



HIPOLIN LIMITED

TWENTY FIRST ANNUAL REPORT

2013 - 2014

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HIPOLIN LIMITED

BOARD OF DIRECTORS

Shri Bhupendra J. Shah
Shri Jaykumar J. Shah
Shri Shailesh J. Shah
Shri Daxesh B. Shah
Shri Rumit B. Shah
Shri Vivek S. Shah
Shri Rohit K. Choksi
Shri Kaushik R. Patel
Shri Narendra N. Shah
Shri Mahesh S. Shah
Shri Nilesh Desai
Smt. Nitaben Bharatbhai Shah

Chairman
Vice- Chairman
Managing Director & CEO
Wholetime Director
Director(Production)
Executive Director
Director
Director
Director
Director
Director (w.e.f. 06/08/2014)

AUDITORS

M/s. Harish S. Patel & Co. Firm Reg. No.[103551W]
Chartered Accountants.

BANKERS

HDFC Bank Ltd.
Yes Bank
The Kalupur Comm.Co.Op.Bank Ltd.
Corporation Bank
Bank of India
AXIS Bank Ltd.
Vijaya Bank
AMCO Bank

CORPORATE OFFICE:

45, Madhuban, 4th Floor,
Nr. Madalpur Garnala,
Ellisbridge, Ahmedabad : 380006.

REGISTERED OFFICE & FACTORY

A/1/1, Nilkanth Ind. Estate, Sanand-Viramgam Highway,
Nr. Iyava Bus Stand, Via Virochannagar (P. O.)
Ta. : Sanand, Dist.: Ahmedabad-382170.
CIN of the Company : L24240GJ1994PLC021719
Email ID : hipolin@hipolin.com Website : www.hipolin.com

REGISTRAR AND TRANSFER AGENT

M/s. Sharepro Services (I) Pvt. Ltd.
416-420, 4th Floor, Devnandan Mall,
Opp. Sanyas Ashram, Ellisbridge,
Ahmedabad – 380 006.
Tel. No. : 079 – 26582381-82-83-84

HIPOLIN LIMITED

NOTICE

NOTICE is hereby given that the TWENTY FIRST ANNUAL GENERAL MEETING of the Members of HIPOLIN LIMITED will be held at A/1/1, Nilkanth Ind. Estate Sanand - Viramgam Highway, Near Iyava Bus Stand, Via. Virochannagar, Ta:Sanand, Dist. : Ahmedabad-382170 on Tuesday, **30th September, 2014 at 2.00 p. m.** to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2014, the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of **Shri Jaykumar J. Shah** (holding DIN 00392710), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint M/s. Harish S. Patel & Co., Chartered Accountants (ICAI Registration No. 103551W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

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

APPOINTMENT OF SMT. Nitaben B. SHAH AS AN INDEPENDENT DIRECTOR

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 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 IV to the Companies Act, 2013, Smt. Nitaben B. Shah (holding DIN: 01188437) who, was appointed as an Additional Director of the Company under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for consecutive term upto 31st March, 2019.”

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

APPOINTMENT OF SHRI NILESH R. DESAI AS AN INDEPENDENT DIRECTOR

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 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 IV to the Companies Act, 2013, Shri Nilesh R. Desai (holding DIN 00058890), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing

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from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for consecutive term upto 31st March, 2019.”

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

APPOINTMENT OF SHRI MAHESH S. SHAH AS AN INDEPENDENT DIRECTOR

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 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 IV to the Companies Act, 2013, Shri Mahesh S. Shah (holding DIN 01287416), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for consecutive term upto 31st March, 2019.”

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

APPOINTMENT OF SHRI NARENDRA N. SHAH AS AN INDEPENDENT DIRECTOR

RESOLVED that pursuant to the provisions of Sections 149, 150, 152 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 IV to the Companies Act, 2013, Shri Narendra N. Shah (holding DIN 00050408), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for consecutive term upto 31st March, 2019.”

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

APPOINTMENT OF SHRI ROHIT K. CHOKSI AS AN INDEPENDENT DIRECTOR

RESOLVED that pursuant to the provisions of Sections 149, 150, 152 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 IV to the Companies Act, 2013, Shri Rohit K. Choksi (holding DIN 00233653), Director of the Company who retires by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for consecutive term upto 31st March, 2019.”

9. To consider and if thought fit to pass, with or without modification, the following resolution as Special Resolution :

HIPOLIN LIMITED

RE-APPOINTMENT OF SHRI BHUPENDRA J. SHAH AS CHAIRMAN AND FIXATION OF REMUNERATION

“RESOLVED THAT pursuant to the provisions of Sections 196 , 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to such other approvals as may be necessary, consent of the Company be and is hereby accorded to the terms of reappointment of **Shri Bhupendra J. Shah** (holding DIN **00325446**) as Chairman of the Company for a period of three years and eight months from 1st August, 2014 to 31st March, 2018 on the terms and conditions of re-appointment and remuneration as mentioned below.”

1. SALARY	Rs. 23,500/- p.m. from 01.08.2014 to 31.03.2015 Rs. 25,900/- p.m. from 01.04.2015 to 31.03.2016 Rs. 28,500/- p.m. from 01.04.2016 to 31.03.2017 Rs. 31,300/- p.m. from 01.04.2017 to 31.03.2018
2. PERQUISITES	<p>Perquisites will be allowed in addition to salary as under :</p> <p>CATEGORY : A</p> <p>(i) Special Allowance: Rs. 13,200/- p.m. from 01.08.2014 to 31.03.2015 Rs. 14,600/- p.m. from 01.04.2015 to 31.03.2016 Rs. 16,100/- p.m. from 01.04.2016 to 31.03.2017 Rs. 17,800/- p.m. from 01.04.2017 to 31.03.2018</p> <p>(ii) House Rent Allowance: Rs. 5,800/- p.m. from 01.08.2014 to 31.03.2015 Rs. 6,400/- p.m. from 01.04.2015 to 31.03.2016 Rs. 7,100/- p.m. from 01.04.2016 to 31.03.2017 Rs. 7,900/- p.m. from 01.04.2017 to 31.03.2018</p> <p>(iii) Conveyance Allowance: Rs. 7,000/- p.m. from 01.08.2014 to 31.03.2015 Rs. 7,700/- p.m. from 01.04.2015 to 31.03.2016 Rs. 8,500/- p.m. from 01.04.2016 to 31.03.2017 Rs. 9,400/- p.m. from 01.04.2017 to 31.03.2018</p> <p>CATEGORY : B</p> <p>(i) Gratuity: Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act.</p> <p>The above benefits in Category “B” shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.</p>
3. OTHER TERMS & CONDITIONS	<p>(i) Leave with full pay and allowance shall be allowed as per company's rules.</p> <p>(ii) Reimbursement of entertainment expenses actually and properly incurred in course of business of the Company shall be allowed.</p> <p>(iii) No sitting fees shall be paid for attending the meetings of the Board of Directors or committee thereof.</p>

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“RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, the Company shall pay to Shri Bhupendra J. Shah, in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors may deem fit subject to the limits and conditions as prescribed in Schedule V to the Act for the time being in force. “

“RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee be and are hereby severally authorized to alter and vary such terms of reappointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013 , as may be decided by the Board of Directors.”

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

REVISION OF SALARY OF SHRI JAYKUMAR J. SHAH, VICE CHAIRMAN

“RESOLVED THAT pursuant to the provisions of Sections 196 , 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 , and subject to such other approvals as may be necessary, consent of the Company be and is hereby accorded to increase in the Salary of Shri Jaykumar J. Shah (holding DIN 00392710), Vice-Chairman of the Company from Rs. 21,500/- p.m. to Rs. 22,500/- p.m. with effect from 1st August, 2014”.

“RESOLVED FURTHER THAT other terms and conditions of his appointment shall remain the same.”

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

RE-APPOINTMENT OF SHRI JAYKUMAR J. SHAH VICE CHAIRMAN AND FIXATION OF REMUNERATION

“RESOLVED THAT pursuant to the provisions of Sections 196 , 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 , and subject to such other approvals as may be necessary, consent of the Company be and is hereby accorded to the terms of reappointment of Shri Jaykumar J. Shah (holding DIN **00392710**) as Vice-Chairman of the Company for a period of three years and six months with effect from 1st October, 2014 to 31st March, 2018 on the terms and conditions of re-appointment and remuneration as mentioned below.”

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1. SALARY	Rs. 22,500/- p.m. from 01.10.2014 to 31.03.2015 Rs. 24,800/- p.m. from 01.04.2015 to 31.03.2016 Rs. 27,300/- p.m. from 01.04.2016 to 31.03.2017 Rs. 30,100/- p.m. from 01.04.2017 to 31.03.2018
2. PERQUISITES	<p>Perquisites will be allowed in addition to salary as under :</p> <p>CATEGORY : A</p> <p>(i) Special Allowance: Rs. 13,200/- p.m. from 01.10.2014 to 31.03.2015 Rs. 14,600/- p.m. from 01.04.2015 to 31.03.2016 Rs. 16,100/- p.m. from 01.04.2016 to 31.03.2017 Rs. 17,800/- p.m. from 01.04.2017 to 31.03.2018</p> <p>(ii) House Rent Allowance: Rs. 5,800/- p.m. from 01.10.2014 to 31.03.2015 Rs. 6,400/- p.m. from 01.04.2015 to 31.03.2016 Rs. 7,100/- p.m. from 01.04.2016 to 31.03.2017 Rs. 7,900/- p.m. from 01.04.2017 to 31.03.2018</p> <p>(iii) Conveyance Allowance: Rs. 7,000/- p.m. from 01.10.2014 to 31.03.2015 Rs. 7,700/- p.m. from 01.04.2015 to 31.03.2016 Rs. 8,500/- p.m. from 01.04.2016 to 31.03.2017 Rs. 9,400/- p.m. from 01.04.2017 to 31.03.2018</p> <p>CATEGORY : B</p> <p>(i) Gratuity: Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act.</p> <p>The above benefits in Category "B" shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.</p>
3. OTHER TERMS & CONDITIONS	<p>(i) Leave with full pay and allowance shall be allowed as per company's rules.</p> <p>(ii) Reimbursement of entertainment expenses actually and properly incurred in course of business of the Company shall be allowed.</p> <p>(iii) No sitting fees shall be paid for attending the meetings of the Board of Directors or committee thereof.</p>

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, the Company shall pay to Shri Jaykumar J. Shah, in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors may deem fit subject to the limits and conditions as prescribed in Schedule V to the Act for the time being in force. "

"RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee be and are hereby severally authorized to alter and vary such terms of reappointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013 , as may be decided by the Board of Directors."

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

RE-APPOINTMENT OF SHRI DAXESH B. SHAH AS WHOLE-TIME DIRECTOR AND FIXATION OF REMUNERATION

“RESOLVED THAT pursuant to the provisions of Sections 196 , 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company be and is hereby accorded to the terms of reappointment of Shri Daxesh B. Shah (holding DIN 00325284) as Whole time Director of the Company for a period of three years & six months with effect from 1st October, 2014 to 31st March, 2018) on the terms and conditions of re-appointment and remuneration as mentioned below.”

1. SALARY	Rs. 30,100/- p.m. from 01.10.2014 to 31.03.2015 Rs. 33,200/- p.m. from 01.04.2015 to 31.03.2016 Rs. 36,600/- p.m. from 01.04.2016 to 31.03.2017 Rs. 40,300/- p.m. from 01.04.2017 to 31.03.2018
2. PERQUISITES	<p>Perquisites will be allowed in addition to salary as under :</p> <p>CATEGORY : A</p> <p>(i) Special Allowance: Rs. 12,800/- p.m. from 01.10.2014 to 31.03.2015 Rs. 14,100/- p.m. from 01.04.2015 to 31.03.2016 Rs. 15,600/- p.m. from 01.04.2016 to 31.03.2017 Rs. 17,200/- p.m. from 01.04.2017 to 31.03.2018</p> <p>(ii) House Rent Allowance: Rs. 5,800/- p.m. from 01.10.2014 to 31.03.2015 Rs. 6,400/- p.m. from 01.04.2015 to 31.03.2016 Rs. 7,000/- p.m. from 01.04.2016 to 31.03.2017 Rs. 7,700/- p.m. from 01.04.2017 to 31.03.2018</p> <p>(iii) Conveyance Allowance: Rs. 7,000/- p.m. from 01.10.2014 to 31.03.2015 Rs. 7,700/- p.m. from 01.04.2015 to 31.03.2016 Rs. 8,500/- p.m. from 01.04.2016 to 31.03.2017 Rs. 9,300/- p.m. from 01.04.2017 to 31.03.2018</p> <p>CATEGORY : B</p> <p>(i) Provident Fund: The Company shall contribute towards Provident Fund as per the rules of the Company.</p> <p>(ii) Gratuity: Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act.</p> <p>The above benefits in Category “B” shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.</p>
3. OTHER TERMS & CONDITIONS	<p>(i) Leave with full pay and allowance shall be allowed as per company's rules.</p> <p>(ii) Reimbursement of entertainment expenses actually and properly incurred in course of business of the Company shall be allowed.</p> <p>(iii) No sitting fees shall be paid for attending the meetings of the Board of Directors or committee thereof.</p>

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“RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, the Company shall pay to Shri Daxesh B. Shah, in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors may deem fit subject to the limits and conditions as prescribed in Schedule V to the Act for the time being in force.”

“RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee be and are hereby severally authorized to alter and vary such terms of reappointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be decided by the Board of Directors.”

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

POWERS TO THE BOARD OF DIRECTORS TO BORROW MONEYS IN EXCESS OF PAID UP CAPITAL AND FREE RESERVES OF THE COMPANY

“RESOLVED THAT in supersession of the earlier resolution(s) passed by the Company with respect to the borrowing powers of the Board of Directors, consent of the Company be and is hereby accorded pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act 2013 (hereinafter referred to as the “Act”), or any statutory modification or re-enactment thereof, to the Board of Directors, to borrow moneys (apart from temporary loans from time to time obtained from the Company's Bankers in the ordinary course of business) in excess of the aggregate of paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, as the Board may, from time to time deem necessary, provided that the sum or sums so borrowed and remaining outstanding at any one time shall not exceed in the aggregate Rs. 20 Crores (Rupees Twenty Crores only).”

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

POWERS TO THE BOARD OF DIRECTORS TO CREATE CHARGE/MORTGAGE ON MOVABLE /IMMOVABLE PROPERTIES OF THE COMPANY

“RESOLVED THAT in supersession of the earlier resolution(s) passed by the members at the general meeting of the Company and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) and the Articles of Association or any statutory modification or re-enactment thereof, consent of the Company be and is hereby accorded to the Board of Directors (Board) to create mortgage and/or charges on all or any of the immovable and /or the movable properties, the whole or substantially the whole undertaking or undertakings of the Company both present and future, wherever situated, on such terms and conditions as the Board may deem fit, for the purpose of the business including for money borrowed/to be borrowed from lenders, banks, institutions, debenture holders and any other entity/authority.”