



# HINDUSTAN PETROLEUM CORPORATION LIMITED

**Regd. Office:** 17, Jamshedji Tata Road, Mumbai – 400 020.

**Tel.:** +91 – 22 – 22863900 **Fax:** + 91 – 22 – 22872992

**Website:** www.hindustanpetroleum.com

**CIN:** L23201MH1952GOI008858

## NOTICE OF POSTAL BALLOT

### (PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 READ WITH RULE 22 OF COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014

#### TO THE SHAREHOLDERS OF THE COMPANY,

Notice is hereby given that pursuant to Section 110 of the Companies Act, 2013 (hereinafter referred to as “the Act”) read with Companies (Management and Administration) Rules, 2014 (hereinafter referred to as “the Rules”) the Company is seeking the consent of the Shareholders by passing a Special Resolution through process of Postal Ballot under Section 180(1)(c) and Section 180(1)(a) of the Companies Act, 2013 for exercising the borrowing powers by the Board of Directors of the Company and to create charge/provide security for the sums so borrowed on the moveable / immovable properties of the Company.

The Shareholders of the Company through process of Postal Ballot on 18.04.2012, had passed an Ordinary Resolution pursuant to Section 293(1)(d) and any other applicable provisions of the Companies Act, 1956 read with Article 67 of the Articles of the Association of the Company authorising the Board of Directors of the Company to borrow such amount of monies for and on behalf of the Company from time to time as deemed by it to be requisite and proper for the business of the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) and remaining outstanding shall not exceed ₹30,000 Crores (Rupees Thirty Thousand Crores Only) in excess of the aggregate of its the paid up share capital of the Company and free reserve i.e. reserves not set apart for any specific purpose, as per the latest annual audited financial statement.

Further Shareholders of the Company also passed pursuant to Section 293(1)(a) & all other applicable provisions, if any, of the Companies Act, 1956 an ordinary resolution authorising Board of Directors of the Company to create charge/provide security for the sum borrowed on such terms and conditions and in such form and manner and with such ranking as priority, as the Board in its absolute discretion thinks fit, on the assets of the Company.

In terms of Section 180(1)(c) of the Companies Act, 2013, which has replaced Section 293 of the Companies Act, 1956, the Board of Directors of a Company, shall exercise the power to borrow money, where money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid up share capital and free reserves, apart from temporary loans obtained from the Company’s bankers in the ordinary course of business only with the consent of the Company by passing a Special Resolution.

It shall be necessary to create charge/provide security on the assets of the company for the purpose of borrowing funds. Creation of charge/providing of security on the assets of the Company for the purpose of borrowing may be deemed as disposal of the whole or substantially whole of one or more of the Company’s undertaking. In terms of Section 180(1)(a) of the Companies Act, 2013, the Board of Directors can exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertaking, only with the consent of the Company, by passing a special resolution. It also attracts the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014, with respect to matters requiring approval by Postal Ballot

Keeping in view the above provisions, the Company proposes to obtain shareholders’ consent to the proposed Special Resolution by means of Postal Ballot. The Proposed Special Resolutions and the Explanatory Statements thereto are given below. Postal Ballot Form is also sent along with for consideration.

#### **SPECIAL RESOLUTION – ITEM NO. 1: BORROWING POWERS OF THE COMPANY AND CREATION OF CHARGE / PROVIDING OF SECURITY.**

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

“**RESOLVED THAT** in supersession of the Ordinary Resolution passed by the shareholders through the process of Postal Ballot on 18.4.2012, the consent of the Company be and is hereby accorded to the Board of Directors of the Company under Section 180(1)(c) and all other applicable provisions if any, of the Companies Act, 2013 read with Article 67 of the Articles of Association of the Company, to borrow money for and on behalf of the Company from time to time as deemed by it to be requisite and proper for the business of the Company, but so that the moneys to be borrowed together with the moneys already borrowed by the Company shall not exceed ₹30,000 Crores (Rupees Thirty Thousand Crores Only) in excess of the aggregate of its paid share capital and free reserves of the Company as per the latest annual audited financial statements, apart from temporary loans obtained from the Company’s bankers in the ordinary course of business.

**RESOLVED FURTHER THAT** the consent of the Company be and is hereby accorded, in terms of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 to the Board of Directors of the Company to create charge / provide security for the sum borrowed on such terms and conditions and in such form and manner and with such ranking as to priority, as the Board in its absolute discretion thinks fit, on the assets of the Company, as may be agreed to between the Company and the Lenders so as to secure the borrowings by the Company, together with interest costs, charges, expenses and all other monies payable by the Company to the concerned Lenders / Institutions, under the respective arrangements entered into / to be entered by the Company and/or Board.

**RESOLVED FURTHER THAT** the Securities to be created by the Company for its borrowing as aforesaid may rank with the security already created in the form of mortgage and / or charges already created or to be created in future by the Company as may be agreed to between the Board and concerned parties.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board or any committee or person(s) authorised by the Board, be and is / are hereby authorised to finalise, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all acts, deeds, matters and things as may in its / his / their absolute discretion deem necessary, proper or desirable and to settle any question(s), difficulty(ies) or doubt(s) that may arise in regard to creating security(ies) as aforesaid or other considered to be in the best interest of the Company.

**By Order of the Board,  
For Hindustan Petroleum Corporation Limited,**

**Shrikant M. Bhosekar  
Company Secretary**

**Date:** 17/07/2014

**Place: Registered Office**

Petroleum House,  
17, Jamshedji Tata Road,  
Mumbai – 400 020.

**NOTES:**

1. The Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 setting out the material facts is annexed herewith.
2. Voting rights are reckoned on the shares registered in the name of the Shareholders/Beneficial Owners as on 04.07.2014.
3. You are requested to read carefully the instructions printed on the reverse of the Postal Ballot Form and return the Form duly completed, in the attached self – addressed Business Reply Envelope so as to reach the Scrutinizer on or before 21.08.2014.
4. The Company has appointed Shri Upendra Shukla, a Practising Company Secretary, as Scrutinizer for conducting the Postal Ballot Process in a fair and transparent manner. The Scrutinizer address is as below:-

Shri Upendra Shukla,  
Scrutinizer,  
M/s. Link Intime India Pvt.Ltd.  
Unit: HPCL  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup West,  
Mumbai – 400 078

5. The Scrutinizer, after completion of the scrutiny, will submit his report to the Chairman of the Company. The result of the postal ballot will be declared by the Chairman or in his absence, by one of the Whole Time Director authorized by the Chairman, on 28.08.2014 at 16:00 hrs. at the Registered Office of the Company. The result shall also be announced to the Stock Exchanges where shares of the Company are listed and intimated through a Press Release in newspapers. The result will also be put on the Company's website [www.hindustanpetroleum.com](http://www.hindustanpetroleum.com). The resolution, if approved, will be taken as passed effectively on the date of declaration of results.
6. Corporation also offers e-Voting facility. Please see the instruction below for details:

In compliance with provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management And Administration) Rules 2014, the Company also offers e-Voting facility to all the shareholders. For this purpose, the Company has signed an agreement with National Securities Depository Limited (NSDL) for facilitating e-Voting and is pleased to offer e-Voting facility as an alternate, for its Shareholders to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-Voting is Optional.

7. Shareholders' who have registered their e-mail IDs for receipt of documents in electronic mode as prescribed under the Rule 35 of the (Incorporation) Rules, 2014 are sent Notice of Postal Ballot etc. by e-mail through NSDL and other shareholders are sent by post along with Postal Ballot Forms and Self-addressed Business Reply Envelopes.
8. Shareholders to whom documents have been sent physically have the option to vote either thru e-Voting or through Postal Ballot Form. In case shareholder who have received Notice of Postal Ballot through e-mail but who wish to vote through Ballot Form can download the Ballot form from the link [www.hindustanpetroleum.com](http://www.hindustanpetroleum.com) or seek duplicate form from R & T Agents, M/s. Link Intime India Pvt.Ltd., Unit: HPCL, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup West, Mumbai – 400 078, fill in the details and send the same to Scrutinizer by Post at the address given in Sr.No. 4 above or on before 21.08.2014.
9. The instructions for voting electronically are under:-

**In case of shareholders' receiving e-mail from NSDL:**

- (i) Open e-mail and open PDF file viz; "HPCL e-Voting.pdf" with your client ID or Folio No. as password. Please note User ID and initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
- (iii) Click on "Shareholder Login"
- (iv) Put user ID and password as initial password noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password 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 Petroleum Corporation 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 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, 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 [hpclscrutinizer@gmail.com](mailto:hpclscrutinizer@gmail.com), [hpclvoting@hpcl.co.in](mailto:hpclvoting@hpcl.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**In case of shareholders' receiving Postal Ballot Form by Post.**

Initial password is provided at the bottom of the Postal Ballot Form. Please follow all steps from Sr. No. (ii) to Sr. No. (xii) of note (9) as mentioned above, to cast vote.

10. The voting period ends on the close of day of August 21, 2014. The e-Voting module will be disabled by NSDL for voting thereafter.
11. In case of any queries, you may please refer the Frequently Asked Questions (FAQs) for shareholders and e-Voting user manual for shareholders available at the "downloads" section of [www.evoting.nsd.com](http://www.evoting.nsd.com)

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) AND SECTION 110 & RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014.**

**Item No.1**

In terms of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a Company, shall exercise the power to borrow money, where money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business only the consent of the Company by passing a Special Resolution.

The Shareholders of the Company through process of Postal Ballot on 18.04.2012, had inter-alia passed an Ordinary Resolution pursuant to Section 293(1)(d) and any other applicable provisions of the Companies Act, 1956 read with Article 67 of the Articles of the Association of the Company authorising the Board of Directors of the Company to borrow monies for and on behalf of the Company from time to time as deemed by it to be requisite and proper for the business of the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining outstanding shall not exceed ₹30,000 Crores (Rupees Thirty Thousand Crores Only) in excess of the aggregate of

the paid up capital of the Company and its free reserve i.e. reserves not set apart for any specific purpose, as per the latest annual audited financial statement.

Further Shareholders of the Company also passed pursuant to Section 293(1)(a) & all other applicable provisions, if any, of the Companies Act, 1956 an Ordinary Resolution authorising Board of Directors of the Company to create charge/provide security for the sum borrowed on such terms and conditions and in such form and manner and with such ranking as priority, as the Board in its absolute discretion thinks fit, on the assets of the Company.

The Ministry of Corporate Affairs (MCA), New Delhi vide their Notification No. 2754 dated September 12, 2013 had notified inter-alia the applicability of provisions of Section 180(1)(c) and Section 180(1)(a) of the Companies Act, 2013 with effect from September 12, 2013, which stipulates obtaining prior approval of the Shareholders of the Company by way of Special Resolution for exercising the specified powers of the Board of Directors relating to borrowing and selling/disposing off etc. of an undertaking of the Company respectively. Further MCA also vide its circular No. 04/2014 dated 25.03.2014 have clarified that the resolution passed under Section 293 of the Companies Act, 1956 prior to 12.09.2013 with reference to borrowings and / or creation of security on the assets of the Company will be regarded as sufficient compliance of the requirements of Section 180 (Restriction on the Powers of the Board) of the Companies Act, 2013 for a period of one year from the date of notification indicating the applicability of Section 180 of the Act, 2013. Therefore Corporation is now required to obtain consent of the Company by a Special Resolution before 12.09.2014.

Shareholders may kindly note that there is no change proposed in the Borrowing limits and the current proposal is only to comply with the requirement of passing of Special Resolution under Section 180 of the Companies Act, 2013.

The relevant resolutions proposed for the Member's approval are specified collectively at item No.1. The Board of Directors recommend the Special Resolution as set out in item No. 1 of the Notice for the approval of the Shareholders through the process of Postal Ballot.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or otherwise interested in this resolution.

**By Order of the Board,  
For Hindustan Petroleum Corporation Limited,**

**Shrikant M. Bhosekar  
Company Secretary**

**Date:** 17/07/2014

Place: **Registered Office**

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