

NOTICE TO THE SHAREHOLDERS

Please take Notice that the 37th Annual General Meeting of the Members of HEMADRI CEMENTS LIMITED is scheduled to be held on Friday, the 27th day of September 2019 at 2.30 pm., at Vedadri Village, Jaggayapet Mandel, Krishna District, A.P. State to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2019, the Directors' Report and Auditor's Report thereon.
2. To appoint a director in the place of Shri P.Ravi (DIN 0675665) who retires by rotation and being eligible, offers himself for reappointment
3. To appoint a director in the place of Shri S.Vivekanandan Murugan (DIN: 05223790), who retires by rotation and being eligible, offers himself for reappointment
4. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. B. Purushottam & Co., Chartered Accountants with Firm Registration No.002808S), the existing Auditor of the company be and is hereby re-appointed for a second term as the Statutory Auditor of the Company, to hold the office from the conclusion of this (37th) Annual General Meeting till the conclusion of the 42nd Annual General Meeting of the Company, at a remuneration of Rs.4,50,000/- per annum, plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.

Special Business:

5. Re-appointment of Mr. P.Ravi as Whole Time Director
To consider and if thought fit, to pass the following resolution as a Special Resolution

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), including the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification thereto from time to time or any re-enactment thereof for the time being in force) read with Schedule V to the said Act, and Articles of Association and other necessary approvals as may deem necessary, consent of the members of the Company be and is hereby accorded for re-appointment of Sri P.Ravi (DIN 00675665) as Director liable to retire by rotation and Whole Time Director of the Company for a period of 3 years from the conclusion of this AGM till the

conclusion of the AGM to be held in 2022, on payment of remuneration of Rs.10,00,000 (Rupees Ten Lakhs Only) per month. The salary is consolidated and is inclusive of perquisites and is as approved by the Nomination and Remuneration Committee at its meeting held on 21.05.2019.

RESOLVED FURTHER THAT the remuneration stated above is payable irrespective of the fact that the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013 and is within the limits laid down under the said provisions.

6. Re-appointment of Mr.Gopalsamy Rajan as Independent Director of the Company
To consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr.Gopalsamy Rajan (DIN 02348441) Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for another term of 5 (five) consecutive years with effect from 27th September 2019 till the conclusion of the 42nd AGM of the Company”

7. Re-appointment of Mr. Badri Narayan Rao Dabbir as Independent Director of the Company
To consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr.Badri Narayan Rao Dabbir (DIN 01180539) Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for another term of 5 (five) consecutive years with effect from 27th September 2019 till the conclusion of the 42nd AGM of the Company”

8. Re-appointment of Mr.Ramachandra Rao Bollepalli as Independent Director of the Company

To consider and if thought fit, to pass the following resolution as a Special Resolution::

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr.Ramachandra Rao Bollepalli (DIN 00637389) Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for another term of 5 (five) consecutive years with effect from 27th September 2019 till the conclusion of the 42nd AGM of the Company”

**By Order of the Board
For HEMADRI CEMENTS LIMITED**

Place : Chennai
Date : 21th May 2019

Hema Pasupatheeswaran
Company Secretary

NOTES:

- (1) A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll on his behalf and the proxy need not be a member of the Company.
- (2) The instrument appointing the proxy should, however be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

- (4) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- (5) Members are requested to bring their attendance slip along with their copy of Annual Report to the Company, duly completed and signed. Attendance Slip shall be handed over at the entrance of the meeting venue.
- (6) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (7) Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
- (8) Members seeking any information with regard to the Accounts, are requested to write to the Company at least 7 working days prior to the date of the meeting to “cs@hemadricements.com” so as to enable the Management to keep the information ready at the meeting.
- (9) Additional information on Directors retiring by rotation and eligible for being re-appointed as required by SEBI (LODR) Regulations and SS-2 of ICSI is given in the Directors' Report, forming part of this Annual Report.
- (10) The respective Explanatory statements, pursuant to section 102 of the Companies Act, 2013, in respect of the business item nos 5, 6, 7 & 8 of the accompanying notice is annexed hereto
- (11) In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and sub clause (1) & (2) of Clause 44 of SEBI regulations, the Company will be providing members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM) (“remote e-voting”) will be provided by Central Depository Services Limited (CDSL). The detailed procedure to be followed in this regard has been given in Annexure – A to the notice. The members are requested to go through the same carefully.

Explanatory Statement

Annexed to the Notice convening the 37th Annual General Meeting of the Company in accordance with the requirement of Section 102 of the Companies Act 2013.

Item No.5

Mr. P. Ravi had been re-appointed as Whole Time Director of the Company for a period of 3 years, at the 34th AGM of the Company held on 28th September 2016, from the conclusion of that AGM, till the conclusion of the AGM to be held in 2019. The term of office of Mr. P. Ravi as Whole Time Director of the Company is due to expire on 27th September 2019. The present proposal is to seek the Shareholders' approval for the re-appointment of Mr. P. Ravi as Whole Time Director in terms of the applicable provisions of the Companies Act, 2013. The Board of Directors of the Company (the 'Board'), at its meeting held on 21st May 2019 has, subject to the approval of the Shareholders, reappointed Mr. P. Ravi for a further period of 3 years from 27th September 2019. The payment of remuneration has already been approved by the Nomination & Remuneration Committee in its meeting held on 21st May 2019 & subsequently by the Board of Directors at its Board Meeting held on even date. Therefore the Board proposes to seek the approval of the Shareholders of the Company, for Mr.P. Ravi's re-appointment and approving the payment of remuneration for a maximum of Rs.10,00,000 (Rupees Ten Lakhs Only) per month as consolidated pay, including all perquisites and allowances. The Board recommends the special resolution as mentioned in the Notice for your approval. Except for Mr. P.Ravi and his relatives as declared by him, none of the other Directors and Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No.5.

ITEM Nos. 6, 7 and 8

Mr.Gopalsamy Rajan, Mr. Badri Narayan Rao Dabbir and Mr.Ramachandra Rao Bollepalli, are independent directors of the Company and were appointed in 2014 for a period of five years. As the above named independent directors will be completing their first term of appointment upon completion of five years from the respective dates of their appointment during the current year, they are eligible for reappointment for another term of five consecutive years subject to the approval of members by special resolution. They have consented to their reappointment and confirmed that they do not suffer from any disqualification from being re-appointed as independent directors.

It is proposed to appoint Mr.Gopalsamy Rajan, Mr.Badri Narayan Rao Dabbir and Mr.Ramachandra Rao Bollepalli as independent directors under section 149 of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 to hold office for 5 (Five) consecutive years for a term up to the conclusion of 42nd Annual General Meeting of the company to be held in the calendar year 2024.

The Company has received declarations from Mr.Gopalsamy Rajan, Mr. Badri Narayan Rao Dabbir and Mr.Ramachandra Rao Bollepalli that they meet with the criteria of independence

as prescribed under sub section (6) of section 149 of the Act. In the opinion of the Board, Mr.Gopalsamy Rajan, Mr. Badri Narayan Rao Dabir and Mr.Ramachandra Rao Bollepalli fulfill the conditions for appointment as independent directors as specified in the Act.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure, the continued association of Mr.Gopalsamy Rajan, Mr. Badri Narayan Rao Dabir and Mr.Ramachandra Rao Bollepalli would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors.

Brief resume of Mr.Gopalsamy Rajan, Mr. Badri Narayan Rao Dabir and Mr.Ramachandra Rao Bollepalli, as stipulated under regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under Secretarial Standard 2 are given below.

Name	Mr.Gopalsamy Rajan	Mr.Badri Narayan Rao Dabir	Mr.Ramachandra Rao Bollepalli
DIN	02348441	01180539	00637389
Age	84 years	72 years	74 years
Qualification	B.L.,	B.E.	B.E.
Expertise in specific area	Civil and Company Law	Cement, Building Materials and Mining	Cement, Engineering, Industry and Management
Share holding in the Company	Nil	Nil	Nil
List of other Directorships held	HCL Agro Power Limited	1. Sanghi Industries Limited 2. Seetharam Cements Limited 3. Sanghi Cements Limited 4. Sai Hemaja Aerobricks Private Limited	1. S.S.Infrastructure Development Consultants Limited 2. Bollepalli Technologies Private Limited 3. Sriramcharan Energy and Infra Private Limited 4. Sai Hemaja Aerobricks Private Limited
Brief Profile	He is a Practising Advocate before the Madras High Court for more than 50 years and has rich experience in Company and other matters and has represented various institutions before the said Court. He is also associated with various religious and philanthropic organizations. He has authored a few books on law and religion	He has more than 50 years of experience in cement products and mining. He has held various positions in the past like Chairman of Civil Engineering Divisional Council for Cement and Concrete, BIS and Ministry of Consumer Affairs, New Delhi, Director General of Building Materials and Technology Promotion Council, National Council for Cement and Building Materials, Ministry of Industries and Commerce, New Delhi	He is a Mechanical Engineer from Andhra Pradesh University, joined BHEL – Hyderabad Unit and worked in various product groups and functions like technology, manufacturing etc., He grew with BHEL and was eventually appointed as Executive Director where he served in the Jhansi and Hyderabad Units. At present he is a consultant and Director of some of the companies in both cement and other sectors.
Membership/ Chairmanship of other committees	Given under Corporate Governance Report	Given under Corporate Governance Report	Given under Corporate Governance Report

Copy of the draft letters for respective appointments of Mr.Gopalsamy Rajan, Mr. Badri Narayan Rao Dabir and Mr.Ramachandra Rao Bollepalli, as independent directors setting out terms and conditions are available for inspection by members at the registered office of the company. Mr.Gopalsamy Rajan, Mr. Badri Narayan Rao Dabir and Mr.Ramachandra Rao Bollepalli, and their relatives (are deemed) to be interested in the resolutions set out respectively at item nos. 6, 7 & 8 of the notice with regard to their respective appointments. Save and except above, none of the Directors/ Key Managerial Personnel of the company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions. The board commends the special resolutions set out at item nos. 6,7 & 8 of the notice for approval by the shareholders.

The Register of Members of the Company shall remain closed from Saturday, the 21st September 2019 to Friday, the 27th September 2019 (both days inclusive).

**By Order of the Board
For HEMADRI CEMENTS LIMITED**

Place : Chennai
Date : 21th May 2019

Hema Pasupatheeswaran
Company Secretary

Annexure A to the Notice of the 37th AGM

1. Information and Instructions relating to e-voting are as under:

Information:

- (i) The Board of Directors of the Company has appointed Mr. Balu Sridhar, Practicing Company Secretary, Partner, A.K. Jain & Associates, Chennai (email id : akjainassociates@gmail.com) as Scrutinizer to scrutinize the voting at AGM and the remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- (ii) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date ie., 21st September 2019;
- (iii) A person, whose name is recorded in the register of members as on 21st September 2019 only shall be entitled to avail the facility of remote e-voting as well as voting at AGM through polling paper
- (iv) The remote e-voting facility will be available during the following period:
Commencement of remote e-voting: From 9.00 a.m (IST) on Tuesday, the 24th September 2019
End of remote e-voting: At 5.00 p.m. (IST) on Thursday, the 26th September 2019

- (v) The e-voting module shall be disabled by CDSL for voting thereafter.
- (vi) The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results shall simultaneously be communicated to BSE Limited.
- (vii) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e., 27th September 2019

Instructions

- (viii) Please read the following instructions before exercising the e-voting.
 - i. The shareholders should log on to the e-voting website <https://www.evotingindia.com/>
 - ii. Click on Shareholder
 - iii. Now Enter your User ID: 16 digits beneficiary ID,
 - iv. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - v. Next enter the Image Verification as displayed and Click on Login
 - vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used;
 - vii. If you are a first time user follow the steps given below:
 - a. For Members holding shares in Demat Form and Physical Form PAN Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical share holders) or
 - b. Enter the 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.
 - c. If both the details are not recorded with the depository or with the Company, please enter the member id / folio number in the Bank details field.
 - d. 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 EVEN for the "Hemadri Cements Limited" on which you choose 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. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xvi. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. Shareholders can also use Mobile app-“m-Voting” for e-voting. m-Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m-Voting using their e-voting credentials to vote for the company resolution(s).
- xviii. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, 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 and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution or 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 scrutinizer to verify the same.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.