

## Hinduja National Power Corporation Limited

### NOTICE

**NOTICE** is hereby given pursuant to the relevant provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and other applicable provisions, if any, that the Extraordinary General Meeting of Hinduja National Power Corporation Limited ("**Company**") will be held on Tuesday April 28, 2020 at 12:45 pm to transact the following business.

Due to COVID19 and national lockdown situation in the country, the meeting will be held through videoconference and Members are requested to join the meeting by video conference through "Zoom" application. The Meeting shall be deemed to be held at the corporate office at 3rd floor board room, Hinduja House, 171 Dr Annie Besant Road, Worli, Mumbai 400018 in terms of MCA Circular No 14/ 2020 dated 8-4-2020 and Circular No 17 / 2020 dated 13-4-2020 read with the Clarifications / Guidance on Secretarial Standards on Meetings of Boards (SS-1) and General Meetings (SS-2) by ICSI dated 15-4-2020.

#### **SPECIAL BUSINESS:**

#### **ITEM NO.1: RE- APPOINTMENT OF MR. ASHOK P HINDUJA AS EXECUTIVE CHAIRMAN**

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

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 & 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") or any amendments or re-enactments thereof, read with Schedule V to the Act, and Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and the Articles of Association of the Company, and subject to all other approvals/ consents/ sanctions/ permissions as may be necessary, approval of the Company be and is hereby accorded to the re-appointment of Mr.Ashok P Hinduja (DIN 00123180) as Executive Chairman of the Company for a further period of three (3) years effective from 1st May 2020 to 30th April 2023 and who shall continue to hold the office of Executive Chairman, upon attaining the age of 70 years (seventy years) in the interim as on July 15, 2020; upon the terms and conditions as specified in the Statement pursuant to Section 102(1) of the Companies Act, 2013 annexed to this Notice and the remuneration as recommended by the Nomination & Remuneration Committee, mentioned below:

Remuneration :

- a) Basic Salary of Rs. 3,00,00,000 /- per annum and
- b) All other existing benefits and perquisites which shall remain unchanged;

with liberty to the Nomination & Remuneration Committee to recommend annual increments, alter, vary the terms and conditions including remuneration as acceptable to Mr. Ashok P. Hinduja.

**RESOLVED FURTHER THAT** notwithstanding anything to the contrary herein contained, where in the event of absence or inadequacy of profits in any financial year, during the currency of tenure of the Executive Chairman, the Company shall pay to the Executive Chairman the aforesaid remuneration as Minimum Remuneration subject to the applicable provisions of the Act and rules made thereunder including any amendments or re-enactments thereof.

**RESOLVED FURTHER THAT** the Nomination & Remuneration Committee constituted by the Board of Directors for the time being shall be entitled to review and modify Mr.Ashok P. Hinduja's remuneration as determined pursuant to the foregoing, from time to time, subject to the conditions specified in the applicable provisions of the Act and Rules made thereunder.

**RESOLVED FURTHER THAT** within the limits of Mr. Ashok P. Hinduja's remuneration as determined and/or increased pursuant to the foregoing, the Nomination & Remuneration Committee is hereby authorized to fix and / or vary at any time the components of Mr. Ashok P. Hinduja's remuneration, periodicity of payments and terms thereof.

**RESOLVED FURTHER THAT** such remuneration which is determined, modified / and or increased pursuant to forgoing including components of remuneration, terms, periodicity etc. by the Nomination & Remuneration Committee shall be the remuneration of the Executive Chairman during the tenure of his office.

**RESOLVED FURTHER THAT** any one of the Directors and the Company Secretary be and are hereby authorized severally to sign and submit such documents, agreements or papers as may be necessary in this regard."

By Order of the Board,  
For **Hinduja National Power Corporation Limited**

Sd/-

**Place** : Mumbai  
**Date** : 24-04-2020

Prasenjit Guha  
**Vice President- Legal & Company Secretary**

**Corporate Office:**

Hinduja House, 171,  
Dr.Annie Besant Road,  
Worli, Mumbai – 4000 018.

**Registered Office:**

C/o. Gulf Oil Corporation Limited,  
Post Bag No.1, Kukatpally, Sanathnagar I.E.,  
Hyderabad – 500 018.  
CIN: U40109AP1994PLC017199

## NOTES

1. In terms of the Circular nos 14/ 2020 dated 8-4-2020; Circular No 17 / 2020 dated 13-4-2020 and the Clarifications / Guidance of ICSI on SS-1 / SS-2 dated 15-4-2020 the meeting is being held through video conference through zoom application. The login details for the meeting are as under :

**Zoom Meeting ID: 94685899100**

**Password: 015563**

2. The meeting will be deemed to have been held at the corporate office of the Company at 3<sup>rd</sup> floor, Hinduja House, 171 Dr Annie Besant Road, Worli, Mumbai 400 018.
3. Members attending by video shall be construed to be present in person for the purpose of ascertaining the quorum. .
4. The members attending the meeting shall vote on a show of hands and each member shall have one vote unless a poll is demanded.
5. Proxies shall not be applicable for the general meeting held through video conferencing.
6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts in respect of the business of this notice is annexed hereto.

## ANNEXURE TO THE NOTICE

### **EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013.**

#### **Item No: 1**

Under the leadership of Mr Hinduja your Company has made significant progress in commissioning of the power project and attaining the COD of Unit 1 and Unit 2 in January and July 2016 respectively During the current tenure of Executive Chairman, the Company benefited under his guidance to come out of various challenges.

In consideration of the above, the Nomination & Remuneration Committee at its meeting held on 24-04-2020 after taking in to account the remuneration paid to managerial personnel as per present trend in the power industry and in recognition of the valuable & diversified experience, business skills, proficiencies, leadership strategic guidance, etc., of Mr. Ashok P. Hinduja (DIN 00123180) has recommended to the Board of Directors ("Board") for re-appointment of the Executive Chairman upon expiry of the current tenure, for a further period of three years at the existing remuneration of a Basic Salary of Rs 3,00,00,000/- per annum (Rupees Three Crores only ) per annum. All other existing benefits and perquisites shall remain unchanged. The said remuneration shall be subject to increments, alterations or variations as the Committee in its discretion may deem fit to recommend. The Board at its meeting held on 24-04-2020 has re-appointed Mr. Ashok P. Hinduja as Executive Chairman at the aforesaid remuneration subject to the approval of shareholders.

An abstract of the material terms and conditions of re-appointment of Mr. Ashok P. Hinduja as shall be contained in the Agreement to be entered into by the Company with the Executive Chairman are furnished hereunder:

1. Designation : Executive Chairman
2. Term : Three (3) years w.e.f. 1-5-2020 to 30-4-2023
3. Remuneration :
  - a) Basic Salary of Rs.3,00,00,000/- per annum and
  - b) All other existing benefits and perquisites which shall remain unchanged;

with liberty to the Nomination & Remuneration Committee to recommend annual increments, alter, vary the terms and conditions including remuneration as acceptable to Mr. Ashok P. Hinduja.

4. Roles, powers, duties of the Executive Chairman shall remain unchanged, details reproduced below :
  - i. giving strategic directions to the Company's business and advising on policy matters
  - ii. giving strategic directions, advising turnaround strategies and enhancing value to shareholders
  - iii. expansion strategies and opportunities

- iv. long term planning
- v. relationship building and maintenance with important constituents including senior management officials and policy makers of key customers, central, state and local governments, potential customers, industry associations both in India and overseas and policy makers in India and overseas.

The role of the Executive Chairman will be limited to provide strategic guidance and inputs from time to time and the day to day affairs shall be continued to be exercised by the Whole-time Director & CEO of the Company.

MCA vide its notification no. S.O. 4822(E) dated 12-9-2018 and Companies (Appointment & Remuneration of Managerial Personnel) Amendment Rules, 2018 w.e.f 12-9-2018 has dispensed with approval of Central Government for payment of remuneration exceeding the limits of Schedule V, subject to approval of shareholders by a special resolution at a general meeting.

According to Section 196 Companies Act, 2013 and Schedule V read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 approval of the Members for the said re-appointment of Mr. Hinduja as Whole-time Director and his continuation of holding office as Whole-time Director after attaining age of 70 years during the currency of his tenure, by way of a Special Resolution is required.

The Directors commend the Resolution at Item No. 1 of the accompanying Notice for the approval of the Members of the Company.

The draft Agreement referred to in the Resolution contained in the Notice will be open for inspection by members electronically up to the date previous to the date of the General Meeting. A request shall have to be made by the members through their registered email IDs.

Mr. Ashok P. Hinduja along with his relatives is concerned or interested in the Resolution since it relates to his appointment and remuneration. Mr. Dheeraj G. Hinduja Director; being related to Mr. Ashok P. Hinduja, may be deemed to be concerned or interested in the Resolution. Mr. Ashok P. Hinduja has shareholding interest in the Company directly and through his relatives.

Except as specified in the preceding para, no other Director or Key Managerial Personnel of the Company or their relatives is deemed to be concerned or interested in this resolution.

The relevant details as required under Schedule V of the Companies Act, 2013 are given below:

**I General Information:**

(1)	Nature of Industry	Power Generation (Coal based)
(2)	Expected date of commercial production	Project COD achieved during FY:2016-17

(3)	In case of new companies expected date of Commencement of activities as per project approved by financial institutions appearing in the prospectus.	N. A.
(4)	Financial Performance based on given indicators:-	Refer Clause III (1)
(5)	Export Performance and net foreign exchange collaboration	NIL
(6)	Foreign Investments or collaborators, if any	Foreign Direct Investments in the Company by Machen Development Corporation, Panama, Amas NP Utilities Ltd., Mauritius and Hinduja Energy Limited, Mauritius aggregating Rs.1198.48 Crores and Steag Energy Services GmbH Rs.111 crores under the 100% automatic route in the Power Sector (thermal).

## II Information about the appointee:

(1)	Background details	As per Annexure
(2)	Past remuneration	from Hinduja Ventures Limited
	Year 2008-2009:	N.A.
	Year 2009-2010:	Rs.114.84 lakhs
	Year 2010-2011:	Rs.149.17 lakhs
		Hinduja National Power Corporation Limited
	Year 2011-2012:	Rs. 205.33 lakhs
	Year 2012-2013:	Rs. 224.00 lakhs
	Year 2013-2014:	Rs. 280.00 lakhs
	Year 2014-2015:	Rs. 297.00 lakhs
	Year 2015-2016:	Rs. 297.00 lakhs
	Year 2016-2017:	Rs. 297.00 lakhs
	Year 2017-2018:	Rs. 300.00 lakhs
	Year 2018-2019:	Rs. 294.00 lakhs
	Year 2019-2020:	Rs. 300.00 lakhs (as per provisional financial results)
(3)	Recognition or awards	Refer Annexure
(4)	Job profile and his suitability	Job profile has been given in detail in explanatory statement.
		Considering his versatile experience, he is aptly suitable to carry on the roles assigned to him in the company efficiently.

		During the current tenure of the Executive Chairman the Company could overcome various challenges with his guidance and leadership.
(5)	Remuneration proposed	Details of the Remuneration of Mr. Ashok P. Hinduja are given in the Explanatory statement to the resolution.
	Comparative Remuneration profile with respect to industry, size of the Company, Profile of the Position and person (in case of expatriates relevant details would be w.r.t. the country of his origin).	There is no change in the remuneration proposed to be paid for the new term vis a vis the current term. Such remuneration is as per the present trend in the power industry as recommended by the Nomination & Remuneration Committee after taking all relevant inputs and taking into consideration the size of the project, the profile of Mr. Ashok P Hinduja, responsibilities being shouldered by him; commensurate with his qualifications, experience and challenges confronting the power sector and in particular the Company.
(6)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	He is not related directly or indirectly with any managerial personnel. Further, he has no pecuniary relationship, with the Company except for the remuneration drawn as Executive Chairman and to the extent of his shareholding in the Company and that of his relatives.

### III Other information:

(1)	Reasons of loss or inadequate profits	The Company was in the project construction stage and achieved Project COD in FY: 2016-17. The Unit-1 COD was achieved during FY: 2015-16 and Unit-2 COD was achieved during FY: 2016-17.  Further the Company has received only an interim tariff from the regulator pending determination of final two part tariff.
(2)	Steps taken or proposed to be taken for improvement	After achieving the Project COD in 2016-17; the Company has been generating power in accordance with the grid requirements and is billing for power exported as per interim tariff approved by APERC. The final tariff is under the process of determination by the State Commission. The Company is in negotiations with an external agency for building a dedicated

		rail corridor to further augment plant operations.
(3)	Expected increase in productivity and profits in measurable terms	With expected improvement in scheduling of power by the Discoms, the plant being technically available for 100% capacity, it is expected to generate more revenue going forward. This would be further improve once the Company receives commensurate final two part tariff from the State Commission. On determination of final tariff the Company is expected to receive the differential tariff from the COD and will improve the cash flow position of the Company significantly.

By Order of the Board,  
For **Hinduja National Power Corporation Limited**

Sd/-

**Place** : Mumbai  
**Date** : 24-04-2020

Prasenjit Guha  
**Vice President- Legal & Company Secretary**

<b><u>Corporate Office:</u></b> Hinduja House, 171, Dr. Annie Besant Road, Worli, Mumbai – 4000 018.	<b><u>Registered Office:</u></b> C/o. Gulf Oil Corporation Limited, Post Bag No.1, Kukatpally, Sanathnagar I.E., Hyderabad – 500 018. CIN: U40109AP1994PLC017199
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**Annexure**



## **Ashok P. Hinduja**

### **Chairman, Hinduja Group of Companies (India)**

Known affectionately as 'AP' among his business associates and friends, Ashok P. Hinduja is the youngest son of P. D. Hinduja, Founder of Hinduja Group and Hinduja Foundation.

AP and his three brothers, Srichand (SP), Gopichand (GP) and Prakash (PP) Hinduja, supported by the third generation, have been guiding the diversified global growth of one of India's foremost privately owned Groups with a global footprint across 38 countries, employing 150,000+ people.



AP joined the family's expanding business at a young age by looking after the affairs in India. As Chairman, Hinduja Group of Companies (India), AP has been driving the Group's growth and diversification since it re-entered India in the mid-eighties. AP serves as the Chairman of IHL (Mauritius), the parent promoting company of IndusInd Bank- one of India's best performing mid-sized bank. Additionally, he is the Chairman of Nxt Digital Ltd, the media and entertainment vertical of Hinduja Group and Executive Chairman of Hinduja National Power Corporation Limited, the company that runs 1040 MW thermal power plant. He is also the Chairman Emeritus of Hinduja Global Solutions- one of the leading BPO Company with global footprint.

AP also oversees the philanthropic activities of Hinduja Foundation, whose primary focus is on education and healthcare and various other socio-cultural trusts. He is founder-member of the National Health and Education Society, which runs the P. D. Hinduja National Hospital & Medical Research Centre, Mumbai. He is also the Managing Trustee of the KPB Hinduja College of Commerce, Mumbai.

A graduate in Commerce from the University of Mumbai, AP has been conferred honorary Doctorates in Law and Economics respectively, by the University of Westminster, UK and Richmond College, UK, and an Honorary Doctorate by European University, Geneva.

Besides reading, AP's interests include art, architecture, cinema, television and creative media / entertainment. AP is married to Harsha, has two daughters, Ambika and Satya, and one son, Shom.