

**HPCL Biofuels Limited**

**(CIN: U24290BR2009GOI014927)**

**Registered Office:** 1<sup>st</sup> Floor, Shree Sadan, Plot No.9, Patliputra Colony,  
Patna - 800 013, Bihar. Email: info@hpcbiofuels.co.in  
Website – www.hpcbiofuels.co.in, phone – 0612-2260185

To,  
The Members,  
HPCL Biofuels Limited

Sub: Notice of Extraordinary General Meeting of the Company

Dear Sirs,

**Notice of Extra-Ordinary General Meeting**

Notice is hereby given that the EXTRA-ORDINARY GENERAL MEETING of the members of HPCL BIOFUELS LIMITED will be held through Video Conferencing on Friday, 15<sup>th</sup> May, 2020 at 11.45 a.m. to transact the following business:

**SPECIAL BUSINESS:**

**1. Increasing the Borrowing Powers under Section 180(1) (c) of the Companies Act, 2013 up to 900 Cr.**

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

**"RESOLVED THAT** in supersession of the ordinary resolution passed by the Members of the Company at the General Meeting held on 29<sup>th</sup> July, 2010 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications thereof) and any rules and regulations made thereunder, the consent of the members of the Company be and is hereby accorded by way of special resolution, to the Board of Directors of the Company ("Board"), to borrow from time to time for the purpose of Company's business and in accordance with Memorandum and Articles of Association of the Company, as it may think fit, any sum or sums of money on such terms and conditions as the Board may deem fit, by way of loans or otherwise from banks or any other persons, up to an aggregate amount of Rupees 900 Crores (Nine Hundred Crores) notwithstanding that the monies to be borrowed, together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and to sign and execute all such deeds, documents and instruments as may be necessary, expedient and incidental thereto to give effect to this resolution."

## **2. Creation of security on the properties of the Company, both present and future, in favour of lenders:**

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

**“RESOLVED THAT** in supersession of the ordinary resolution passed by the Members of the Company at the General Meeting held on 29<sup>th</sup> July, 2010 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company for mortgaging and /or charging and/or hypothecating all or any of the movable or immovable properties wherever situated, both present and future, the whole or substantially whole of the undertaking or the undertakings of the Company for the purpose of securing any loan obtained or proposed to be obtained by the Company from the concerned lender/ financial institution/s or person(s) for an amount not exceeding Rs. 900 crore (Rupees nine hundred crore) together with interest, costs, charges, expenses and any other money payable under the respective arrangement to be entered into/to be entered by the company to the concern lenders.

**RESOLVED FURTHER THAT** the securities to be created by the Company as aforesaid may rank prior / pari passu / subservient with / to the mortgages and /or charges already created or to be created in future by the Company or in such other manner and ranking as may be thought expedient by the Board and as may be agreed to between the concerned parties.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents as may be necessary, expedient and incidental thereto to give effect to this resolution.”

## **3. Borrowings from HPCL with an option to convert whole or partly into Shares**

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

**“RESOLVED THAT** pursuant to Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 and subject to all such approvals, permissions or sanctions as may be necessary and subject to such condition(s) and modification(s) as may be prescribed or imposed, while granting such approval(s), permission(s) or sanction(s) which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board”, which expression shall be deemed to include any Committee duly constituted/ to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution), the consent of the Members be and is hereby accorded to the Board in respect of the Loan to be extended by Hindustan Petroleum Corporation Limited (holding Company) with an option to convert the same or part thereof to ordinary Shares in the Company upon such terms and conditions of such lending arrangements and or as deemed appropriate by the Board.

RESOLVED FURTHER THAT the conversion of shares be and is hereby approved by the Board of Directors on the following terms and conditions;

- (i) The Lenders may in exercise of its/their Conversion Right, provide a Notice of Conversion specifying the amounts of their Rupee Loans which should be converted into fully paid-up shares of the Company and the date on which the conversion is to take effect.
- (ii) The Company shall on receipt of the Notice of Conversion, on the Date of Conversion, allot and issue such number of fully paid-up shares, at par, to the Lenders in satisfaction of the amount of the Loans to the extent so converted.
- (iii) The part of the Rupee Loans so converted shall cease to carry interest from the later of the Date of Conversion or date of allotment of shares to the relevant Rupee Lenders and the Rupee Loans shall stand reduced to that extent;
- (iv) Upon such conversion, the installments of the Rupee Loans payable after the Date of Conversion as per the Repayment Schedule shall stand reduced proportionately by the amounts of the Rupee Loans so converted but shall be repayable on the same dates as provided.

**RESOLVED FURTHER THAT** on receipt of the notice of conversion, the Board be and is hereby authorized to do all such acts, deeds and things as the Board may deem necessary and shall allot and issue the requisite number of fully paid-up Shares in the Company to HPCL.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this Resolution to any Director or Directors or to any Committee of Directors or any other executive(s) or officer(s) of the Company to give effect to the aforesaid Resolution.”

By Order of the Board of Directors  
**HPCL Biofuels Limited**

**Heena Shah**  
**Company Secretary**  
ACS-13736

**Dated:**  
**Registered Office:**  
1<sup>st</sup> Floor, Shree Sadan, Plot No.9, Patliputra Colony,  
Patna - 800 013, Bihar.

## Notes:

1. **THE EXTRA ORDINARY GENERAL MEETING OF MEMBERS OF THE COMPANY SHALL BE CONVENED THROUGH VIDEO CONFERENCING UNDER THE GUIDELINES ISSUED BY MINISTRY OF CORPORATE AFFAIRS THROUGH GENERAL CIRCULAR NO. 14/2020 DATED 8<sup>TH</sup> APRIL, 2020.**
2. The Members are requested to follow the below instructions:-

### **a) Participation:**

- i. Pursuant to the aforementioned general circular, the physical presence of the Members has been dispensed with and therefore the appointment of Proxy(ies) is not permitted. However, in pursuance of section 112 and 113 of the Companies Act, 2013, representatives of the members may be appointed for the purpose voting through remote e-voting or for participation and voting in the meeting. The Corporate Shareholders proposing to participate at the meeting through their representative, forward the necessary authorization under Section 113 of the Act for such representation to the Company through e-mail to [heenas@hpcl.in](mailto:heenas@hpcl.in) before the commencement of the meeting.
- ii. The Members are requested to use the following link/Dial-in details to join the meeting:
- iii. For ease of participation of the Members, during the meeting, members may post questions through typing in the “comment box” in the above link/Dial-in. The Members may also, before the meeting, submit the questions through e-mail to [heenas@hpcl.in](mailto:heenas@hpcl.in).
- iv. On the date of the meeting, the Members, Directors, Key Managerial Personnel and all other persons authorized to attend the meeting, may join, using above the Dial-in details from 11:30 A.M. to 12 Noon and post that no person shall be able to join the meeting.
- v. In case any member requires assistance for using the aforementioned Link/Dial-in before or during the meeting, you may call the Helpline No.9769694933.
- vi. In order to ensure the smooth participation, the Members, Directors, Key Managerial Personnel and all other persons authorized to attend the meeting are requested to ensure that the device used for attending the meeting through video conferencing has strong internet signal/ network.

### **b) Voting:**

- i. In case a poll is demanded, Chairman shall follow the procedure provided in Section 109 of the Companies Act, 2013 and rules made thereunder.
- ii. On demand of the poll, the Members may vote by sending an e-mail to the designated e-mail id: [heenas@hpcl.in](mailto:heenas@hpcl.in) stating their assent/ dissent. For convenience during voting, the Members are requested to use the following box and state the symbol or mention the no. of shares held by them in assent/ dissent box.

Example 1: Using Symbol (‘√’)

Item no. of agenda	Assent	Dissent
Increasing the Borrowing Powers under Section 180(1) (c) of the Companies Act, 2013 up to 900 Cr.	√	

Example 2: Using No. of Shares held.

Item no. of agenda	Assent	Dissent
Increasing the Borrowing Powers under Section 180(1) (c) of the Companies Act, 2013 up to 900 Cr.	100	

**c) Other instructions/ information:**

- i. Members are requested to address all communications through their registered e-mail id only.**
- ii. The recorded transcript shall be available on the website: [www.hpclbiofuels.co.in](http://www.hpclbiofuels.co.in) post the conclusion of the meeting i.e. from 16<sup>th</sup> May, 2020.
- iii. This notice is also available on the website of the Company.
- iv. The meeting is proposed to be held at a shorter notice and therefore as per the provisions of Section 101 of the Companies Act, 2013 and rules made thereunder, it requires the consent for shorter notice from majority in number of members entitled to vote and who represent not less than ninety-five per-cent of such part of the paid-up share capital of the Company. Members are requested to provide their consent for short notice by sending the signed copy of the draft format attached herewith or through e-mail confirmation.
- v. In case of any doubts or clarification, the members are requested to contact Company Secretary through e-mail: [heenas@hpcl.in](mailto:heenas@hpcl.in).
- vi. The documents related to matters set out in the notice can be requested via email by writing to the Company Secretary at [heenas@hpcl.in](mailto:heenas@hpcl.in) on all working days up to and including the date of this Extra Ordinary General meeting of the Company.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, in respect of item no. 1to3 of the NOTICE is enclosed and forms part of this notice.**

**Item No. 1&2**

Presently, the Board of Directors of the Company has powers to borrow money and to sell, lease or otherwise dispose-of the whole or substantially the whole of the undertaking of the company for business purposes up to Rs.900 Crores in line with erstwhile provisions of section 293(1)(a) and 293(1)(d) of the Companies Act, 1956.

However, the Ministry of Corporate Affairs vide its circular dated September 12, 2013 has notified, Section 180 which stipulates the similar powers as per erstwhile section 293 of the Companies Act, 1956, the powers/discretions shall be exercised by the Board of Directors of the Company only with

assent of the Shareholders by the Special Resolution passed at the General Meeting:- (a) to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking(s) of the company (b) to borrow money, where the 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.

It is proposed to align the borrowing powers of the Board in line with the provisions of the Section 180(1) (a) & (c) of the Companies Act, 2013 with the same limit of Rs. 900 Crores (Nine Hundred Crores).

The Board of Directors recommends the resolutions for your approval as special resolution.

None of the Directors/KMPs of the Company are concerned or interested in the resolution.

### **Item no.3**

Your company is in distress situation caused due to reduced cash flows resulting in substantial outstanding to farmers' and vendors' and needs immediate fund assistance to cater the payment to Farmers' and critical vendors'. Further due year on year losses and erosion of net-worth of the company, there is need for bringing promoters contribution to cover the interest of lenders and to increase promoters contribution.

In view of the same, it was proposed to approach holding Company HPCL for loan with an option to convert the same fully or partly into shares of the Company at a later date pursuant to section 62(3) of the Companies Act, 2013.

The Board of Directors recommends the resolutions for your approval as special resolution.

None of the Directors/KMPs of the Company are concerned or interested in the resolution.

By Order of the Board of Directors  
HPCL Biofuels Limited

Heena Shah  
Company Secretary  
ACS-13736

**Dated:**

**Registered Office:**

1<sup>st</sup> Floor, Shree Sadan, Plot No.9, Patliputra Colony,  
Patna - 800 013, Bihar.