentioned above specified the appointment for a period of three (3) years. Therefore, the proposal of appointment of Dr. N.J. Gaikwad on the Board of the Company is for a period of five (5) years or till further orders form the Govt. whichever is earlier.

Except Dr. N. J. Gaikwad, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.6.

ITEM NO.7 of the Special Business:

At the 41st Annual General Meeting held on 30th September, 2002, the Board of Directors of the Company, (the Board) was authorized to borrow monies from time to time upto ₹525 crores to meet the future financial requirements of the Company.

In terms of the clarification issued by Ministry of Corporate Affairs, the resolution passed under Section 293 of the Companies Act, 1956 prior to 12/09/2013 with reference to borrowings (subject to the limits prescribed) and / or creation of Security on assets of the Company (under Section 180 of the Companies Act, 2013) will be valid for a period of one year from the date of notification of Section 180 of the Act (i.e. only till 12th September, 2014) therefore, the earlier resolution passed by the Shareholders at the 41st Annual General Meeting on 30/09/2002 is valid upto September 2014 and requires the renewal of the Shareholders approval on the Board of Directors' powers to borrow monies upto ₹525 crores. As on date the Company's Borrowings amounts to ₹429.45 crores.

Accordingly, the proposal for authorizing the Board of Directors of the Company to borrow monies from time to time upto ₹525 crores to meet the financial requirements of the Company is once again put up to the Shareholders as Special Business in Item No. 4 set out in the Notice convening the 53rd Annual General Meeting intending to seek approval of the Shareholders under Section 180 of the Companies Act, 2013 and that the Board may be empowered to borrow monies as and when considered necessary by the Company subject, however, to the limit specified therein.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.7.

By Order of the Board of
Hindustan Organic Chemicals Ltd.

Sd/-
(Mrs.Susheela S.Kulkarni)
Company Secretary

Place : Rasayani
Date : 13/08/2014

Registered Office :
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