

# NOTICE OF THE ANNUAL GENERAL MEETING

## HP ADHESIVES LIMITED

CIN: L24304MH2019PLC325019

Registered Office: 11 Unique House, Chakala Cross Road, Andheri East, Mumbai 400099, Maharashtra, India.

Corporate Office: 501, 5<sup>th</sup> Floor, C Wing, Business Square, Chakala, Andheri East, Mumbai 400093, Maharashtra, India.

Tel No.: + 91-22-6819 6300; Website: www.hpadhesives.com; Email: investors@hpadhesives.com

**NOTICE** is hereby given that the 5<sup>th</sup> Annual General Meeting of the Members of HP Adhesives Limited ("the Company"), will be held on Thursday, 19<sup>th</sup> September, 2024 at 12:00 noon IST through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2024 together with the reports of the Board of Directors and Statutory Auditors thereon.
2. To declare a final dividend of ₹ 0.30 per equity share of ₹ 2 each of the Company for the financial year ended 31<sup>st</sup> March, 2024.
3. To appoint a Director in place of Ms. Nidhi Hareesh Motwani (DIN: 06655834), who retires by rotation and being eligible offers herself for re-appointment.

### SPECIAL BUSINESS

4. To consider and if thought fit, to pass the following as a **Special Resolution** to approve HP Adhesives Employee Stock Option Scheme - 2024:

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any amendment thereto or re-enactment thereof), Regulation 6(1) and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**"SEBI (SBEB & SE) Regulations, 2021"**), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI (LODR) Regulations"**), relevant provisions of Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines / Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s) and / or sanction(s) as may be necessary from the appropriate regulatory authority(ies) / institution(s) and such conditions and modifications as may be prescribed / imposed by the appropriate regulatory authority(ies) / institution(s) while granting

such approval(s), consent(s), permission(s) and / or sanction(s), the consent of the Members of the Company be and is hereby accorded for approval of HP Adhesives Employee Stock Option Scheme - 2024 (**"Scheme"**) and the Board of Directors (hereinafter referred to as the **"Board of Directors"** which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution) be and is hereby authorised to create, grant, offer, issue and allot under the Scheme, in one or more tranches, not exceeding 15,00,000 (Fifteen Lakh) Employee Stock Options (**"Options"**) (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time as defined in the scheme) to or for the benefit of Employees and Directors of the Company and to such persons as may, from time to time, be allowed to be eligible for the benefits of the Scheme (as permitted under the applicable), exercisable into not more than 15,00,000 (Fifteen Lakh) Equity Shares (**"Shares"**) of face value of Rs. 2/- each (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time as defined in the scheme) on such terms and in such manner as the Board of Directors may decide in accordance with the provisions of the applicable laws and the provisions of the Scheme.

**RESOLVED FURTHER THAT** the Scheme shall be administered by the Nomination and Remuneration Committee of the Company who shall have all necessary powers as defined in the Scheme and is hereby designated as Compensation Committee in pursuance of the SEBI (SBEB & SE) Regulations, 2021.

**RESOLVED FURTHER THAT** the Scheme shall be implemented through Direct route, for extending the benefits to the eligible Employees by the way of fresh allotment from the Company.

**RESOLVED FURTHER THAT** the Equity Shares, to be issued and allotted by the Company under the Scheme

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shall rank pari passu in all respects with the then existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, stock splits, consolidation of shares, the outstanding options to be granted under the Scheme shall be suitably adjusted for the number of options as well as the exercise price in a fair and reasonable manner, in accordance with the Scheme.

**RESOLVED FURTHER THAT** the Board of Directors, subject to compliance with the SEBI (SBE & SE) Regulations, 2021 and other applicable laws, rules and regulations, be and are hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Scheme and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions

as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appoint Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors are authorized to do for the purpose of giving effect to this resolution."

For **HP Adhesives Limited**

**Karan Motwani**

**Managing Director**

**DIN: 02650089**

**Date: 12<sup>th</sup> August, 2024**

**Place: Mumbai**

**NOTES:**

1. The relative Explanatory Statements, pursuant to Section 102 of the Act, in respect of the Special Business set out are annexed hereto.
2. Ministry of Corporate Affairs ("MCA") has vide its various circulars issued from time to time (the latest circular being dated 25<sup>th</sup> September, 2023) ("MCA Circulars") permitted the holding of the AGM through VC/OAVM. In compliance with the provisions of the Act, MCA Circulars and SEBI Listing Regulations, the AGM is being held through VC/OAVM on Thursday, 19<sup>th</sup> September, 2024 at 12:00 noon IST. The deemed venue of the AGM shall be the registered office of the Company.
3. Since the AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. The route map, proxy form as well as the attendance slip are therefore, not annexed to this Notice.

However, in terms of the provisions of Section 112 and 113 of the Act read with the said MCA Circulars,

Corporate Members are entitled to appoint their authorised representatives to attend the AGM through VC/ OAVM on their behalf and participate thereat, including cast votes by electronic means. Corporate Members intending to appoint their authorised representatives to attend the Meeting pursuant to Section 113 of the Act are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf.

4. Information required pursuant to Regulation 36(3) of the SEBI Listing Regulations read with Secretarial Standard-2, details in respect of the Directors seeking re-appointment at the Annual General Meeting, is provided at the end of this notice.
5. The Company has availed the services of Central Depository Services (India) Limited ("CDSL") for conducting the AGM through VC/OAVM and enabling the participation of members at the meeting and for providing services of remote e-voting and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at note no. 21 below.

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6. The Notice of AGM along with the Annual Report is being sent to all the Members/ Beneficiaries electronically, whose names appear on the Register of Members/ Record of Depositories as on Friday, 23<sup>rd</sup> August, 2024 in accordance with the provisions of the Companies Act, 2013, read with Rules made thereunder and MCA and SEBI Circulars.
  7. The attendance of the Shareholders attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
  8. In case of joint holders participating at the AGM together, only such joint holder whose name appears higher in the order of names will be entitled to vote.
  9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and any other documents referred to in the accompanying Notice and Explanatory Statements, shall be made available for inspection in accordance with the applicable statutory requirements based on the requests received by the Company at investors@hpadhesives.com.
  10. The Board of Directors of the Company, at its meeting held on Monday, 12<sup>th</sup> August, 2024 has appointed Mr. Shivam Sharma, Proprietor of M/s. Shivma Sharma & Associates, Practicing Company Secretary as the Scrutiniser to scrutinise the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner. Upon completion of the scrutiny of the e-voting, the Scrutiniser will submit his report to the Chairperson of the Company. The results will be declared within 2 working days from the conclusion of AGM. The Voting Result along with the consolidated Scrutiniser's report will be communicated to the Stock Exchanges, Depository, Registrar and Share Transfer Agent and displayed on the Company's website at www.hpadhesives.com.
  11. In compliance with aforesaid MCA and SEBI circulars, the Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice calling AGM and Annual Report 2023-24 are available on the website of the Company at www.hpadhesives.com, on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of Central Depository Services (India) Limited (CDSL) i.e. www.evotingindia.com (the Authorised agency for providing voting through electronic means and AGM through VC/OAVM). The Company's web link on the above will also be provided in the advertisement being published in newspaper having wide circulation in India (English Language) and local newspaper (Marathi Language).
  12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Accordingly, members holding shares in electronic form are requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts.
  13. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs.
  14. If the dividend as recommended by the Board is approved at the AGM, payment of such dividend will be made on or before Friday, 18<sup>th</sup> October, 2024 subject to deduction of tax at source, as applicable:
    - to all the Members in respect of shares held in physical form whose names appear in the Company's Register of Members as at the close of business hours on the record date; and
    - to all Beneficial Owners in respect of shares held in dematerialised form whose names appear in the list of Beneficial Owners furnished by Depositories as at the close of business hours on the record date.
  15. Dividend income on equity shares is taxable in the hands of shareholders and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates in accordance with the provisions of the Income Tax Act, 1961 ("IT Act") read with amendments thereof. The shareholders are requested to update their PAN with the Company/ Registrar & Transfer Agents with the Depositories/ Depository Participants ("DPs") (in case of shares held in demat form).
- Resident shareholders:**
- For resident shareholders, who have provided PAN, tax shall be deducted at source under Section 194 of the Income Tax Act, 1961 ("IT Act") at 10% on the amount of dividend.
- Tax shall be deducted at source at 20% wherein:
- a. Shareholders do not have PAN/have not registered their valid PAN details in their demat account/with the Company/RTA.

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- b. Shareholders are classified as specified persons (i.e. non-filers of Income-tax returns) under Section 206AB.
- c. Shareholders who have not linked PAN with Aadhaar as per the guidelines issued by Central Board of Direct Taxes ("CBDT").

No tax shall be deducted on the dividend payable to a resident shareholder:

- If the total dividend paid or likely to be paid to the resident individual shareholders during FY 2024-25 does not exceed ₹ 5,000;
- Individual shareholder submits Form 15G/ Form 15H/ Nil withholding certificate/Lower withholding certificate and meets all the required eligibility conditions.
- Shareholders (other than individual) submits Nil withholding certificate/other exemption documents and meets all the required eligibility conditions.

Apart from cases stated above, following categories of shareholders are exempt from tax deduction at source as per second proviso to Section 194 of the IT Act:

- a. Life Insurance Corporation of India;
- b. General Insurance Corporation of India/ The New India Assurance Company Limited/ United India Insurance Company Limited/ The Oriental Insurance Company Limited/ National Insurance Company Limited;
- c. Any other insurer in respect of any shares owned by it or in which it has full beneficial interest; and
- d. Dividend income credited/paid to a "business trust", as defined in clause (13A) of Section 2, by a special purpose vehicle referred to in the explanation to clause (23FC) of Section 10.

The following payees are also not subject to tax deducted at source in view of the provisions of Sections 196 and 197A of the IT Act and CBDT notification:

- a. Government [Section 196(i)];
- b. Reserve Bank of India [Section 196(ii)];
- c. A corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income [Section 196(iii)];
- d. Mutual Fund specified under Section 10(23D) [Section 196(iv)];
- e. any person for, or on behalf of, the New Pension System Trust referred to in Section 10(44) [sub-section 1E to Section 197A];
- f. Category I or a Category II Alternative Investment Fund (registered with Securities and Exchange Board of

India ("SEBI") as per Section 115UB) as per notification 51/2015.

In case, dividend income is assessed/taxable in the hands of a person other than the shareholder and TDS is applicable on such dividend, then such shareholder should file declaration with the Company in the manner prescribed in Rule 37BA of IT Rules.

**Non-resident shareholders:**

For a Foreign Portfolio Investor ("FPI"), taxes shall be deducted at source under Section 196D of the IT Act at 20% (plus applicable surcharge and cess).

For other non-resident shareholders, taxes are required to be deducted in accordance with the provisions of Section 195 of the IT Act, at the rates in force. As per the relevant provisions of the IT Act, the tax shall be deducted at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them.

No tax shall be deducted on the dividend payable to a non-resident shareholder if the shareholder submits Nil withholding certificate and meets all the required eligibility conditions.

FPI and the non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to them.

To avail benefit of rate of deduction of tax at source under DTAA, such FPI/non-resident shareholders will have to provide the following:

- a. Self-attested copy of the PAN allotted by the Indian Income Tax authorities.

In case of non-availability of PAN, following details and documents to be furnished:

- i. name, e-mail address, contact number;
- ii. address in the country of which the deductee is a resident;
- iii. tax residency certificate;
- iv. Tax Identification Number of the deductee in the country or specified territory of his residence and in case no such number is available, then a unique number on the basis of which the deductee is identified by the Government of that country or the specified territory of which he claims to be a resident.

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- b. Tax residency certificate from the jurisdictional tax authorities confirming residential status which covers the period of FY25.
- c. Form 10F by the non-resident shareholder filed electronically on Income Tax Portal.
- d. Self-declaration by the non-resident shareholder as to:
  - Eligibility to claim tax treaty benefits based on the tax residential status of the shareholder, including having regard to the Principal Purpose Test (if any), introduced in the applicable tax treaty with India;
  - No Permanent Establishment/fixed base in India in accordance with the applicable tax treaty;
  - Shareholder being the beneficial owner of the dividend income to be received on the equity shares;
  - In case of Foreign Institutional Investor and Foreign Portfolio Investor, copy of SEBI registration certificate.

In case of non-resident shareholders, having permanent establishment in India and classified as "specified person" as per the provisions of Section 206AB, tax will be deducted at a rate higher of:

- i. twice the rate as per the provisions of IT Act; or
- ii. twice the rate in force; or
- iii. 5%.

**General:**

In order to enable us to determine the appropriate tax rate at which tax has to be deducted at source under the respective provisions of the IT Act, we request resident shareholders, FPI and non-resident shareholders to upload the details and documents referred to in the Notice in the specified format and as applicable on the link <https://www.bigshareonline.com/ForInvestor.aspx>. No communication on the tax determination/deduction shall be entertained beyond 11:59 p.m. (IST) on Wednesday, 11<sup>th</sup> September, 2024.

Deduction of tax at a rate lower than statutory rate or no deduction of tax shall depend upon the completeness of the documents and the satisfactory review of the forms and the documents, submitted by resident shareholders, to the Company/RTA.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review of the documents submitted, by FPI/non-resident shareholders to the Company/RTA.

Tax deducted by the Company is final and the Company shall not refund/adjust the tax so deducted subsequently.

Instructions for Members for Remote E-Voting are as under:

16. Pursuant to Section 108 and other applicable provisions, if any, of the Act read with the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI Listing Regulations and the MCA Circulars mentioned above, a facility is provided to the Members to cast their votes using an electronic voting system from any place before the meeting ("remote e-voting") and during the meeting in respect of the resolutions proposed in this Notice using the platform of Central Depository Services (India) Limited ("CDSL").
17. In order to increase the efficiency of the voting process and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020, demat account holders are being provided with a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would now be able to cast their vote without having to register again with the e-voting service providers, thereby facilitating seamless authentication and convenience of participating in the e-voting process.
18. A facility for e-voting at the AGM will be made available to the Members who have not already cast their votes by remote e-voting prior to the Meeting. Members who have cast their votes by remote e-voting prior to the Meeting may participate in the AGM but shall not be entitled to cast their votes during the meeting.
19. Voting Rights shall be reckoned on the paid-up value of equity shares registered in the name of the Members as of the cut-off date i.e. Friday, 13<sup>th</sup> September, 2024. A person, whose name is recorded in the Register of Members or in the Register of beneficial owners (in case of electronic shareholding) maintained by the depositories as on the cut-off date, i.e. Friday, 13<sup>th</sup> September, 2024 only shall be entitled to avail the facility of remote e-voting.
20. The remote e-voting period commences on Monday, 16<sup>th</sup> September, 2024 from 9:00 a.m. IST and ends on Wednesday, 18<sup>th</sup> September, 2024 at 5:00 p.m. IST. The remote e-voting module shall be disabled by CDSL thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

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**21. The procedure for remote e-voting and joining the virtual AGM is as under:**
**A. The details of the process and manner for remote e-voting and joining virtual meetings for Individual shareholders holding securities in Demat mode are explained herein below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi/ Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/ Easiest are <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a> or by visiting <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login; the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting their vote during the remote e-voting period or for joining virtual meeting &amp; voting during the meeting. Additionally, there are links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</a>.</li> <li>4) Alternatively, the user can directly access the e-Voting page by providing their Demat Account Number and PAN from an e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending an OTP to the registered Mobile no. &amp; Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the e-voting is in progress and you will also be able to access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see the e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining a virtual meeting &amp; vote during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, an option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining a virtual meeting &amp; voting during the meeting.</li> </ol>

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Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for utilising the e-Voting facility. After successful login, you will be able to see the e-Voting option. Once you click on this e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important notes:**

- Members are advised to update their mobile number and e-mail ID in their demat account with their Depository Participants to access Remote E-voting facility.
- Members who are unable to retrieve User ID/ Password are advised to use "Forgot User ID" and "Forgot Password" option available at the abovementioned websites.

**Helpdesk details for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL:**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free nos.: 1800 1020 990 and 1800 22 44 30.

**B. Login method for Remote e-Voting and joining virtual meeting for non- individual shareholders holding shares in Demat form, shareholders holding shares in physical form and shareholders whose e-mail IDs are not registered with the Company.**

- (i) The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on "Shareholders" module.
- (iii) Now enter your User ID:
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on "Login".
- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (vi) If you are a first-time user follow the steps given below:

For non-individual Members holding shares in Demat Form and shareholders holding shares in physical Form	
PAN	<ul style="list-style-type: none"> <li>• Enter your 10-digit alpha-numeric PAN issued by Income Tax Department. (Applicable for both Demat shareholders as well as physical shareholders).</li> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> <li>• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or in the Company records in order to login.</li> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).</li> </ul>

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- (vii) After entering these details appropriately, click on **"SUBMIT"** tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the **EVSN of HP ADHESIVES LIMITED** to vote.
- (xi) On the voting page, you will see **"RESOLUTION DESCRIPTION"** and against the same the option **"YES/NO"** for voting. Select the option **YES** or **NO** as desired. The option **YES** implies that you assent to the Resolution and option **NO** implies that you dissent to the Resolution.
- (xii) Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution, you have decided to vote on, click on **"SUBMIT"**. A confirmation box will be displayed. If you wish to confirm your vote, click on **"OK"**, else to change your vote, click on **"CANCEL"** and accordingly modify your vote.
- (xiv) Once you **"CONFIRM"** your vote on the resolution, you will not be allowed to modify your vote.
- (xv) If a Member holding shares in dematerialised form has forgotten the password, the member can retrieve the same by entering the User ID and the image verification code and then by clicking on **"PASSWORD"**. Members are requested to enter the details as prompted by the system.
- (xvi) **Note for Non – Individual Members and Custodians - Remote e-voting:**
  - Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "CORPORATES" module.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed at [investor@bigshareonline.com](mailto:investor@bigshareonline.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
    - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.
    - Alternatively, Non-Individual Members are required to send the relevant Board Resolution/ Authority letter etc. together with the attested specimen signature of the duly authorised signatory who is authorised to vote, to the Scrutiniser and to the Company at the email address viz; [investors@hpadhesives.com](mailto:investors@hpadhesives.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutiniser to verify the same.

## 22. Instructions for Members for participating in the AGM through VC /OAVM

- a) Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under members login by using the remote e-voting credentials. The procedure for attending meeting and e-voting on the day of the AGM is the same as the instructions mentioned above for Remote e-voting in note 21. The link for members to attend the meeting through VC/OAVM or view the webcast of the meeting will be available in the members login where the EVSN of Company will be displayed.
- b) The Members can join 15 (fifteen) minutes before the scheduled time of AGM and 15 (fifteen) minutes after the commencement of the AGM.
- c) The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will



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not include large Shareholders (i.e. Shareholders holding 2% or more), Promoters, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Remuneration and Nomination Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of 'first come first serve' basis.

- d) Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.
- e) Members are encouraged to join the Meeting through Laptops/IPads for a better experience.
- f) Further Members will be required to use Camera and Internet with a good speed to avoid any disturbance during the meeting.
- g) Please note that participants connecting from devices via mobile hotspot may experience Audio/ Video loss due to fluctuations in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- h) As per the provisions of the MCA Circulars, Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

**23. The instructions for Members for e-voting on the day of the AGM are as under:**

- a) The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- b) Only those Members, who will participate in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
- c) Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- d) For details of the person who may be contacted for any assistance connected with the facility for e-voting on the day of the AGM, please refer Note No. 21 above.
- e) If any Votes are cast by the members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by

such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.

**24. Procedure to raise questions / seek clarifications with respect to Annual Report:**

- a) As the AGM is being conducted through VC/ OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views/ send their queries in advance mentioning their name Demat account number, email id, mobile number to investors@hpadhesives.com. Questions/queries received by the Company till 5.00 p.m. IST on Monday, 16<sup>th</sup> September, 2024 shall only be considered and responded to during the AGM.
- b) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending an email to investors@hpadhesives.com any time before 5.00 p.m. IST on Monday, 16<sup>th</sup> September, 2024, mentioning their name, Demat account number, email id, mobile number. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- c) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM, depending on availability of time.

**25. General Guidelines for Members:**

- a) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- b) If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.
- c) All grievances connected with attending the AGM and facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33.

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**26.** The voting rights of Members shall be proportionate to their share of the paid-up capital of the Company as on the cut-off date i.e. Friday, 13<sup>th</sup> September, 2024. Any person becoming Member of the Company after the dispatch of the Notice convening 5<sup>th</sup> Annual General Meeting and holding shares as on the cut-off date may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or [investor@bigshareonline.com](mailto:investor@bigshareonline.com).

### **27. Voting Results**

- a) The Board of Directors of the Company has appointed Mr. Shivam Sharma, Proprietor of M/s. Shivma Sharma & Associates, Practising Company Secretaries, Mumbai, as the Scrutiniser to scrutinise the voting including remote e-voting process in a fair and transparent manner.
- b) The Scrutiniser shall immediately after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting and thereafter, unblock the votes cast through remote e-voting and shall make a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a Director or Company Secretary authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- c) Once declared, the results along with the consolidated Scrutiniser's report shall be placed on the Company's website [www.hpadhesives.com](http://www.hpadhesives.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com). The Company shall also forward the results to BSE Limited and the National Stock Exchange of India Limited, where the shares of the Company are listed.
- d) Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. Thursday, 19<sup>th</sup> September, 2024.

**NOTICE (CONTD.)****EXPLANATORY STATEMENT**

[Pursuant to Section 102 of the Companies Act, 2013 ("Act")]

As required by Section 102 of the Act, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 4 of the accompanying AGM Notice.

**Item No. 4: To approve HP Adhesives Employee Stock Option Scheme – 2024.**

Equity based remuneration includes alignment of personal goals of the Employees with Organisational objectives by participating in the ownership of the Company. The Board of Directors of your Company understands the need to enhance the employee engagement, to reward the employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company.

In order to reward and retain the employees and to create a sense of ownership and participation amongst them, the Board of Directors (hereinafter referred to as the "Board of Directors" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee) has in its meeting held on 12<sup>th</sup> August, 2024, approved HP Adhesives Employee Stock Option Scheme - 2024 ("Scheme") to or for the benefit of such Employee as defined in the Scheme and explained in the explanatory statement.

In terms of Regulation 6(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB & SE) Regulations") and Section 62 and other applicable provisions of the Companies Act, 2013, issue of Shares under an Employee Stock Options Scheme requires an approval of the existing Members by way of Special Resolution. The Special Resolutions set out at Item No. 4 is seeking your approval for the said purpose.

The salient features and other details of the Scheme as required pursuant to Regulation 6(2) of SEBI (SBEB & SE) Regulations are as under:

**1. Brief Description of the Scheme:**

The Scheme shall be called HP Adhesives Employee Stock Option Scheme - 2024 ("Scheme").

The Purpose of the Scheme includes the following:

- a. To attract relevant talent into the Company to drive its growth plans;
- b. To motivate the Employees to contribute to the growth and profitability of the Company;

- c. To retain the Employees and reduce the attrition rate of the Company;
- d. To achieve sustained growth and the creation of shareholder value by aligning the interests of the Employees with the long-term interests of the Company;
- e. To create a sense of ownership and participation amongst the Employees to share the value they create for the Company in the years to come; and
- f. To provide additional deferred rewards to Employees.

**2. The total number of Options to be offered and granted under the Scheme:**

The maximum number of Options that may be granted in one or more tranches, pursuant to this Scheme shall not exceed 15,00,000 (Fifteen Lakh) Options which shall be convertible into equal number of Equity Shares of the Company.

If any Option granted under the Scheme lapses or is forfeited or surrendered under any provision of the Scheme, such Option shall be available for further grant under the Scheme unless otherwise determined by the Committee.

Further, the maximum number of Options that can be granted and the Shares arise upon exercise of these Options shall stand adjusted in case of Corporate Action (as defined in the Scheme).

**3. Identification of classes of Employees entitled to participate in the Scheme:**

- (a) An Employee as designated by the Company, who is exclusively working in India or outside India; or
- (b) A Director of the Company, whether a Whole Time Director or not, including a non-executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or
- (c) An employee as defined in (a) or (b), of a Subsidiary Company, in India or Outside India.

but does not include

- (a) An Employee who is a Promoter or a person belonging to the Promoter Group; or
- (b) A Director who either himself or through his Relative or through any Body Corporate directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

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### 4. Requirement of Vesting and period of Vesting:

Vesting Period shall commence from a period of 1 (One) year from the Grant Date and shall extend upto a maximum period of 5 (Five) years from the Grant Date, at the discretion of and in the manner prescribed by the Committee and set out in the Grant Letter.

The actual vesting would be subject to the continued employment of the Grantee and may further be linked with certain performance and other criteria, as determined by the Committee and mentioned in the Grant Letter.

### 5. Maximum period within which the Options shall be vested:

Maximum period within which the Options shall be vested is 5 (Five) years from the Date of Grant.

### 6. Exercise Price or Pricing Formula:

Under this Scheme, the Exercise Price will be decided by the Committee at the time of grant and shall be linked with Market Price as defined in the Scheme.

The Committee has the power to provide a suitable discount on such price as arrived above. However, in any case the Exercise Price shall not go below the face value of Share of the Company.

### 7. Exercise period and process of Exercise:

After Vesting, Options can be Exercised either wholly or partly, within a maximum exercise period of 1 (One) year from the date of respective vesting, after submitting the Exercise application along with payment of the Exercise Price, applicable taxes and other charges, if any. The Committee may open a quarterly/monthly Exercise window, during the overall exercise period, as per their own discretion.

The mode and manner of the exercise shall be communicated to the Grantees individually.

### 8. Appraisal process for determining the eligibility of the Employees to the scheme:

The Committee may on the basis of all or any of the following criteria, decide on the Employees who are eligible for the Grant of Options under the Scheme, the number of Options to be Granted and the terms and conditions thereof.

- Longevity of Service: It will be determined on the basis of tenure of employment of an Employee in the Company.

- Performance of Employee: Employee's performance during the financial year in the Company on the basis of decided parameters.

- Performance of Company: Performance of the Company as per the standards to be set by the Committee/ Board of Directors from time to time.

- Any other criteria as decided by the Committee in consultation with Board of Directors from time to time.

### 9. The Maximum number of Options to be granted per Employee and in aggregate:

Subject to availability of Options in the pool under the Scheme, the maximum number of Options that can be granted to any eligible Employee during any one year shall not be equal to or exceed 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant. The Committee may decide to Grant such number of Options equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) to any eligible Employee as the case may be, subject to the separate approval of the members in a general meeting.

The maximum number of Options that may be granted, in one or more tranches, pursuant to this Scheme shall not exceed 15,00,000 (Fifteen Lakh) Options which shall be convertible into equal number of Equity Shares of the Company.

### 10. The Maximum quantum of benefits to be provided per Employee under the scheme:

The maximum quantum of benefits that will be provided to every eligible employee under the Scheme will be the difference between the market value of Company's share on the Recognized Stock Exchanges as on the Date of Exercise of Options and the Exercise Price paid by the Employee.

### 11. Whether the Scheme(s) is to be implemented and administered directly by the Company or through a Trust:

The Scheme shall be implemented through direct route for extending the benefits to the eligible Employees by the way of fresh allotment from the Company.

The Scheme shall be administered by the Nomination and Remuneration Committee of the Company.

**NOTICE (CONTD.)****12. Whether the Scheme involves new issue of shares by the company or secondary acquisition by the Trust or both:**

The Scheme involves new issue of Equity Shares by the Company.

**13. The amount of loan to be provided for implementation of the Scheme by the Company to the Trust, its tenure, utilization, repayment terms, etc.:**

Not applicable, since the Scheme is proposed to be implemented by direct route.

**14. The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Scheme:**

Not applicable, since the Scheme is proposed to be implemented by direct route.

**15. Disclosure and accounting policies:**

The Company shall comply with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB & SE) Regulations or as may be prescribed by regulatory authorities from time to time.

**16. The method which the Company shall use to value its Options:**

The Company shall comply with the requirements of IND – AS 102 and shall use Fair value method and the fair value of Options would be calculated as per the prescribed method under the applicable regulations.

**17. Statement with regard to Disclosure in Director's Report:**

As the company is adopting fair value method, presently there is no requirement for disclosure in director's report. However, if in future, the Company opts for expensing of share based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have

been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.

**18. Period of lock-in:**

The Shares allotted to the Grantees pursuant to Exercise of Options shall be subject to no lock-in period from the date of allotment. The Grantee is free to sell the shares.

**19. Terms & conditions for buyback, if any, of specified securities:**

The Committee has the powers to determine the procedure for buy-back of Options granted under the Scheme, if to be undertaken at any time by the Company, and the applicable terms and conditions, in accordance with the applicable law.

The Board of Directors recommend the resolution as set out at Item no. 4 for your approval as Special Resolution.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel are in anyway concerned or interested in the resolution except to the extent of Equity Shares held by them in the Company or the options may be granted under the Scheme.

HP Adhesives Employee Stock Option Scheme - 2024 and other documents referred to in the aforesaid resolutions are available for inspection on the website of company at [www.hpadhesives.com](http://www.hpadhesives.com) or at the registered office of the Company.

For **HP Adhesives Limited**

**Date: 12<sup>th</sup> August, 2024**  
**Place: Mumbai**

**Karan Motwani**  
**Managing Director**  
**DIN: 02650089**

**NOTICE (CONTD.)**
**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE 5<sup>TH</sup> ANNUAL GENERAL MEETING (PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS – 2):**

<b>Name of the Director</b>	<b>Ms. Nidhi Haresh Motwani</b>
Brief Profile	Ms. Nidhi Motwani is the Executive Director of our Company and she is associated with HP Adhesives since 2016. She has completed Bachelor of Business Administration from Narsee Monjee Institute of Management Studies, Mumbai, and Masters of Global Business from S P Jain School of Global Management. At HP Adhesives Limited, Nidhi leads the complete execution of the organisational strategy across levels primarily focusing on operations, new projects, and growth of new product categories. In the last seven years, under her leadership, the organisation has experienced a significant increase in output capacity as well as consistent efficiency in production. She has been instrumental in launching and showing manifold growth of new products - SR/SH and Silicone sealant
Designation	Executive Director
Director Identification Number (DIN)	06655834
Date of Birth and Age	1 <sup>st</sup> January, 1992 (32 years)
Date of First Appointment on the Board	10 <sup>th</sup> February, 2022
Qualifications	Bachelor of Business Administration from Narsee Monjee Institute of Management Studies, Mumbai and Masters of Global Business from S P Jain School of Global Management
Experience	More than 8 years
Expertise in specific functional area	General Management of Business and New Product Development
No. of Board Meetings attended during FY 2023-24	6
Number of Shares held in the Equity Capital of the Company	1,00,00,000
Shareholding in the Company as a beneficial owner	Nil
Directorships held in other Public Limited Companies	None
Resignation from the directorship of the listed companies in the past three years	None
Memberships / Chairmanships of Committees of Boards in Companies (Including HP Adhesives Limited)	Member of Corporate Social Responsibility Committee
Remuneration last drawn	Details of remuneration for FY 24 has been provided in the Corporate Governance Report forming part of the Annual Report 2023-24.
Terms & Conditions and details of remuneration proposed	Executive Director liable to retire by rotation
Disclosure of relationships between Directors/ KMP inter-se	Ms. Nidhi Haresh Motwani is the Daughter of Mrs. Anjana Haresh Motwani, Chairperson & Executive Director and Promoter and Sister of Mr. Karan Haresh Motwani, Managing Director and Promoter of the Company.